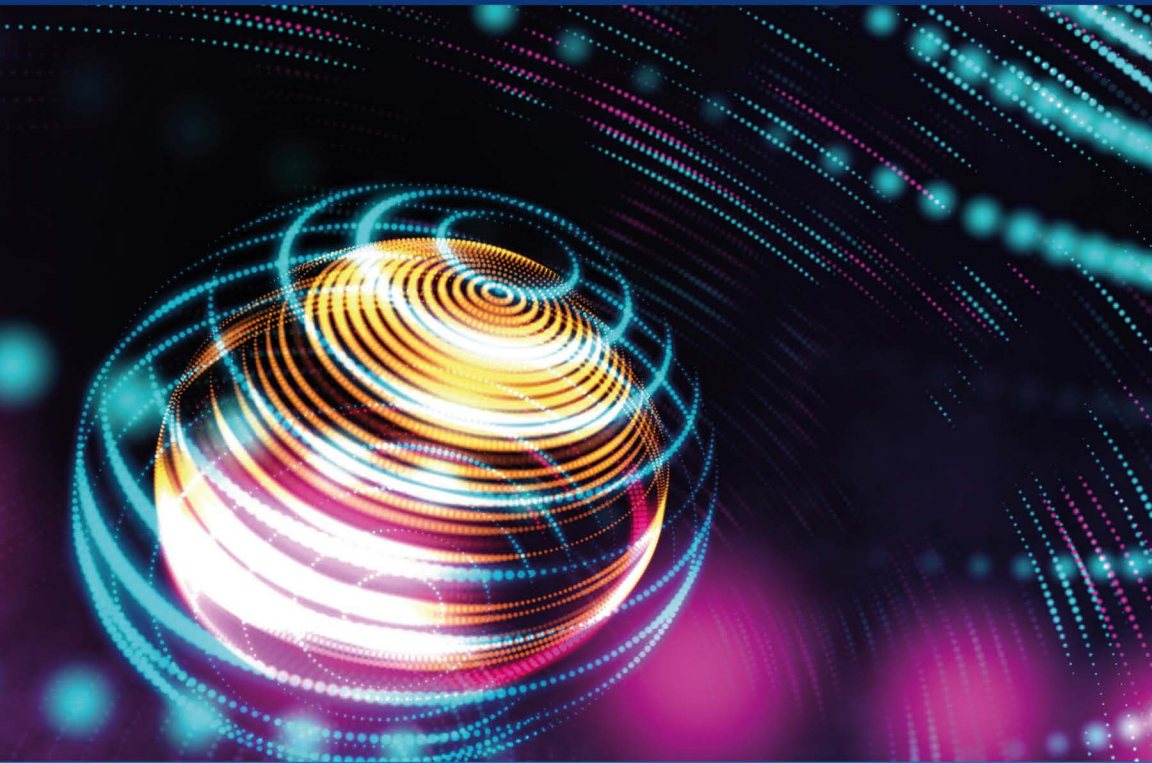


CORPORATE STRATEGY (REMASTERED) II
A Fieldbook Implementing High
Performance Strategy and Leadership



PAUL HUNTER

Corporate Strategy (Remastered) II

Since the onset of the Fourth Industrial Revolution numerous corporations have found that traditional ‘strategic planning’ is ineffectual in responding to, or capitalising on, unforeseen or unexpected change. In recognition of this and associated symptoms of inertia, bankruptcy or worse, this fieldbook was written for the purpose of guiding strategy practitioners through their intended or unintended journey into the future by providing meaningful strategy practices that enable responses to disruption and more importantly, better strategy practices overall. With a focus on strategy practice (‘doing’ strategy), this book represents a ‘how-to’ of Third Wave Strategy as defined in detail in the introductory book *Corporate Strategy (Remastered) I*.

In addition to a description of methods that contribute to the philosophy of Third Wave Strategy, readers will witness the experiences of a virtual illustrative company that is travelling the same journey of organisational transformation and renewal that the methodologies described in this book also seek to address. The overall value of the book, therefore, is its ability to relate theory to practice in a factual and experiential format.

A key part of the use of the virtual case study based on the illustrative Third Wave Industries (T-WI) Corporation is the blending of the system and process mechanisms that are a part of Third Wave Strategy and its framework, the strategy tools and techniques that are drawn from new and existing strategy practice and the soft issues that are represented by the human responses to change, as well as the management of change enacted in a corporate environment.

Paul Hunter (DBA) is Founder and CEO of the Strategic Management Institute (www.smiknowledge.com) and past partner at PwC. He works on a global stage consulting and teaching. He is also the author of *The Seven Inconvenient Truths of Business Strategy* (2014) and a chapter contributor in *Corporate Universities: Drivers of the Learning Organization* (Rademakers, 2014).



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About the author



Paul Hunter is a highly experienced management consultant, educator and business executive. He is the founder and chief executive of the Strategic Management Institute, www.smi-knowledge.com, and a former managing director of an independent management consulting firm. Prior to establishing that entity with his colleagues, Paul was a partner with a global management consulting firm. Before entering consulting, he worked in industry in a finance and accounting capacity. He commenced the consulting stage of his career in Indonesia where he was based for approximately two years.

A key aspect of the management consulting and education coursework presented in this book is the content developed as part of the thesis that contributed to his award of a doctor of business administration degree. Paul is a former office bearer and paper reviewer for the international Strategic Management Society. He has worked with numerous global corporations in both consulting and executive development roles. In addition to this book, he has co-authored professional practice papers and given presentations in many seminars, briefings and conferences addressing a diverse range of audiences. Examples of more recent publications and speaking engagements follow:

Publications:

The Seven Inconvenient Truths of Business Strategy, Routledge, Oxon, UK, 2014.

“**Raising the Bar at Mars University**”: A case study and chapter in Rademakers., M. *Corporate Universities: Drivers of the Learning Organization*, Routledge, Oxon, UK, 2014.

Singapore Management Review: Co-author of “Contemporary Strategic Management Practices in Australia” and “Back to the Future, Strategy in the 2000s”.

Quoted in *BRW* magazine and contributed blog post to *Leading Company*, an online magazine.

Strategy Survey: Strategic management practice in Australian organisations in collaboration with Swinburne University.

Presentations:

Smiknowledge and Strategic Management Institute International Conference: “*Strategy as the Enabler of Change in an Era of Unbounded Disruption*”, held in Melbourne in October 2017 and London November 2017. www.smiknowledge.com.

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CPA Australia: Presentations at CPA Australia conferences, including CPA Congress in 2010 and 2013.

Chartered Institute of Management Accountants UK: Presentation in Manchester, 2017.

Institute of Directors UK: Presentation in London, 2018.

Conferences:

ANZAM: Paper presentation in 2005 titled “*The Conduct of Business Strategy in Australia*”.

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Introduction

What to do when you can't be what you can't see

Consistent with the scientific nature of organisational behaviour, strategy is grounded in social, rather than technical, science. It's appropriate, therefore, to equate the success of a youth development program with measures of success in business. In her book *You Can't Be What You Can't See*, McLaughlin (2018) describes how an after-school youth development program gifted disadvantaged youths from Chicago in the mid-1980s with an ability to see and appreciate a pathway to a life that they could have only imagined previously. Key to their salvation, McLaughlin (2018) discovered, were the three factors of *mentoring*, *exposure to activities and resources beyond their neighbourhood*, and, *a culture of belonging*.

Translate this into a context of corporate high performance, and the factors of success could read as follows:

Mentoring: a strength of strategic leadership and focused organisational learning

Exposure: reframe and be prepared to adapt to unseen change and invest in the invention of deliberate, potentially disruptive change

Belonging: broad-based Stakeholder Engagement and open management practices

We propose in this book to provide you with the means to 'be what you can't see' and thereby enable you to realise a state of personal and organisational high performance.

Concept of Corporate Strategy (Remastered)

It's difficult to relate to a future that quite literally can't be seen or predicted. Managing through that difficulty has been the sole objective of corporate strategy since the Ancient Greek generals (strategos) first started plotting strategies for war. *Corporate Strategy (Remastered)* represents a reworking of one of the earliest forms of corporate strategy that was conceived by author Igor Ansoff in the mid-1960s and still survives today. In our remastering of strategy, our intention

2 Introduction

was to evolve an integration and enhancement of Ansoff's early concepts with new and advanced strategy concepts. In the development of our remastered program, our objective has been to develop, understand and reinvent. Accordingly, we sought to make strategy relevant and meaningful in a new world order brought about through the disruption created by the Fourth Industrial Revolution (4IR) and revolutionary changes in societal attitudes, local and global politics and the physical environment.

In taking the concept of corporate strategy into its next iteration, it was an honor to acknowledge and applaud the 'lighting of the fuse' that Igor Ansoff (1965) initiated through the publication of his book *Corporate Strategy*. Representative of *first wave strategy*, the notion of corporate or strategic planning gave rise to numerous developments in strategy and strategic thinking; these are recognised by us as evidence of *second wave strategy* practices. Similarly, the remastered version is referred to as *Third Wave Strategy*. Cognitive aspects of Third Wave Strategy are conducted through the enactment of organisational learning, the practice of structured and critical strategic thinking and a culture of openness and engagement. Physical aspects are grounded in the construct of a system-based, fully integrated Strategic Management Framework, now known as a Third Wave Strategy framework.

How to use this book

This book provides insight into the notion of a remastering of strategy. Presented within a context of Third Wave Strategy, the objective in its writing is to explore, with you, methods of strategy practice, which will lead to a corporation's capacity to transform to an elevated state of high performance. Although written by a single author, Paul Hunter, it is his preference to acknowledge the work of many contributors and participants in his coursework from which this, and the companion *Corporate Strategy (Remastered) I* book, is based. Accordingly, Paul prefers to use the terms 'we', not 'I', 'our', not 'my' and 'us', not 'me'. Some of the individuals to whom Paul owes a debt of gratitude for their contributions are Anthony Claridge, Mike Donnelly, Stuart Orr, Stephen Pitt-Walker, Gaye Mason, Greg Baker, Andrew Brown, Steve Perera, Fred Davis, Phillip Lange, Martijn Rademakers, Dianne Kelleher, Laurence Gartner, Noordin Shehabuddeen, Greg Trainor, Alexie Seller, Paul Foley, Nick Price, John Cockburn-Evans, John Toohey and Denis Bourke.

As a fieldbook, it delivers content supporting an experiential workshop-based program that explores a systems approach to strategy practice from conceptualisation, formulation and implementation through to alignment. Its purpose is to explain, expand and demonstrate the application of Corporate Strategy (Remastered) to practice. Both this and the companion introductory book, *Corporate Strategy (Remastered) I*, can be used to conduct the associated facilitation/action learning workshops and consulting projects. Our experience has shown that this and similar programs will be of relevance to experienced

Chapter 1 Corporate Strategy (Remastered)	Chapter 2 Articulating Long Term Strategy	Chapter 3 Reinventing Strategic Planning	Chapter 4 Implementing Third Wave Strategy	Chapter 5 Strategic Alignment
<ul style="list-style-type: none"> Establish purpose, balanced team, objectives, agenda Conduct strategic review Scenario analysis Review strategy framework Workshop strategic framework Confirm next steps 	<ul style="list-style-type: none"> Confirm Purpose, Mission, Vision Confirm Strategic Imperatives Develop Strategic Architecture Refine Strategic Architecture Evolve strategy development plan 	<ul style="list-style-type: none"> Analysis: Strategy Evaluation, Shaping Consensus: Strategy Narrative, Strategy Blueprint Build: Strategy Evaluation Reviewing 	<ul style="list-style-type: none"> Stakeholder Engagement Design Strategy Renewal Monitoring, Establish Strategic Change Program Performance Management 	Ensure alignment: <ol style="list-style-type: none"> External, indirect External, direct Internal, direct
				Chapter 6 Future Strategy Practice Report findings, Assess options

Figure 0.1 An overview of chapter structure reflecting the Strategic Management Framework and action plan used in this book

and emerging senior leaders – those who understand fundamental concepts in strategy but are seeking to take their understanding of it to the next level.

When applied as a teaching program or consulting methodology, participants are able to work at the same pace and in harmony with internal or external consultants in the development and ownership of their own strategy content.

In presenting an overview of the book, you will observe from Figure 0.1 that its content follows the same infrastructure deployed in the generic construct of the *Corporate Strategy (Remastered)* I companion book but from a more practical/‘doing’ perspective. An illustration of the framework used to structure a Third Wave Strategy system appears in Chapter 1 (Figure 1.1) of this book in the form of the Third Wave Strategy framework.

Workshop case study: Third-wave Industries (T-wI), Security Printing and Packaging Division (SPPD)

In our exploration of the topic of business strategy throughout this fieldbook, references will be made to an ongoing case study that is focused on a fictional corporation, albeit one based on a combination of real businesses. The story that unfolds centres on the transformation and renewal of the Security Printing and Packaging Division (SPPD) of parent company Third-wave Industries (T-wI).

Introduction

An overview and description of T-wI and SPPD’s current strategic position appears as Case example 0.1. As the story of SPPD unfolds in each chapter it

provides an analysis of a corresponding element of the Third Wave Strategy framework. For the purpose of discussion, a representation of the alignment between each chapter and associated element of the framework is presented as Figure 0.1. Our intent is to provide readers with an understanding of the positioning of discussions taking place within each chapter.

Work plan for program of transformation and renewal at T-wI, SPPD

As you will see in our discussion of SPPD, Division Managing Director Jenny Wong and Chief Strategy Officer (CSO) Alicia Manning make several attempts at defining both Long and Short Term Strategy content before a final implementation program can be developed, signed off and commenced. They will be guided by the work plan designed by ex-consultant Alicia Manning and presented as Table 0.1. Although the primary components of the work plan in our journey of discovery are well articulated, we don't follow the strict sequence as set out in the plan. It is unlikely that you will either when you apply the concepts of Third Wave Strategy to practice with your client or directly in your organisation.

The story of transformation and renewal at T-wI, SPPD

The SPPD story, describes how newly appointed Division Managing Director Jenny Wong and her recently appointed CSO Alicia Manning sought to design, develop and then implement a Long Term Strategy. The initial focus of the strategy was the design of a program of organisational transformation and renewal. Their objective in this endeavour was to “turn around SPPD performance while at the same time capitalise on the evolving digital revolution to meet disruption head on”. In its implementation their intent was to “transform SPPD into a High Performance Organisation – HPO”.

Setting: Now grappling with their survival, a strategic review of SPPD conducted by external consultants presented some hard truths that were difficult to digest. Their findings are presented and discussed in Case example 0.1.

Table 0.1 Development and delivery of a strategy and leadership development program at SPPD

Phase 1: form team, design program	Chapter 1
1 Build a ‘balanced’ team: Confirm purpose and objectives. Learn the concepts of Third Wave Strategy	
2 Direction setting – confirm: Purpose of SPPD strategy, objectives, problems to be resolved, desired outcomes and time frames. Explore statements of Purpose, Mission, Vision.	
3 Conduct situation analysis: Conduct review and assess context of strategy; explore potential Third Wave Strategy framework Review and assess implications of strategic review	
4 Conduct scenario analysis: Evaluate and assess implications	
5 Conduct: Facilitate strategy development and incubator mini-workshop(s) with the leadership team	
6 Confirm next steps: Build support, obtain commitment	