

Let's talk about strategy...

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I'm an independent consultant and coach. I lead user-centred design teams, and I help organisations develop what I call user-centred digital strategy.

So

1. what is strategy and why it matters
2. the key elements of good strategy - regardless of context
3. A simple structure for tackling 'strategy projects'
4. After break - try using it to create a simple strategy for problem you have, including defining vision and goals, diagnosing the problem, and working with stakeholders to make it happen.

What is strategy?

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So what is strategy, and why does it matter that so many things that pass for strategy are actually Bad Strategy?

"There is surely nothing quite so useless as doing with great efficiency what should not be done at all"

— Peter Drucker

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As Peter Drucker said, "There is surely nothing quite so useless as doing with great efficiency what should not be done at all"

Often said that the problem with agile is it "doesn't have a brain". Swimming without goggles on. Swim swim swim. Sprint sprint sprint. Sooner or later you smack into the wall, look round and wonder what the hell it is you've built.

There is a risk, even in the most well functioning agile team, that while you're making lots of progress, it's not clear how all that progress is adding up to something bigger. You're delivering value, but are you delivering the most value you could be given the resources you've got?

So why does so much that passes for strategy not help us answer that question?

Strategy tells us

Where are we going?
What will be different when we get there?
Where are we now?
How are we going to get from here to there?
What might stop us and how will we overcome that?

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At its simplest, a strategy tells you:

"being strategic" is often as simple - and as hard - as taking a step back and asking these questions. And you can ask these kind of questions, and be strategic, in a really broad way - overall business strategy - but they are equally valid in narrower fields.

Fallacy that 'strategy' is something that only happens in the board room. But strategy - that question of: where are we going? how will we get there? how will getting there be better? - can exist at many levels within an organisation.

There is a cascade down, from top-level business strategy to strategies for tackling particular elements of that strategy - brand strategy, product strategy, content strategy. Each one feeds goals - the overarching 'where are we going' - down to the level below. So what looks like 'tactics' at one level may be 'strategy' at the next.

It's how we know we are working on the right things, in the right way.

Good strategy helps make decisions

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A good strategy helps us make decisions.
Does what we're planning to do align with the strategy?
If yes: do it
If no: don't

Good strategy gives us purpose

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We know why we're doing it and the benefit it will bring

We understand how our work fits into a larger whole. That's particularly useful if what we're working on is either quite small, or quite tactical. It helps keep motivation up if we see how it's a building block or stepping stone to something bigger.

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Good strategy enables us to delegate control and decision making

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When everyone is clear on the goal, and roughly how you're planning to get there, it becomes easier for individuals and teams to work autonomously towards that goal. In this way, a good strategy can actually make an organisation more agile...

Good strategy makes us more agile

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...Make org more agile. Good strategy is exactly what enables teams to have autonomy over their work, while being confident that what they are doing fits into the larger whole.
It's how you know all those little increments add up to a coherent whole, and that you are delivering the most value with the resources you have.

But strategy is often seen as antithesis of Agile. A lumbering process that means months or years of inertia. You're not wrong! Problem is we are plagued by too much bad strategy...

Bad strategy

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The problem is there is too much bad strategy out there.
It's not that strategy sucks, it's that so much of what passes for strategy sucks. I mean, really sucks

Bloviating nonsense. The worst kind of buzzword bingo. Stuff like this:

Our strategy is collaborative growth.

We will lead a customer focused effort of the market through our use of digital business and Internet of things ecosystem to build a cloud based revolution.

By being both innovative and open, we will drive competitive advantage throughout the organisation. Synergies between our data leaders and agile culture will enable us to capture the upside by becoming networked in a big data world.

These transformations combined with disruptive insight from data due to our digital first platform will create a learning organisation through value and efficiency.

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[read out]

Simon Wardley. A quick route to building a strategy
Make your own at <https://strategy-madlibs.herokuapp.com/>

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This is actually a joke. The frightening thing is it sounds like something an org might actually publish.

Typical of a lot of strategy documents. Lots of big words meant to make the writer look clever. Preferably without actually committing them to anything they might actually be held accountable for later. An ultimately useless document - years in the making.

During which time we have continued to do - with, if we're lucky great efficiency - what perhaps should not be done at all.

There are three tests you can use to sniff out bad strategy, and work out why they're setting your spidey sense tingling. I call them...

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The “**yeah, right**” test

The “**so what?**” test

The “**yes! and...?**” test

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I call them ...
the yeah right test
the so what test
and the yes, and... test

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The “**yeah, right**” test

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The “yeah, right” test is a lofty goal or aspiration presented as strategy. A lot of corporate vision and mission statements fall heavily into ‘yeah, right’. Lofty talk. The Best. World-leading. The word “innovation” probably in there somewhere. All while churning out slightly mediocre, safe solutions. They fail the “yeah, right” test. No one believes the organisation is actually committed or capable of doing what it takes to achieve the

vision. FATAL: If no one believes the goal can be reached, they won't even try.

Also: lack of a coherent plan to achieve it, or failure to appreciate the complexity or scale of the task. You may be familiar with this kind of language...

Insert your city
or region here


Cornwall is going to be the next
silicon valley

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"Cornwall is going to be the new silicon valley."

6 years in the South West - a ridiculous amount of this kind of silly hype from people who should know better. Just makes you look naive. Fails to correctly diagnose the problem or properly understand the reality of the situation.

In this case failing the 'yeah, right' test robs you of credibility and means no one is going to take your

The “**so what?**” test

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The “so what” test is kind of the opposite. Tactics or a solution with no clear picture of how everything will be better once it's delivered. Two kinds of strategy you see like this:

1. 'Christmas tree' strategy. Big organisational 5-year plans particularly prone. Tied to budgets. Everyone tries to attach their pet project or big idea to the strategy. Get anything they don't like taken out. Left = Something pretty

anodyne. At best it's a list of sensible things that you should probably be doing, at worst a waste of the time and energy spent writing it. Danger = writing a strategy that keeps everyone happy takes a long time. Waiting for the strategy to arrive. In meantime nothing significant can get done.

There's another kind of strategy that fails the "so what" test. This is what I call 'shiny things' strategy.

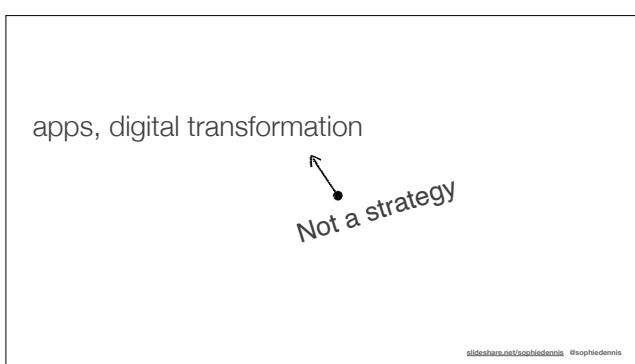


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These are kind of out of fashion, but a few years ago "launching a mobile app" was what passed for a lot of organisations' mobile strategy.

"Apps" are not a strategy. Adopting whatever this year's cool piece of technology is classic shiny things 'so what' strategy. They are solutions in search of user problems.

Here's another, perhaps more



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Seriously. Digital transformation is [clk] not in and of itself a strategy. Your organisation might very well need it.

But it's not a strategy unless you can articulate

- why you need to become "digital" (whatever that means)
- what will be different once you've 'transformed'
- what exactly it is about your legacy IT estate or ways of doing business that's stopping you and

needs to change.

You need to answer the “so what” question.

Other things that are Not A Strategy.



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These things are all a means to an end, or a method for achieving a goal. They aren't the goal in and of themselves. They might be things a strategy recommends you do or invest in. You might need a strategy to implement them. But they do not, in and of themselves, represent a strategy. Unless you are clear about why you are doing these things, and how they will help you achieve your goals, you don't have a strategy. You have some initiatives and a few hand-wavy slogans. It's cargo-cult strategy, in which you do the same things everyone else is doing in the hopes that you'll achieve the same result you think they got.

Many of them fail the ‘so what?’ test, in that it's not clear what they'll achieve or the problem they're intended to solve. And if they pass the ‘so what’ test, they probably fail the ‘yes, and...’ test.

The “**yes! and...?**” test

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The ‘yes, and...’ test are goals with no solution or plan. Unlike the ‘yeah, right’ test, the goal isn’t just some ridiculous, unachievable aspiration. Risk = get everyone fired up, and then they all go off - run around - great deal of noise and activity - not really getting anything much done.

[click for notes on next slide]

The “**yes! and...?**” test

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Could argue digital transformation, innovation, and adopting user-centred, service-design methods are more of a ‘yes, and...’ than a ‘so what’ strategy.

Yes - our long-established high street banks, most of our public-sector institutions, need a good dose of digital transformation and some proper user-centred service design. Their ability to meet customers’ raised expectations of how they interact with organisations - not just online but seamlessly right across channels - is hopelessly hamstrung by a mess of legacy systems and impenetrable code.

But it is not enough for these organisations to say they are going to “do digital transformation” or “be more innovative”. They don’t need buzzwords and slogans. They need a clear blueprint for what ‘being digital’ means for them, and a realistic, coherent plan for how to start delivering it.

The “**yeah, right**” test

The “**so what?**” test

The “**yes! and...?**” test

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Too much of what passes for strategy fails one of these three tests.

If you fail one of these three tests, then I’d argue you don’t have a strategy.

You have a vision, or a plan, or a goal. You don’t have a strategy.

You might call it a strategy.

It might have strategy on the title page.

But it’s not strategy.

Or, if we’re being generous, it’s a bad strategy, which is unlikely to deliver the results you’re hoping for.

So fun as it is to mock the fluff and waffle that often passes for strategy, let’s turn our attention to the real question:

what makes a good strategy?

So what makes a **good strategy**?

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Strategy is a **coherent plan** to
achieve a goal that will lead to
significant positive change

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After going through my three tests, and ranting a bit about things that are Not A Strategy and why they're Not A Strategy I've come to this definition:

Strategy is a coherent plan to achieve a goal that will lead to significant positive change

Let's break this down a bit.

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Strategy is a **coherent plan** to
achieve a goal that will lead to
significant positive change ←

Strategy is
about
changing
something

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A strategy should be about changing something
You need a strategy because you want or need to change something.
Strategy = addressing the problems and obstacles that are preventing that change from happening. Is how you pass the “so what” test - what is going to be different and how are things going to be better as a result of doing this?
Sometimes the correct strategy is to keep doing what you’re already doing. You’ve already pursued a successful strategy that’s got you to that point. You need to keep incrementally improving and optimising what you’ve got. What you don’t need to do is embark on some strategic initiative, or start implementing strategic solutions.
Sometimes the best strategy is to do nothing, and wait for a change in situation or opportunity that means you need to act, or have the opportunity to act. Jobs: “I’m waiting for the next big thing...”

Strategy is a **coherent plan** to achieve a goal that will lead to significant positive change

← • Strategy should achieve a goal

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Secondly, strategy should achieve a goal. The end state you're aiming. Something tangible and concrete. Amorphous goals like "digital transformation" are out. "Increased profit" is also not a goal. More profit is the change you want to see. The goal here is the overarching method you'll use to achieve it - attracting new customers for your existing product, selling a new product to your existing customers, focusing your efforts on a particularly valuable customer segment, or entering an entirely new market. But ideally you'll pick one of those as your overarching goal that will deliver the positive change of more profit.

Key = achievability. Must be realistic that by following the plan the goal can be reached. If not, you're failing the "yeah, right" test. This is what distinguishes a strategic goal from visions and mission statements. Doesn't mean lacks ambition.

Strategy is a **coherent plan** to achieve a goal that will lead to significant positive change

← • Strategy should be coherent

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Strategy should be coherent Having a coherent plan for how you'll achieve your goal is how you pass the "yes, and..." test

coherent

ke(ʊ)'hɪər(ə)nt/

adjective

1. (of an argument, theory, or policy) **logical and consistent**
'they failed to develop a coherent economic strategy'

2. **Forming a unified whole**

'the arts could be systematized into one coherent body of knowledge'

<https://en.oxforddictionaries.com/definition/coherent>

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by coherent mean - logical, consistent, and forming a unified whole

Your strategy must present a logical, rational plan for achieving your goal.

That means it must take a clear-headed look at the likely problems
It needs to answer objections and difficulties

Take on barriers

And talk about how to address them
At least at a high-level

Let's look at an example of how a famous strategy meets this definition



Moon Shots

https://commons.wikimedia.org/wiki/File:Aldrin_Apollo_11_candid.jpg

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Possibly one of the most famous strategies of the 20th century.
President Kennedy's ambition to land a man on the moon.

When we talk about 'taking a moon shot', what we usually mean is a big, ambitious goal with a slim chance of success, little idea of how it can be achieved, but the chance for a big pay off. It's almost the definition of failing the "yeah, right" test

But in fact that wasn't really the case. Kennedy's 1961 speech is in fact almost a perfect study in good strategy.

Exercise

Read through Kennedy's moonshot speech
In your group discuss:

1. What is the **concrete, tangible goal**?
2. What is the **significant positive change** Kennedy hopes achieving it will bring?
3. What leads Kennedy to believe **the goal is achievable**?
4. What are the most significant **barriers to success**?



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Kennedy photo <https://www.flickr.com/photos/nasacommons/9460946426/in/album-72157634969149583/>
See high res version in Dropbox

Strategy is a **coherent plan** to **achieve a goal** that will lead to **significant positive change**

What was the
concrete,
tangible
goal?

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Ask: What was Kennedy's goal?



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Firstly, Kennedy's most famous objective was also concrete and tangible: "to land a man on the moon and return him safely to earth". This is tangible and concrete in a way "win the space race" is not. It is clear what success looks like and how we'll know if we've succeeded.

Strategy is a **coherent plan** to **achieve a goal** that will lead to **significant positive change** ←•

What significant , positive change is it trying to bring about?

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Ask: what was the significant positive change
western democracy: good,
communism: bad.
Also winning the space race > could talk about hierarchy/fractal here too.

Strategy is a **coherent plan** to **achieve a goal** that will lead to **significant positive change** ←•

How does he show the goal is achievable ?

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Ask: why does Kennedy believe this goal is achievable?



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Kennedy's moonshot was achievable.

There were engineering challenges
But the basic science was well understood

And they'd already broken it down
into a series of engineering
challenges which needed to be
solved.

And identified that the biggest
barrier was a whole-hearted
commitment to a singular goal, and
concentrating resources and time
on fulfilling it.

In this way Kennedy's "moon shot"
also tackled the third part of our
definition of good strategy: having a
coherent plan. You may have pulled
out...



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Kennedy presents a clear plan of attack: new lunar space craft, more powerful rocket engines, unmanned missions, hundreds of millions of dollars.

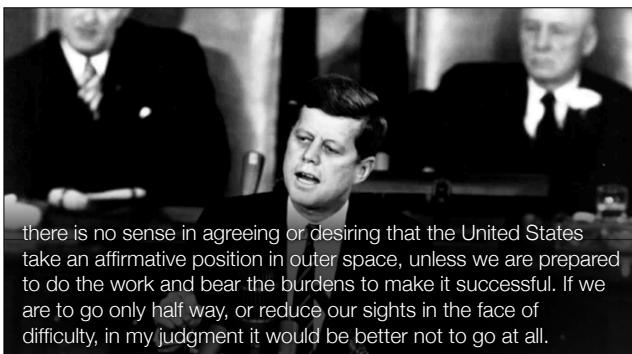
Kennedy's moonshot passes the
"Yes, and..." test. Yes we can all get
behind putting a man on the moon.
How cool is that? But Kennedy
doesn't just have a dream, he also
has a plan.



many years... heavy costs ... a degree of dedication, organization and discipline which have not always characterized our efforts... we cannot afford inflated costs of material or talent, wasteful interagency rivalries, or high turnover of key personnel

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And he is also really clear about the obstacles facing his goal of putting a man on the moon. It will take many years, a lot of money, a degree of dedication and organisation that, let's face it, is not always present in government work. There are risks: inflated costs, interagency rivals, and high staff turnover. All this will be hard. And so he is clear...



there is no sense in agreeing or desiring that the United States take an affirmative position in outer space, unless we are prepared to do the work and bear the burdens to make it successful. If we are to go only half way, or reduce our sights in the face of difficulty, in my judgment it would be better not to go at all.

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[quote]

Kennedy's moonshot passes the "Yes, and..." test, and by being clear on the obstacles and his formula for overcoming them, it also passes the "yeah, right" test. Kennedy sets out his case that it is practical and achievable if the country is single-minded in pursuit of that end.

coherent
ke(u)'hɪər(ə)nt/
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In this way Kennedy's plan also represents a unified whole. He sets down a few key principles - the goal itself, designed to establish the US's supremacy in space. The idea that only by fully committing to the plan, by going "all in", can the difficulties be overcome. These are the big unifying ideas behind the moon shot strategy.

This is what you're seeking when 'doing strategy'. There is a moment

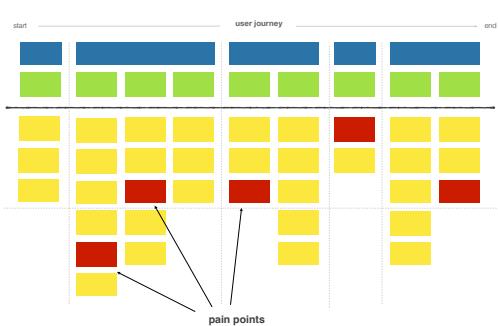
when it all snaps together into an ‘ah ha’ realisation. Good strategy has an inevitability to it. Once you have clearly set out the challenge, the plan you propose should seem almost inevitable. “Now you put it that way *of course* that’s what we should do”.

Focus and leverage

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The unifying idea is what also what provides focus and leverage

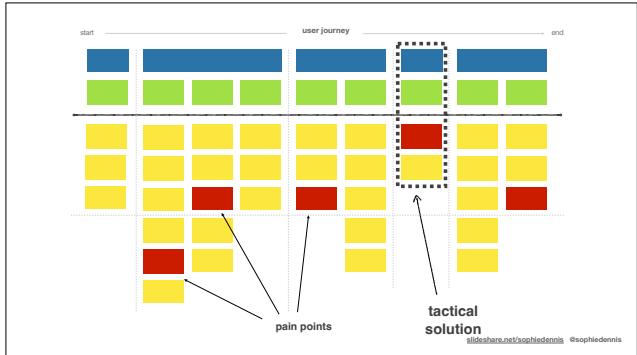
Part of the ‘ah ha’ moment is identifying the approach that will achieve maximum impact. This is what makes something a strategic solution, rather than a bunch of tactical recommendations. Rather than picking off individual problems one by one, we find the approach that will tackle a whole bunch of problems all at once.



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When talking about user-centred digital strategy, or service design, we’re usually talking about diagnosing where the problems are across the journey, and what the underlying causes of those problems are in our ‘back stage’ operations.

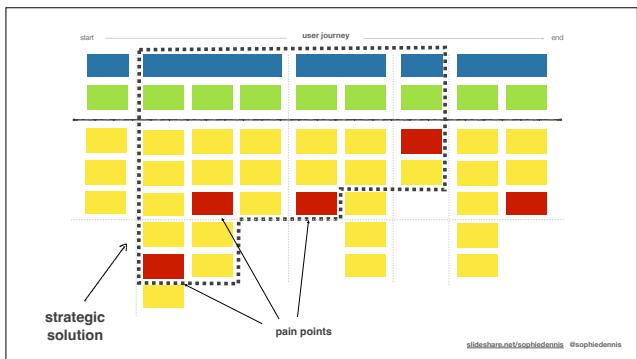
In this case tactical v strategic is about breadth and depth.



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tactical = picking off individual pain points and bits of the journey to fix. You're fixing one thing, or just a few things.

Relatively silo'd.



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strategic solution = looking at where those pain points are right throughout the journey. Asking: is there a larger, more holistic thing that would address a number of pain points across the system?

You're looking for the approach that will tackle a whole bunch of problems all at once. In this way we can find leverage. We focus our resources in a way that magnifies their effects, helping us reach ambitious goals and achieve significant change.

"It's just a website
We're not going to
the moon"

Mikey Dickerson on fixing [healthcare.gov](#)

Photo by Matt Jukes @jukiesie from the Office for
National Statistics Alpha/Beta team
digitalblog.ons.gov.uk/2015/03/24/ons-digital-sxsw/



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So how does this apply to us?
After all as Mikey Dickerson said
about fixing [HealthCare.gov](#) in the
US, "it's just a website, we're not
going to the moon".

Two examples:

**Structured data capture
and storage**

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Problem: a government department captures most of the information about people applying for its services as free text on long, hand-written paper forms. The only way to retrieve that information is for a person to read it off a scan of the paper form. As a result the department asks people for the same information each time they apply for its services. Due to the eligibility criteria people must meet to qualify for the department's services, providing the information is time-consuming, confusing and distressing for applicants.

Strategic solution: replace free-text information gathering and long, scanned paper forms with factual questions stored as structured data.

Most importantly adopting this approach would enable the department to fix a whole host of problems we'd uncovered right through the user journey, and not just for users, but also for the 'back stage' staff processing applications and assessing claims.

Example of 'strategic' not 'tactical'
solution:

Pattern Library & Style Guide

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Problem: web estate is inconsistent and disjointed, doesn't offer a coherent experience.

200+ websites

made by teams spread out across site entire country from Bristol to Edinburgh, many of them working satellite organisations

- there is no established 'house style' for websites
- teams often didn't have dedicated design or front-end developers, and so use off-the-shelf tools like Bootstrap to build their UI

Strategic solution: style guide and front-end pattern library that both establishes a 'house style' that all sites should be using, but also does a lot of heavy lifting for teams that don't have dedicated designers or front-end devs

How do you find this unifying idea?
Answering these Qs = 3 basic stages.

1. Diagnose the problem

what is the true nature and extent of the problem? what are we really trying to achieve? what's really going on here?

2. Find the unifying idea

what overall approach will enable us to cope with and overcome the obstacles identified in the diagnosis? what is the common thread in the problems we've found? where can we focus in order to apply leverage?

3. Craft a coherent plan of attack

what is the co-ordinated set of actions or steps we should take that will work together to accomplish our goal?

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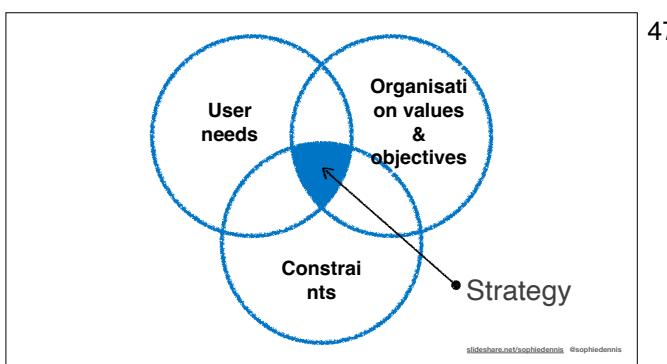
[walk through stages]

Your unifying idea and plan of attack can only emerge once you have a clear-headed diagnosis of the problem. You need to understand what is really going on, what you are really trying to achieve and what the obstacles are to doing that within your organisation, before you can come up with a unifying idea.

IMO a lot of 'bad' strategy is really vision-setting. What it lacks is a clear diagnosis of either the problem the vision will solve, or how to overcome the reasons the vision isn't already a

reality. You'll normally embark on a strategy project with a fuzzy idea of the vision or outcome. Diagnosis is what turns that fuzzy, hand-wavy vision into reality.

Classic 'double diamond' defining the problem space. Diagnosis is all about understanding...



Yes, you need to be a grown up and start thinking about what the organisation wants and is trying to achieve, and the constraints you need to operate within (or remove). In both case studies, the unifying idea was about balancing three forces.

"See the whole board" ...
"Situational awareness"

Diagnosis is the really hard part. It's hard for two reasons. First: it requires people to be really honest about problems. This is one reason we end up with anodyne 'so what' and 'yeah, right' strategies. Either no one wants to grapple with the real problems, because they're too hard. Or no one really wants to look too closely at what's really going wrong.

1. **Denial** - our thing is not broken
2. **Anger** - we hate you for telling us
3. **Acceptance** - holy crap our thing is broken

Dan Hon, 'Stages of Transformation', 11 April 2011
tiny.cc/meyarw / danhon/letters/s4e10-stages-of-transformation

[@sophiedennis](http://slideshare.net/sophiedennis)

I liked Dan Hon's description of the stages of digital transformation:

Sometimes the art isn't in finding the problems, but in articulating them in a way that avoids people feeling blame, shame and guilt.

Dan's advice is to assume everyone is doing their best. No-one *wants* to do a bad job. You can probably assume that people are doing the best job they can in the circumstances they're in. Focus on talking about changing the circumstances, not blaming the people.

[Working with stakeholders = master skill. We'll talk more about working with stakeholders later...]



"A good diagnosis simplifies the often overwhelming complexity of reality by identifying certain aspects of the situation as critical."

Richard Rumelt
Good Strategy/Bad Strategy

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The second reason diagnosis is hard because it involves making sense of complexity. Richard Rumelt says "a good diagnosis simplifies the often overwhelming complexity of reality by identifying certain aspects of the situation as critical". It's in doing this that the unifying idea emerges.

But we can't go about simplifying reality and boiling it down to the critical factors unless we first

understand the complexities.

The process of reaching a clear diagnosis is hard because at some point it involves wading knee deep into the complexity. Sometimes you don't even really know what the problem is, let alone what the goal should be or the unifying idea for achieving it.



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Experienced policy guy I worked with called this “fog”. Getting comfortable with fog and uncertainty is essential if you’re going to do more strategy work.

You need to accept that you will do things without really knowing in advance what value you will get out of them. They could be a dead end. But discovering a dead end is still discovering something.

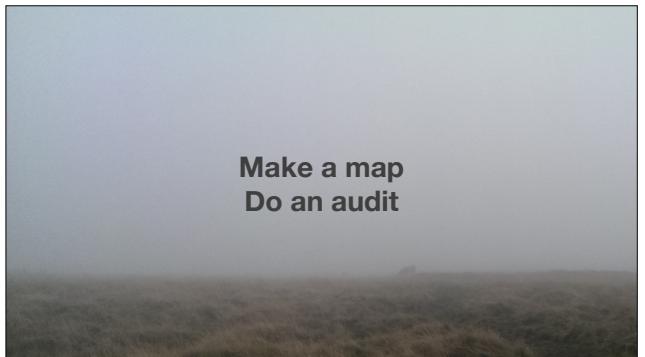
Reach into your service design toolkit. Everyone probably has their ‘go to’ methods for this. Two of my ‘go to’ things to do when you’re lost in the fog and not sure what to do next to make sense of the complexity are...

Move onto this after talking about making the map...

Learn to “trust the process”. Trust that if you keep digging into “what’s really going on here” and “what are we really trying to achieve” that at

some point you'll emerge from the fog into that 'ah ha' moment of clarity.

But also, at some point you have to come out of the fog! At some point you need to start writing things down - and not just on post-its.



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Mapping an experience or customer journey, or auditing content or patterns or whatever it is you're interested in changing, are both ways of clarifying where you are now, and the true nature and extent of the problem. As such the process of making the map, or doing the audit, is as important to the strategy process as the output or artefact. It's the understanding they create about what's really going on as a whole that's valuable.

Maps are great because they both expose and simplify complexity.