

Reflections on Strategy

Strategy refers to the broadest level of important directions governing an organization; similar to policy.

This short paper summarizes five important points about strategy :

1. *Strategy links a given purpose with a specific and distinctive way of getting there.*
2. *Strategies make demands! A good strategy will not have any effect unless it guides the way the organization operates.*
3. *Strategies can be told as stories.*
4. *Strategic planning methods have diversified to take account of more turbulent environments.*
5. *Strategy concepts must be adapted to religious organizations.*

Each of these five points is explained below. Please note that as a rule, the concept of strategy applies much more readily to a ministry than it does to a religious community per se; while there can be much fruitful insight in applying strategy thinking to the issues religious communities are managing these days, there are also ways in which the concept may seem very foreign.

At the end of this paper there are several questions to help you think about how these concepts may resonate with your experience. You may find it helpful to mark specific passages with a star, or question mark, or comment on the margin as a preparation for seminar discussion.

1. Strategy links a given purpose with a specific and distinctive way of getting there.

In briefest form - a strategy is a specific way of using available resources to accomplish a given primary task, or mission.

Strategy is not isolated, and it is not abstract. It always exists -- at least as an implicit assumption about what the organization is up to. It is the theory-in-action every day about how to fulfill the mission.

Strategies have a practical purpose. In the absence of some kind of collective strategic intent, it is exceedingly difficult to make wise decisions about allocating resources and setting priorities for money, people, time, attention.

The strategy reveals a **value proposition**: the distinctive way that the organization proposes to be successful in its mission, versus the alternative ways the others might pursue a similar end goal. If the organization cannot fulfill its mission in a way that positively differentiates it from the alternatives, then it does not have a viable strategy.

For example, the City Department of Education, the Neighborhood Ministries Center, and All-Star Tutoring Inc are all organizations that offer alternative high school credentials (GED). But they are associated with different costs, different requirements for accessing service, different teaching methodologies, different values and philosophies, etc.

As long as each of these institutions appeals to a group of persons who need and prefer the specific value proposition they offer, each one can thrive even if they are located in the same general geographic region, because they do not actually directly compete for the same clients.

This notion of a distinct set of benefits (what the book “Blue Ocean Strategy” calls the unique value curve) allows for diversity in a marketplace. By contrast, when two, three, or more institutions attempt to meet the same basic needs in the same basic fashion in one geography, the competition will drive one or all of the less-effective ones out of business.

The **take-away** from this first point is that “strategy” means something substantive and differentiating; it is not just a generic word for a high level goal.

2. Strategies make demands! A good strategy will not have any effect unless it guides the way the organization operates.

Strategies make demands on the organization because of the embedded value proposition, which must be consistently expressed through the activities and decisions of the whole organization.

The thoroughness and depth of organizational culture and competence that supports a given value proposition is hard to imitate. It’s not the *idea* of the strategy that is a competitive advantage, it’s the *ability* of the organization’s people to en flesh it and live it on a daily basis.

The value proposition inherent in a strategy exerts a very important influence on many other decisions. Every major function of the organization should be aligned with the organization’s value proposition.

This thorough “embeddedness” of an organizational strategic intention is perhaps analogous to the way the charisma of a religious congregation is expected to infuse the identity, life, mission and ministries of the community members.

Very distressing situations occur when a ministry – for example, a hospital or a university – gradually distances its decisions, culture, policies, or operations from the guiding values of the sponsoring religious congregation. It would be important to examine whether the strategies of such organizations are distinctively grounded in the guiding charism as it might be expressed in statements of vision, mission, or values. It is a mistake to divorce strategic plans and goals from the distinctive value proposition.

Mismatches of strategic intent and organizational capacity can also be very painful. For example, if an organization has been stable and perhaps complacent for a long time, then the necessary capabilities for the success of the organization may move beyond the skills or experience of long-time staffers. Even in very vigilant organizations that stay attuned to new developments, changes in funding or regulations or legal entity configurations can require very significant change.

Other misalignment can occur if leaders fall under the sway of fads or unrelated best practices from an assortment of varied places. A widely touted program may not be transferrable if it is attempted without the complementary systems that are necessary for it to be successful – or worse, where the new program operates at cross purposes with some other element of the organization. For example, a program that is designed for implementation by a team may run aground in an organization that uses a strict individually-based end-of-year evaluation system.

The *take-away* from this second point is that a strategic intention or direction is integral to every important dimension of the organization and must be tended faithfully.

3. Strategies can be told as stories.

Strategies provide an organization with a strong story line that connects the work of each part to the overarching mission and purpose of the organization in its environment.

Unless employees can “see” the strategic storyline that links their work to the success of the enterprise, they will be prone to do the things that they think are best from a local, personal point of view. The “strategic story” brings the whole organization into view in a coherent way, linking people with different roles and tasks.

A good strategic story is the result of a clear logic in the strategy of an organization. If that story is difficult to tell, the strategy logic is not as robust as it might be.

The *take-away* is that the strategic story should be known and able to be told by anyone in the organization – it is a test of clarity and relevance.

4. Strategic planning methods have diversified to take account of more turbulent environments.

All organizations need some form of strategy to reach their goals, but whether that results from classical strategic planning or from more emergent and dynamic planning methods depends on how uncertain the environment is and how new or how large the organization might be.

In classical planning processes that work in relatively stable contexts, the strategy is the long view, essential and simplified, from a perspective that takes in the whole enterprise and an environment that can be surveyed with reasonable accuracy. It is like the main path that can be chosen if you are looking down over a valley from the mountainside and wish to cross the valley to the mountain range on the other side.

However, many contemporary organizations, including many education systems and nonprofit institutions, are in environments that are too turbulent, complex, or political for effective use of classical strategic planning methods.

For these situations, the planning challenge is more like how to sail a boat that must cross from point A on one side of the river to point B on the other side. In other words, there has to be sufficient initial planning to launch well, but there must also be a dynamic capacity to respond to changes in winds and currents which *will* be encountered but *cannot* be totally predicted.

Contemporary strategic thinking and planning can draw on a wide range of methodologies and various degrees of participation by stakeholders.

A *take-away* point is that methodology is not king – the choice of a planning process/method should make sense for the situation of the organization.

5. Strategy concepts must be adapted to religious organizations.

Many of the business terms and concepts of strategy feel foreign to leaders of faith based organizations, and even more so when applied to religious congregations or parishes. That is because such faith based communities are “hybrids” -- as much relationship entities as they are “performance” entities. ***In truth, most strategic thinking is best applied only to the aspects of the religious organization that are in fact responsible for the accomplishment of some task or service.***

For example, in a religious congregation, strategy concepts can be applied to: providing nursing home and retirement living for members; administering congregational offices and staff; management of properties and financial assets; long range planning for sponsored ministries;

programs and services offered; reconfigurations, mergers, and other changes to the structure of the community, etc.

The language and methods of strategy are less well-suited to the discernment of a communal vocational call, or to the envisioning of community life and identity in the church or society.

For faith based ministries, the key concepts of strategy are especially important when it comes to assessing sustainability and viability in their chosen mission area. While the concept of “competition” might not be strictly relevant, it may well be that the organization must assess itself versus “alternative providers” that meet the same needs, including the alternative to do nothing instead of availing oneself of the services of the ministry.

For all faith based entities, an important modification of strategy and change concepts occurs because of the fact the faith communities and ministries are rooted in trust in God’s Providence, and led by their discernment of the call of the Spirit. While prudent and wise management skills are still as important as ever, they are not the ultimate guarantors of success, but rather instruments for fulfilling the mission that is held in grace.

The *take-away* for this point is that strategy and strategic planning concepts may contribute a great deal to religious organizations, but only as a complement to their integrity as spirit-led communities.

Reflection Questions:

- What ideas in this paper catch my attention?
- What questions arise when I consider my own context?
- What could be helpful in light of my organization’s situation?