Develop Your Strategic Thinking Mindset – Or Else!!

Strengthening HR’s Value by Developing Your Strategic Thinking Mindset

Lustra Fjord, Norway

With Jeff Russell

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If you don’t know where you’re going . . .

Any road will get you there.

Lustra Fjord, Norway
Our Agenda

1. Discuss the importance of strategic thinking.
2. Define what strategic thinking is and factors that help create a strategic thinking mindset.
3. Identify the levels of HR thinking, planning, and acting (and where you spend YOUR time!).
4. Apply a strategic thinking mindset to an HR scenario.
5. Explore strategies for developing a strategic thinking mindset in yourself and others.
The Strategic Thinking Mindset: Definition and Value

In your small groups discuss . . .

- What does it mean to be a strategic thinker as an HR professional?

- What are the benefits to the organization and to self when HR develops a strategic thinking mindset?

- What are the consequences/costs to the organization and to self if we don’t develop this mindset?
Insanity . . .

Repeatedly doing the same things in the same way and expecting different results.
A way of examining and understanding your organization’s circumstances within a larger context which, in turn, enables you to identify, understand, and proactively engage current and emerging issues that are likely to have a significant strategic impact on your organization’s success.
Strategic Thinking’s Context

- The purpose or aim of the organization – *What are we here to accomplish or create in the world?* For HR: *Do I understand the business and its larger purpose?*

- The purpose, role, and value of the person’s work contribution - *How do I personally contribute to the organization’s larger purpose? What am I here to accomplish or create?* For HR: *What is HR’s value? [What is my value?]*

- The core guiding values described in the strategic plan - *What core values should guide every decision and action I make in my work?* For HR: *How will these values influence my HR decisions?*
Strategic Thinking’s Context

- The current and future needs of his/her customers - What do my customers/clients expect of me today? How are my customers’ needs changing and why? For HR: How are my customers’ general and HR needs changing?

- What is occurring in the organization’s environment - What forces and trends within and outside of the company are likely to affect my or the company’s future effectiveness and success? For HR: What HR/business trends suggest my potential future role/function/success?
Between stimulus and response, there is a space. In that space is our power to choose our response. In our response lies our growth and our freedom.

— Viktor E. Frankl, Austrian psychiatrist and author of Man’s Search for Meaning
b. 1905, d. 1997

Baileys Harbor Sunrise
Door County, Wisconsin
Strategic Thinking

Strategic thinking involves . . .

1. Holding an image of the vision or ideal future in one’s mind.

2. Drawing upon and being shaped by the organization’s core values.

3. Being awake and aware – continuously scanning the environment — looking for opportunities and threats.
4. Seeing the **patterns** and relationships in events and circumstances.

5. Recognizing the **interconnections** and **interdependencies** before making decisions and taking action.

6. Making decisions and taking actions for the long-term that are **shaped** by the vision, core values, awareness of the environment, and awareness of the interdependencies.
Control your destiny . . . Or somebody else will!

— Jack Welch, former CEO

General Electric

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<table>
<thead>
<tr>
<th>Level</th>
<th>Desired Result</th>
<th>Style of Action</th>
<th>Underlying Value/Key Question</th>
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<tbody>
<tr>
<td>Strategic</td>
<td>Helping the organization achieve an ideal future. Optimizing desired long-term outcomes given internal resources and environmental constraints.</td>
<td>Future-minded, long-term focus. Exploring alternative HR possibilities and pathways to achieve success and tackle critical issues.</td>
<td>Controlled instability toward a larger purpose. Leveraging opportunities. What’s next for HR?</td>
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<tr>
<td>Interactive</td>
<td>Exceeding expectations. Going above and beyond. Anticipating HR needs and problems.</td>
<td>Proactive. Getting out in front of things. Never being surprised.</td>
<td>Continuous learning and quality improvement. What am I learning today that should change my HR practice tomorrow?</td>
</tr>
<tr>
<td>Operational</td>
<td>Maintaining the status quo. Ensuring consistency. Controlling/guaranteeing results. Developing good HR systems that translate strategic plans into action.</td>
<td>Short-term focus. Fixes problems. Maintains smooth operation. Strives for operational excellence.</td>
<td>Stability and Control. How do I keep things going along as smoothly as possible?</td>
</tr>
<tr>
<td>Tactical</td>
<td>Meeting expectations. Solving daily HR problems. Responding immediately to emerging issues. Delivering HR value!</td>
<td>Reactive. Short-term focus. Getting results today.</td>
<td>Surviving! Making it through another day! What must I do right now to solve today’s problems?</td>
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How do you spend YOUR time?

In your small group . . .

- Share your “current” and “desired” percentages.
- Discuss:
  - Is there an “ideal” distribution of your HR time? What is it?
  - What prevents us from achieving our ideal distribution?
  - What are the consequences for (a) the organization and (b) us as HR professionals individuals if we spend most of our time at the tactical levels?
- How can we “escape” from spending too much time at the tactical and operational levels?
Culture eats strategy for breakfast . . .

• and lunch
• and dinner
• and during snack time!

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It’s not enough to be industrious; so are the ants. What are you industrious about?

—Henry David Thoreau

Lucas Point, Monterey

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Being Tactical and Strategic . . .

- Review the questions listed under both the “tactical” and the “strategic” response categories.
- How might you use this framework when dealing with a given situation?
- What questions do you have about the framework?
Case Study #1: You have seen a gradual increase in the number of workplace injuries in one of your production departments.

Using a strategic thinking mindset, what issues will you examine and explore to address this problem tactically (immediate/short-term) and strategically (long-term)?

- What might be included in your **tactical/operational** response to this issue?
- What might be included in your **strategic** response to this issue?
Case Study #2: You are having great difficulty filling key technology positions that are critical to your company’s success. Critical positions aren’t being filled by people with the right skills and it’s creating huge productivity and quality issues.

You have found it increasingly challenging to find workers who have the needed technology skills, knowledge, and experience to fill key positions. Other manufacturers in your area are facing the same problem. Your area technical college has been slower than you’d like in adjusting to the new skill requirements of local employers and the local high schools don’t have the budgets. Minnesota Department of Employment and Economic Development has a statewide initiative underway to address this issue.

- What might be included in your tactical/operational response to this issue?
- What might be included in your strategic response to this issue?
Actions to Develop the Strategic Thinking Mindset

In your small group, identify . . .

- What THREE actions can you take to develop, strengthen, enhance your strategic thinking mindset?
- What THREE actions can you take to develop, strengthen, enhance the strategic thinking mindset in others on your HR team?
Developing a Strategic Mindset

1. **Expect** HR staffers to be strategic thinkers – make it part of their hiring, orientation, and development.

2. Build strategic thinking into **every HR job** description.

3. Integrate the **vision and core values** into HR **planning** and goal setting processes.

4. Invite HR staff members to **share/discuss** what they are **learning** from customers and what they see happening around them that might have a bearing on the organization’s future success and HR’s role.

5. **Debrief** HR challenges, problems, and crisis from a **strategic** perspective — pursue strategic insight and learning.
Developing a Strategic Mindset

6. Define the HR “ends” not the “means” to get there – and invite them to help build the right pathway.

7. Take time to listen and acknowledge their creative ideas.

8. Give people the freedom to make decisions (autonomy) — but also provide them context and a framework within which to operate (core values).

9. Encourage everyone to challenge current HR practices (do this only if you really mean it!).

10. Share HR success stories - where HR was the hero!
Developing a Strategic Mindset

11. Invest in building a strong HR community.

12. Walk the talk – model great strategic thinking in how you approach your own decision making, problem solving, crisis management, etc.

13. Take time, as an HR team, for a strategic thinking “retreat” where you escape from the tactical and operational levels – even if only for a half-day!
Sometimes I lie awake at night, and I ask myself: "Where have I gone wrong?"

Then a voice says to me . . .

"This is going to take more than one night!"

—— Charles M. Schulz
Charlie Brown in "Peanuts"
Good luck integrating insights from this session into your HR tactics and strategies!

Next Week: Download this PowerPoint presentation from our website: [www.RussellConsultingInc.com](http://www.RussellConsultingInc.com)