

A systems thinking framework:

A New Orientation to Life

There is a very well known and often quoted phrase that is attributed to Henry Ford:

“If you think you can ... you’re right!”

“If you think you can’t ... you’re right?”

By Jim McKinlay



This quote is loaded with possibilities – the possibility of success and the possibility of failure. As any leader in any organization (whether in the public sector, the private sector or the not-for-profit sector) quickly learns, your constituent group – employees, customers, suppliers, stakeholders – expect you to choose and act upon the first choice – not the second one. While this choice seems to be quite obvious, history has proven that in many situations, leaders who have failed to recognize, grasp, or move on new opportunities were often limited by the way they think.

So the real question is, how do you want to think?

This article is intended to provide a view on another way to think. Through the use of a *Systems Thinking Framework*, we have found that people are more predisposed to “think they can.” This thinking skill set is one of the foundation pieces to the process of *Strategic Management*. Strategic management embodies the notion of planning and managing strategically to create successful change.

Strategic (Planning + Management) = Success

This formula clearly indicates that the degree of success is directly proportional to the amount of strategic thinking that is applied to your planning and your management practices. Let’s examine the elements of strategic management in a bit more detail and also focus on the type of thinking that serves as its foundation.

Having worked in public sector and private sector environment for over twenty five years, I have come to a clear understanding of the various reasons why strategic planning has often failed to provide the results promised by consultants or anticipated by organizational leaders. Too often, a significant amount of time, energy, and money is dedicated to producing a strategic plan that too often fails to provide the real change needed to achieve success. This anemic result is often referred to as the dreaded S.P.O.T.S. syndrome – **Strategic Plan On Top Shelf**. Upon completion of the planning process or project, we tend to review the plan and file it on the top shelf while we continue to do what we have been doing for many months or even many years. This is not a failure of strategic planning. It is a failure of strategic management.

The concept of strategic management embraces the strategic concepts of “strategic planning” along with the management concepts of “strategic change management”. One without the other will ultimately lead to chaos, confusion and failure. To create a plan and then fail to aggressively push for the change needed to turn the plan into reality is extremely shortsighted. To undertake significant change without the benefit of a plan will produce nothing but confusion and chaos.

people look to you to provide a good picture of what your organization can achieve, along with a detailed action plan that will create that “ideal future state.” Your constituent groups count on your cooperation to have staff who can contribute to the formulation of the strategic direction that is needed, but can also provide the administrative support needed to successfully implement the plan, once it has been developed and approved. To do anything less is to fail to meet the legitimate expectations of the people who support you and your career.

The 3 Premises

There are three premises that create the framework for strategic management. These are:

- Planning and change management are the primary responsibilities of leaders and managers.
- People support what they help create.
- Use a systems thinking approach to achieve the outcomes or results you want – which must be focused on serving the needs of your clients, customers, or constituents.

People support what they help create.

Experience has shown, over and over again, that there is a greater possibility of support for a new initiative or a change in policy or practice if those who are most likely to be impacted by these changes are invited to provide input into the process of change. Failure to do so will elicit strong resistance in opposition to the change. To be successful, those who are expected to bring about the change (*the Change Agents*) as well as those who are impacted by the changes (*the Change Targets*) must be included somehow in the planning process undertaken by the leaders (*the Change Sponsors*).

When legitimate opportunities for input, feedback, and critique are provided before the final decisions are made, people tend to provide sincere, constructive input that enhances the final product. This also tends to lower the resistance that surfaces naturally when people are kept out of the loop until the decision is finalized. It's too late then for input. The only option still available is criticism and resistance to the changes embodied in the new plan, if they cannot support it completely.

Let's look at each of these premises individually.

Planning and change management are the primary responsibilities of leaders and managers.

Leaders and managers in every organization are expected to establish the future direction of their organization. This expectation comes from all of the big stakeholders – staff, customers, shareholders, citizens, and related interest groups. As leaders,

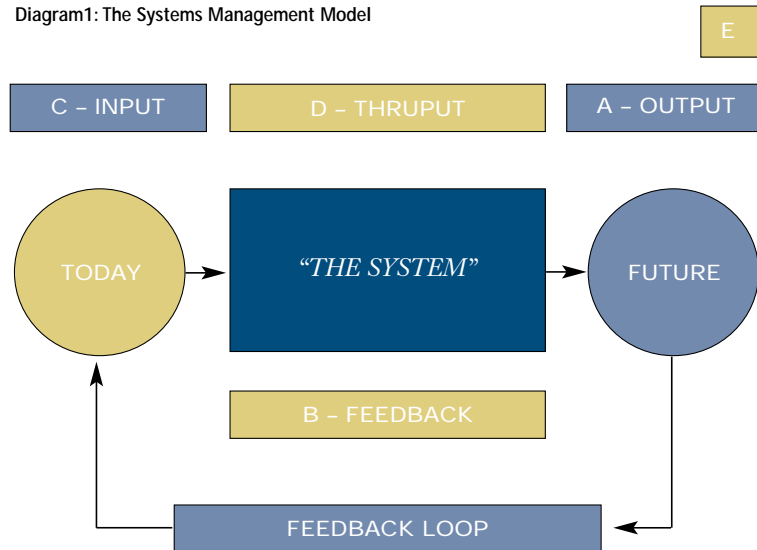


Strategic management

How do you want to think?



Diagram1: The Systems Management Model



An example of this can be found in the political arena where we often see the **DAD** approach to public participation: **Decide – Announce – Defend**. A more effective technique is to create openings for comments to draft versions of the plan or proposal while the plan is being developed. Then, if the input provided creates modifications and improvements to the plan, the constituent groups can readily see how they have helped to create the plan. This produces support when it is time to implement.

Use a systems thinking approach – Focus on Outcomes

While a systems approach to planning may seem like one of the new management fields that tend to flood the marketplace with regularity, it is in fact a very old approach. It is based on the elements of natural science, as represented by the world we live in. Our planet is a system within our solar system. Our country is a system within our

world community. Our municipalities are systems within our province. Businesses, community groups, and other local organizations are part of every municipality. In fact our body is a system that is made up of dozens of sub-systems. Since systems are the dominant building blocks of our world, why not learn from this scientific methodology and apply it to our daily lives?

The above diagram shows that a basic system is made up of five primary elements.

- A) the Outcome – or the Output
- B) the Feedback Loop
- C) the Input
- D) the Throughput – or the Process of Change
- E) the Environment

Environment

This system is made up of a set of components that work together for the overall objective of the whole (output).

We can use the simple systems approach to conduct planning at a project level and at a strategic level. In fact, most of us already use this approach in our daily lives but we are often unaware of the fact that this is what we are doing. Let's look at it from a level of conscious awareness.

By focusing on Step A, the "output" or desired outcome as the first step, we conceptualize what success will look like, once it has been achieved. We then identify in Step B, the measures of success that we will use as part of the "feedback" that lets us know if things are proceeding as planned. In Step C, we assess all of the available input resources we have to work with, as well as explore the issues, concerns, and problems that are currently facing us. From this, we formulate the strategy or game plan that will resolve our issues and enable us to move from where we are (the current state) to where we want to be (the desired outcome). With a plan to work on, we enter Step D, and begin the process of implementing the plan. This is where we consciously create the change required to move forward towards our desired outcome.

All of this would work fine, as long as we didn't have any interference from the external world or environment that surrounds us (Step E). We are constantly bombarded with pressures of an economic, political, technical, or semi-demographic nature. Environmental factors are factors over which we have no control – but, if we don't pay attention to them, they could totally alter or even destroy our nice, neat plan for success.

To test this out, reflect on how we have set up retirement savings plans - to achieve a successful retirement, free from financial pressures. Or, reflect on how we often automatically use this approach to plan a long holiday trip, or help to raise and educate our children, or conduct a planned search for a better or different job, or a new home to live in.

This approach is one that we have been using in our lives for many years, but probably at an unconscious level. This approach has been used very successfully in a variety of large and small organizations as well as large urban municipalities, provincial government departments, and federal government agencies. It works for community groups and

volunteer organizations, as well. It is a process that can be modified and customized to meet the needs of a small community group or expanded to meet the macro needs of a larger more complex corporation. The key is to remember to follow the five basic steps and to remember these 5 basic questions:

- Outcome – Where do we want to be by year X?
- Feedback – How will we know if we are on track, or not?
- Input – Where are we today and what do we have to work with?
- Throughput – What do we have to change to move forward and implement our plan?
- Environment – What's happening around us that could knock us off track and how do we handle it?

Strategic planning does not have to be a complex, confusing, and frightening process. In fact, when it is, it tends to fail. Strategic planning is one of the most powerful tools that leaders and managers can use to guide their thinking, their decision making, and their resource allocation process – to ensure they meet the "desired outcomes" of the members of their own organization. Strategic planning and strategic change management help to guide and direct the way staff carry out their plans and provide the services required to meet the demands and expectations of the community, in concert with the direction provided by the Board of Directors, the Municipal Council or their senior leaders and managers.

If you are not planning strategically, what are you doing? As the old saying goes: "If you fail to plan, then you plan to fail." That's not what people expect from their executive leadership team.

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Focus on desired outcomes