

STRATEGIC DOING: THE ART AND PRACTICE OF STRATEGIC ACTION IN OPEN NETWORKS

Draft White Paper Version 1.3

Ed Morrison

Purdue Center for Regional Development

December 2008

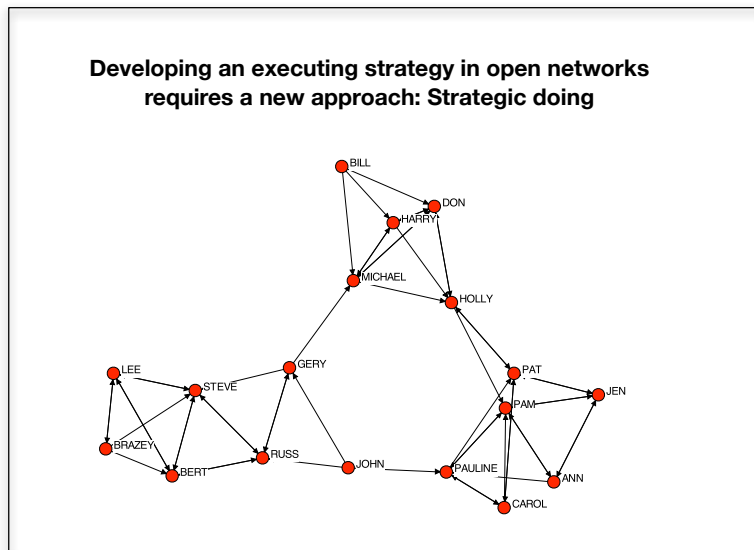
Economies are not just metaphorically *like* open systems, they literally and physically *are* a member of the universal class of open systems.

Eric D. Beinhocker, *The Origin of Wealth: Evolution, Complexity and the Radical Remaking of Economics*

The future ain't what it used to be.
Yogi Berra

Strategic doing guides strategy in open innovation networks

As we move into the world of networks, we need to find new ways of thinking together. Strategic thinking and the capacity to translate ideas into action have never been more important. Yet, traditional approaches of strategic planning, developed by corporations 40 years ago, are too slow, too rigid for today's fast cycle world. Command-and-control management styles also don't work very well. Long, drawn-out strategic planning exercises sap our energy and predictably lead to frustration and discouragement.



Networks are different. In a world of open networks, strategy becomes the art of guiding purposeful conversations. Effective strategy translates ideas into action quickly, so we can learn what works. That's what strategic doing is all about. It's a roadmap for guiding our conversations to a deeper level...quickly. Strategic doing balances both open

participation and leadership direction. It helps us identify and keep focused on the transformational questions that move people. At the same time, strategic doing is never far from execution: What's our next step?

While inflexible approaches to strategic planning are becoming obsolete, we still need practical strategies. We need to find fast ways to link and leverage our assets in order to achieve transformational outcomes. How do we reduce high school dropouts and by 30% in three years? How do we accelerate the number of start-ups in our region by a factor of ten? How do we double or triple the number of health care technicians or machinists we are training? These are the big questions, the transformative questions.

Strategic doing can help us answer them. Strategic doing is a set of principles, practices and disciplines for implementing strategy in a network. Old models of strategic planning were designed for hierarchical organizations, and they do not work well. Strategic doing is different. It guides strategy across organizational and political boundaries with a discipline to build collaborations quickly. Strategic doing answers four questions:

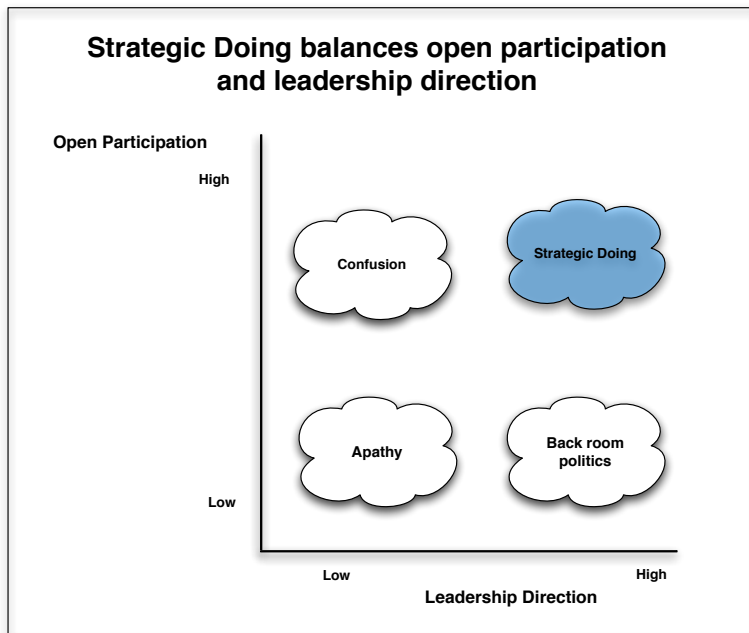
- What could we do together?
- What should we do together?
- What will we do together?
- How will we learn together?

Sounds simple, yet, it is not easy. Too few of us have learned the civic habits of keeping our conversations focused and on track. Too few of us have learned the skills of thinking together. Too few of us follow the handful of simple rules we need to manage complex projects in an open network. This should not surprise us. Hitting a golf ball straight looks easy, but it's not. Cooking a good meal from scratch looks easy, but it's not. Like any new skill, strategic doing takes practice.

Here's the good news. Once we learn the discipline of strategic doing, the process of strategy becomes faster, much faster...and a lot more fun. Translating ideas into action is no longer an obstacle, but an opportunity. Moving ideas to action becomes an integral part of how we work together. Once we understand the process, we can move ideas into action quickly. And not just a few ideas. We can move a lot of them. That's what creativity, innovation and learning are all about.

Action plans are still important for a simple reason: We tend to get lost unless we write down our tasks and next steps. At the same time, our strategic plan is no longer a thick

dust collector on the shelf. Rather, it becomes a concise guide that quickly explains where we are going and how we are going to get there. It's fast to read and easy to understand.



At the same time, with strategic doing, there is no final strategic plan. Instead, our plans are more like strategic agendas that we can quickly revise to reflect midcourse corrections, new insights from what we have learned, and new opportunities that pop up from time to time.

Learning is what makes strategic doing fun. Making connections, learning, collaborating: this "work" is hardly work at all. It's both

gratifying and rewarding, because it takes place in an atmosphere of trust, mutual respect, and enduring relationships. We collaborate and learn from people whom we trust and respect. At the same time, we are willing to share what we know when we sense that others value our insights and perspectives.

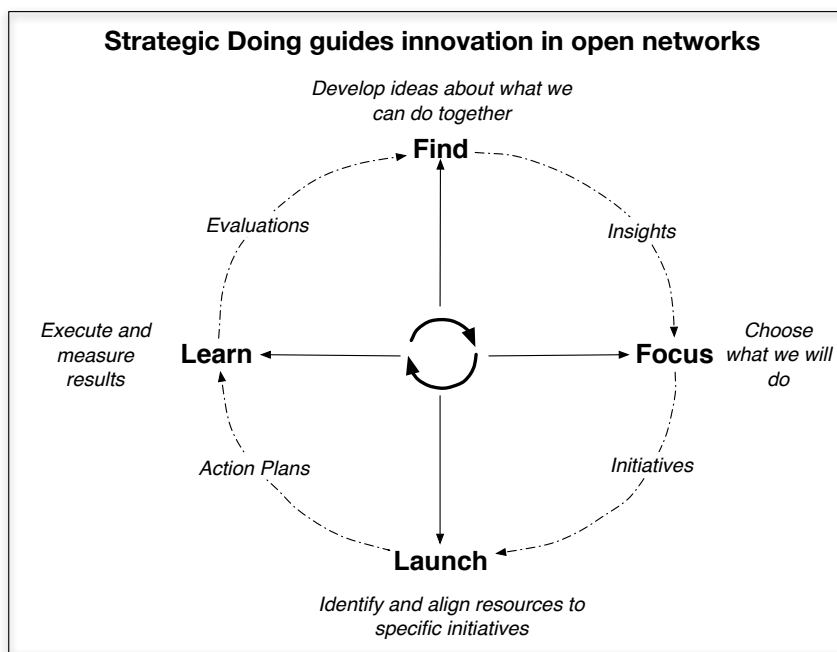
Strategic doing is also a skill that we can teach to others, once we have learned it ourselves. So, strategic doing is low cost and scalable. It can become a convenient framework for igniting and managing creative collaborations. We need enduring collaborations to integrate education, workforce development, and economic development. Strategic doing can deliver them. It helps us set quality standards for our civic collaborations. It becomes how we get stuff done when we venture outside the four walls of our own organizations.

There's more good news. Strategic doing is flexible. You can start the process in as little as an hour. Of course, as with most things, more time is better. But in today's world, we need to adjust to the fact that everyone's time is both scarce and precious. So we need to be flexible. We need to be prepared to do our strategic thinking on-the-fly.

The Simple, Guiding Questions of Strategic Doing

Let's look at more detail to the questions that guide strategic doing.

What could we do together? Strategic doing starts with our assets. Asset mapping is a critical first step, but it is not enough to list our assets. We need to probe. We need to ask questions about how our assets -- our strengths -- could be combined in new and different ways. This step calls us to creativity. We need to see new patterns in our assets, new connections that we could form, new collaborations that align our interests and help us achieve some mutually beneficial outcomes.



During this first step, we gain some insights about the importance of purposeful conversation. First, we learn that the key to deep conversation is not speaking, it's listening. (Another Yogi Berra quote comes to mind: "It was impossible to get a conversation going, everybody was talking too much.")

We also learn another important lesson: Our thinking follows the direction of our conversation. That's why focusing on our assets is so important. Our future prosperity will flow from the opportunities we see by linking, leveraging and aligning our assets.

Every person, every organization has an infinite list of deficiencies: things we do not have or cannot do. At the same time, every individual, organization, community possesses some clear and unique attributes, a set of assets that define who you are, what you can do, and how you live your life.

To understand the power of linking assets, follow a small thought experiment. Consider a group of three people: you and two of your friends. The combination of your attributes --

your skills, your experiences, your intelligences -- is unique on the planet. No group has quite the same mix. How can you combine your assets to create something new? Only your friends and you can answer that question, of course. And you'll need some deep, engaging conversation to do it.

Now add another dimension: your networks. Each one of you has a group of trusted people in your networks. One of your friends might have a small network, ten people or so. Another might have a network that is considerably larger, fifty people or more. In any case, these networks are also assets on which you can call for an important purpose. Now, we are not talking just about three unique individuals. We are all of the sudden engaging a network twenty to thirty times as large.

Our thought experiment started with a small group of three people. Now let's go back and consider what would happen if we started with a community group of twenty, fifty or two hundred. You can begin to see the possibilities that open networks create.

What should we do together? Once we start focusing on our assets and how we can combine them in new and different ways, we inevitably come up with a lot of different ideas about how we could collaborate. We have all been in brainstorming sessions in which we have covered the wall with new ideas. Then reality hits. None of us has the time to pursue all of these ideas. We need to decide. We need to choose one two or three things that we can do together.

Simply choosing is not enough. We really also need to focus on defining clear outcomes. We need to distill and integrate our thinking. We need to be clear about where we are heading. We need practical, tangible outcomes. Visions can be vague. Outcomes are not.

There's an important reason to focus on practical outcomes. If we want others to follow our leadership, we will need to explain our outcomes concretely. Most people are intensely practical. They will only spend their time on projects they think can succeed. Our verbal picture of a strategic outcome needs to be specific enough to move people. We need to give people the opportunity to experience our outcomes in their mind's eye. They need to picture in concrete terms how things will be different.

Clear, concise strategic outcomes have another benefit. Clarity points us to the metrics we need to measure our progress. For example, if we have a strategic outcome of teaching

every third grader to read and comprehend well, we will clearly measure our progress by following third grade reading scores.

What will we do together? Now comes the step of translating ideas into action. To move forward, we need to make mutual commitments. We need to come up with an action plan of who does what, when. Action plans map our path ahead. They are also critical if we are going to enlist the support of others.

By definition, transformation requires us to step outside our comfort zones, outside the familiar patterns of how we lead our lives. People will not move in a new direction without a clear strategic outcome. They need to feel an emotional investment in a strategic outcome. Yet, that is not enough. Before they begin altering old patterns, people also need confidence that there is a practical path to get to our outcome.

People -- rightfully -- see some risk if they are asked to abandon old patterns, old habits, in favor of something new. What if the new path leads nowhere? What if we fail? What if I fail? These are all legitimate concerns. A clear, concise action plan helps us understand the magnitude of the risks we face and make a decision about whether we will personally commit to moving ahead.

How will we learn together? An action plan and even executing an action plan is not enough. We need to chart out a process for learning together, we need to create a “learning loop”. No one is clear what works. What we learn, we learn by doing. So the last question of strategic doing is probably the most important: “How will we learn together?”

In practical terms, this comes down to answering two questions. First, how we will leverage the Internet to share information and experiences before we meet again? Second, how and when will we come together to assess our progress? To be an effective discipline, we must map a process by which we will reconnect -- both in person and on-line -- to continue the our learning and the strategic doing cycle.

A continuous commitment to learning and sharing also distinguishes the process of strategic doing from traditional strategic planning. In the traditional approaches to strategy, decisions rest in the hands of a few. With strategic doing, decisions continuously emerge through focused conversation and consensus. We listen to opposing views and reach new insights by integrating new perspectives. Then, we move toward action. Consensus

emerges from a shared understanding that talking has its limits. If we are going to transform, it's less important what we do, and it is more important that we do something.

Consensus does not mean unanimity. It does, however, mean open participation in the process of choosing among alternatives. Not everyone needs to agree, but everyone who wishes to participate needs to be heard. We need full open and full debate of our strategic alternatives.

Managing these conversations, guiding consensus, and moving toward action quickly requires leadership direction. So, open participation needs to be balanced with leadership skills: the ability to see patterns, restate issues, integrate diverse perspectives, and move ahead. Good leaders give voice to new insights. They move us toward shared outcomes, and they see the tensions that inevitably emerge as new opportunities for creativity and innovation.

One last point: Throughout the strategic doing process, transparency becomes a critical component of successful collaborations. As trust builds within a community or network, gaining consensus becomes faster. Transparency has other benefits. Not everyone can be everywhere. For people who must momentarily step outside the process -- or for latecomers to a strategic doing process -- transparency helps people engage more quickly. They can quickly make up for what they have missed.

Developing New Civic Spaces with Strategic Doing

To promote innovation, we need new habits to think and act together. In region after region, the central challenge involves moving people out of old patterns of thought and behavior. The best way to move past these old traps is to form new collaborations across organizational and political boundaries.

The irony is, of course, that these boundaries are, for the most part, no longer boundaries at all. In a world of global competition and the Internet, traditional boundaries -- boundaries often drawn decades ago -- simply limit our thinking of what is possible. When you think about it, submitting our thinking to these boundaries doesn't make much sense. It's a little like driving your car by looking in the rear view mirror.

In crossing our traditional organizational and political boundaries, we face some very practical problems, though. Again, it may sound simple, but it is not easy. As a first matter,

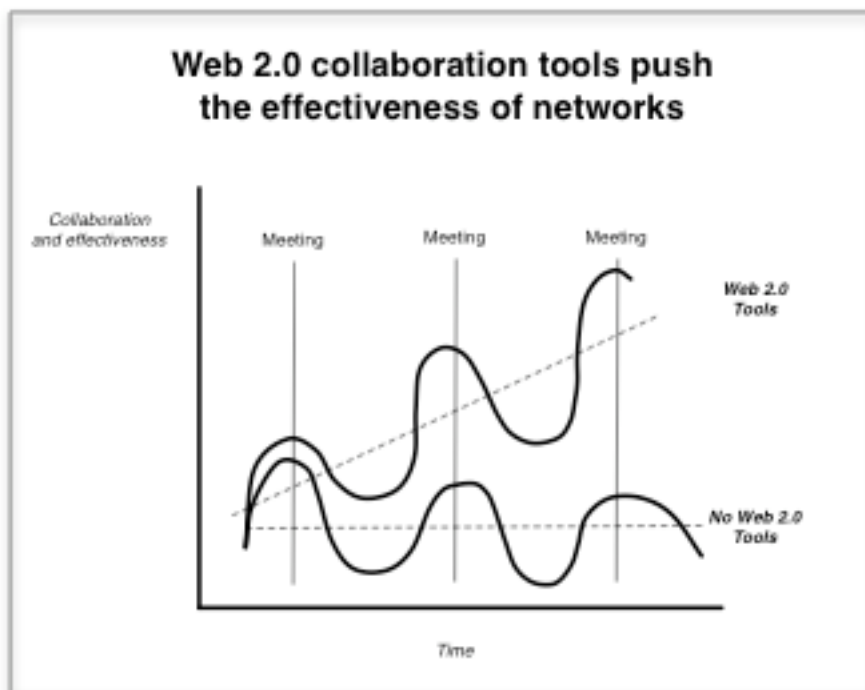
we often do not have a habit of coming together on a regular basis to explore the big opportunities of transformation. A trusted convener may be hard to find. Or, simply locating a place where people feel comfortable poses problems. More typically, though, we often do not know how to act. We do not behave toward each other in ways that build trust and mutual respect.

Incivility emerges in a wide range of behaviors. People withhold information from each other. People may shout at each other. People may simply ignore each other. Recall a time when you left a civic or public meeting angry or frustrated. Now think about the behaviors (not the people) that gave rise to your frustration. Chances are, at the core, someone's incivility pushed you over the edge.

The irony, of course, is that we do not have to put up with incivility. We can agree to behave toward each other in ways that build trust and mutual respect. We can agree to follow some simple rules. It's not hard. Libraries do it every day.

Leveraging the Collaborative Power of Web 2.0

Strategic doing is not an event. It's a process. Indeed, with strategic doing, the process is the product. By connecting assets to our emerging opportunities, defining clear outcomes,



setting action plans, and committing to learning, we are strengthening the habits we need to build networks and the trust that powers them.

The collaborative tools of Web 2.0 -- blogs, wikis, RSS feeds, and others -- energizes strategic doing. These tools enable us to

collaborate remotely. Web 2.0 unleashes the true power of the Internet -- its interactivity. Web 2.0 tools make the two way flow of information easy. We can now communicate “one-to-one”, “one-to-many” and “many-to-one”. We can embed or stream video and audio files, so that people can be “in the room”. We can share files and co-author documents. All this power is now in the hands of everyone. These tools are now simple enough for anyone who can type.

This interactivity create profound implications. Information is freely available, and we can locate just what we need quickly. We can filter vast amounts of information and receive only what we want. Continuous learning is open to anyone with a connection to the Internet. People with similar interests can now find each other easily. Equally important, these tools enable on-line communities to thrive. They facilitate creativity, collaboration and sharing among members of a community. Strategic doing quickly leads to the formation of new communities. Web 2.0 tools empower these communities to continue their collaborations.

Strategic Doing and Regional Leadership

Finally, strategic doing requires a different kind of leader, someone who understands the importance of distributing responsibility and decision making widely. With strategic doing, leaders understand that a big part of the job involves helping others to learn.

Leaders lead by helping others find and follow their passions. Effective leaders understand that creativity and innovation is not the product of a single mind but the blending of diverse perspectives. Leaders skilled in strategic doing understand when they must lead from the front and when to lead from the rear. They are comfortable doing both.

Regional leaders can play a range of roles. The following table outlines the key roles. As we move toward new models of strategic doing, these roles will evolve.

Different Mental Models of Regional Leadership

An Appreciative mindset:

Focus on on our assets, on what we do want, do have, can do, what is working & why, what we want to move toward, what matters to us.

A Deficiency mindset:

Focus on what we don't want, don't have, can't do, what's not working & why, what we want to move away from, what we feel constrains us.

NEW NETWORK LEADER ROLE	RESPONSIBILITIES
Conveynor	Maintains the civic spaces
Connector	Links people, networks and assets
Civic entrepreneur	Sees new opportunities
Guide, mentor	Maps a complex process
Strategist	Reveals larger patterns
Web 2.0 Maven	Applies Web 2.0 power tools

About Purdue Center for Regional Development

The Purdue Center for Regional Development engages in applied research, policy analysis, and technical assistance that addresses high-priority regional needs and policy issues; develops networks and partnerships; and develops new approaches to regional strategies. The Center's web site: <http://www.pcrd.purdue.edu>

Learning More

Contact Ed Morrison: edmorrison@purdue.edu