

Five Ways to Improve Your Strategic Thinking

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Tactical problem-solving is no longer sufficient to thrive in an increasingly ever-changing world. Managers need to acquire the craftsmanship of thinking strategically to succeed. They must align their mindset to an envisioned future that may guide the present and find proactive ways to exploit inevitable change.

Managers are confronted with complex challenges, difficult problems, and demanding decisions, classified as wicked by strategists. Well-known, linear problem-solving approaches often fail to identify sound solutions. One critical tool for overcoming these challenges is *strategic thinking*.

Strategic thinking is about analyzing challenges from a comprehensive perspective, deriving opportunities, and examining their potential impact. It is about thinking beyond the here and now and considering the broader environment. Some refer to strategic thinking as out-of-the-box thinking. But there is more to it. In a blog post for Forbes in 2021, Folkman has characterized strategic thinking as the pathway to the top. Indeed, predicting how the world will evolve and what implications this may have for a firm is a distinct skill, in addition to leadership, that successful managers must bring to the table. But strategic thinking is not only for managers. It is a way of thinking and acting best embraced by everyone.

A significant body of literature exists about strategic thinking, including the recommended *HBR Guide to Thinking Strategically*, published in 2019. Based on current understanding of combining strategy with thinking, there are five key traits that strategic thinkers must embrace:

1 BE CURIOUS, OBSERVE, AND ALLOW CHALLENGES

Knowledge is a core value in developing strategic thinking. Cultivating and using curiosity pioneers the search for possibilities that can solve wicked challenges in a distinct, revolutionary, and value-creating way. Curiosity helps create a mental model of something that does not yet exist. Successful strategic thinkers experience their day with open eyes and ears, making observations that pique their curiosity. Through understanding these observations, they gain multiple new and distinct perspectives to the world in general and business in particular. In addition, strategic thinking requires avoiding taking anything for granted and challenging the observed. Scheduling an hour a day for critical discussions can help develop strategic thinking.

2 FIRST, UNDERSTAND THE PROBLEM

Einstein said, “If I had an hour to solve a problem, I’d spend 55 minutes thinking about the problem and five minutes thinking about solutions.” Only well-understood problems can lead to finding well-founded solutions. Strategic thinkers focus on identifying the root cause of the challenge. Problem-solving based on observed symptoms will only lead to mediocre solutions, often even failure. In addition, managers should refrain from thinking fast, a term coined by Nobel prize winner Daniel

Kahneman, which is based on instinct and emotions and involves deriving a solution from mere previous experience. The *five why questions framework* can be a successful tool to identify the root cause of a problem.

3 CONSIDER TIME A PRIORITY

Managers often fail in their attempt to become strategic thinkers because they feel they simply don't have the time. A study by Rich Horwath, CEO of the Strategic Thinking Institute, found that more than 95% of all leaders claim they lack the time to devote to strategic thinking. Managers are trapped in the here and now. To overcome that challenge, managers must change their perspective of time by considering it a priority rather than a resource. One good way to do this is by starting the day with a one-hour reading slot, focusing on books and articles that pertain to a particular business, searching for promising topics that are or may become relevant. Additionally, attending seminars, workshops, think tank meetings, training classes, and regular online learning all support improving strategic thinking.

4 ASK THE RIGHT QUESTIONS

Asking the right questions is not as easy as it may seem. Managers typically fall into the trap of asking questions that seek to confirm their own preconceived opinions. Successful questioning requires being open-minded. This is best achieved by asking open-ended questions that prompt interviewees to talk. Questions should lead to a conversation about the future; focusing on the what ifs, what wows, and what works. Ethnography is a critical tool to achieve that goal. In addition, new insights can be gained from challenging what is heard and questioning the obvious. Questions should be formulated in a way that elicits a different perspective. How a question is asked is often more important than the details it focuses on.

5 STRATEGIC THINKING IS NOT A ONE-OFF ACTIVITY

Strategic thinking goes beyond a one-off activity or even a regular process. It is a mindset! As the word *strategic* suggests, strategic thinking is about envisioning how the world could look beyond tomorrow, how the present can impact the future, and what decisions can be derived. Strategic thinking is about *shaping the future*.

Becoming successful in strategic thinking requires curiosity and a continuous effort to learn from the past, challenge the present, and anticipate the future. It is about interpreting the observed, transforming it into knowledge, and forward-looking decision making. Only by regularly exercising and challenging the mind, can mastery of strategic thinking be achieved.



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