Strategy Coaching
Coaching to support strategy creation, development and implementation

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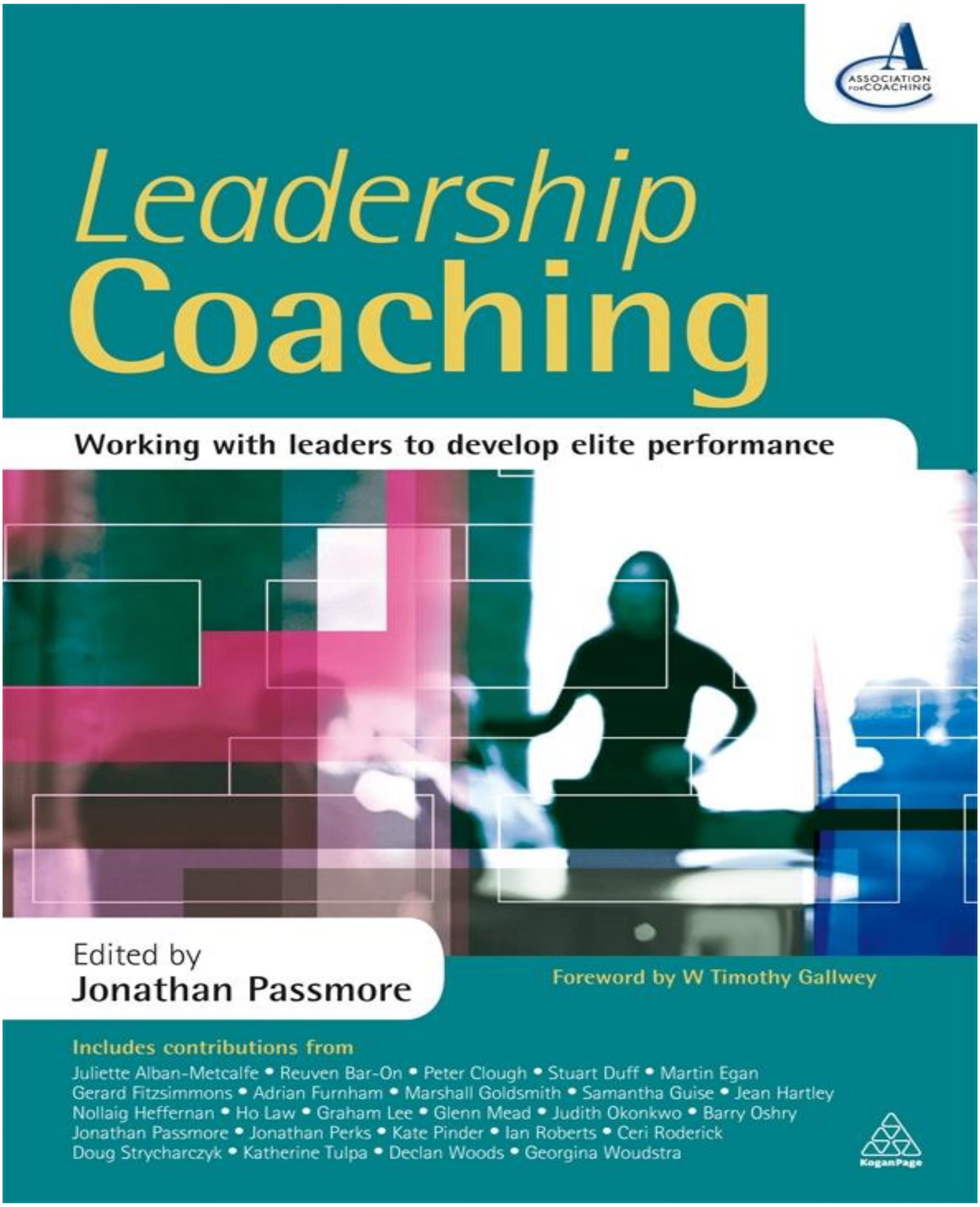

Introduction

The prevailing economic climate presents opportunities, as well as challenges, for those organisations that are ready and willing to seize them. This chapter looks at organisational strategy and will explore the skills of coaches involved in working with leaders in this area. Readers will learn about three major, and different, conceptions of organisational strategy put forward by Porter, Mintzberg and Hamel before turning to look at the role of strategy coaching and coaches in theory, and in practice, through a case study.

Strategy typically refers to the planning, directing, organising and controlling of a company's long-term goals, strategy-related decisions and actions. This chapter's focus is on strategy coaching, that is, coaching to support the strategy creation, development and implementation process in organisations. This is distinct from strategic coaching - coaching that benefits the organisation as well as the individual. It could be argued that while all effective coaching should be strategic, not all coaching supports the strategy process.

The strategy models

This section will review different authors' ideas about organisational strategy. We will first look at the ideas of Porter who suggests that an organisation considers the different strategic options available and makes a clear choice between them, rather than struggling to pick the single best strategy. The second part considers the work of Henry Mintzberg who charts the rise and fall of strategic planning and proposes that, rather than leaving it to strategic planners, managers engage in the strategy creation process. In the final part of this section we will briefly consider Hamel's view that a change in mindset is needed in an organisation if it is to discover radical strategies.

The work of Harvard Business School's eminent Professor of Strategy Michael Porter represented the basis for formulating a competitive strategy for much of the 1980s and 1990s. Porter (1985) proposed that organisations could adopt different generic strategies in an industry based on cost leadership, differentiation or focus. Porter introduced the idea of organisations having to choose to adopt a more focussed approach and avoid the limitations of a diffuse strategy by trying to be 'all things to all people'. This process entailed the organisation:

- clearly defining itself in terms of its basis for competing and how it would measure its success;
- developing policies that managers could use to communicate this critical information successfully to all parts of the firm;
- analysing itself and determining its strengths and weaknesses; and
- evaluating these strengths and weaknesses in the context of external competitive forces as well as the broader environment.

Porter considered that any one of these clear positions would have been effective at this time due to the more static nature of markets. However, in a more recent (1996) article, Porter argued that the strategy models of the past have become outdated. Gone are the days where there was one ideal competitive position, where all of an organisation's activities were benchmarked against the best practice sought, outsourcing to achieve economies of scale was the norm and advantage was gained through focussing on core competencies and a few key success factors.

In 1996 Porter proposed that "Companies must be flexible to respond rapidly to competitive and market changes." This is as true today as it was then, if not more so in the current economic climate. Porter was an early advocate of what is known as 'positioning', that is success in business is achieved by choosing a superior position in a given environment. Finding a position inevitably requires some difficult choices and decisions. Porter says that "Managers have become confused about the necessity of making choices", which has got in the way of them rediscovering a strategy. He says that in an environment where external forces mitigate against making clear choices and trade-offs, strong leadership is essential: "General management is more that the stewardship of individual functions. Its core is strategy…"

However, while once central to strategy, positioning is now criticised as being too inflexible for today's fast-moving technological advances and market conditions. Furthermore, Porter says the difficulty now is that organisations do not typically differentiate between strategy and operational effectiveness. While many firms have jumped onto the bandwagon of re-engineering, outsourcing and total quality management efficiency drives and obtained operational improvements as a result, these have been insufficient to bring about lasting profitability and sustainable strategic competitive advantage. It is not surprising that managers are lured into the pursuit of operational effectiveness, however, because it is tangible and action-oriented and these are typically how managers envisage their roles.

In today's economic climate, Porter suggests that sustainable competitive advantage can only be achieved by:

- Determining a unique competitive position for the organisation;
- Tailoring its activities to its strategy;
- Making clear trade-off choices regarding competitors;
- Achieving alignment or 'fit' from across its range of activities rather than over-focussing on individual parts; and
- operational effectiveness is necessary but insufficient per se and there is a need to go beyond this.

While conceptions of strategy may go in and out of fashion, what appears clear is that to remain competitive a firm must be both operationally effective, and consider different strategic options and make unambiguous choices from those available. Inevitably, the process of generating and considering these choices will generate significant debate and tension and is likely to be contentious. Given this, it is critical that an organisation finds a means of surfacing and managing conflict. It could be argued that if there is no controversy, the choices are not sufficiently strategic. This presents an opportunity for the strategy coach as a broker of relationships and conversations.

Moving away from Porter, Mintzberg (1994) charted the rollercoaster existence of strategic planning since its conception in the 1960s when it was seen as the panacea for organisations to improve their competitiveness through the design and implementation of strategies.

Strategic planning, drawing upon scientific management principles espoused by the likes of Taylor (1911) and Fayol (1916) split the tasks of 'thinking' about strategy from 'doing' strategy. This inevitably led to the creation of a new function within organisations – strategic planning. The reasoning behind this was that specialist strategic planners could produce the best strategies and develop detailed guidance to carry out them out. Planners would hand over these instructions to managers to implement the already-agreed strategy. In this way, the managers delivering the strategy could not get it wrong. As we know, planning within organisations has not worked out this way.

Mintzberg (1994) argues that strategic planning has largely fallen into widespread disuse in companies because they confuse strategic thinking with strategic planning. Govindarajan (2005) concurs with this view saying many senior managers mistake strategy with plans for the coming year and spend their time on activities in the present, rather than spending most of their time divesting activities belonging to the past and creating the future.

This is not surprising since it appears there is a difference between those activities where managers think they spend their time (e.g. engaging in strategy formulation) and what they actually do. If we look at the latter, it appears that the typical manager is far removed from the measured, objective, rational, strategic decision-maker presented in management literature. Fores and Sorge (1981) painted a picture of the time stressed person, heavily influenced by day-to-day problems, constantly been interrupted, unable to prioritize what they do and with little time for longer-term planning. Stewart (1968) agrees, referring to this as the grasshopper-like nature of managers' work, reporting that in a typical eight hour working day it is not unusual for a manager to have handled over 200 different activities. In his 1973 study, Mintzberg found that more than half of CEO's activities lasted less than nine minutes. From this, one opportunity for the strategy coach could be helping managers focus their time on more value-adding strategic activities rather than fire-fighting day-to-day issues.

In practice, strategy-making is a complex process and is far removed from the classical view of hard data being passed up an organisation's prescribed hierarchy until it reaches its upper echelons where rational, 'economic-man' decisions are made by senior managers in a corporation's headquarters. Mintzberg tells us that "formal procedures will never be able to forecast discontinuities…" and that, while strategies can be developed by analysis, they cannot be created by it. He advocates that planners analyse data to identify genuinely new strategies and broaden consideration of the strategic choices available, rather than do this to find the one true strategy as Porter originally suggested.

Mintzberg continues "Three decades of experience with strategic planning have taught us about the need to loosen up the process of strategy making rather than trying to seal it off by arbitrary formalization.” Govindarajan (2005) echoes this view, reminding us that firms can only remain competitive through being innovative and adopting a creative approach to strategy formation to prevent them being easily copied and commoditized.

A reason strategic planning has fallen from grace is, as Mintzberg quoting Selznick (1957) advises, “…strategies take on value only as committed people infuse them with energy”, and that planning can actively discourage the commitment of top managers. This is perhaps not surprising since planning could be seen to reduce management’s power over the strategy-making process.

There are, of course, other reasons why strategic planning has fallen from prominence. There are three main, often unchallenged, assumptions on which strategic planning is based: firstly, that predicting the future is possible; secondly, that strategic planning is an objective process from which those involved in planning can remain detached; and finally, that the process of strategy-making can be formalised.

As far back as 1965, Ansoff wrote about firms being able to construct accurate forecasts as the planning horizon of the firm. Recent, dramatic changes in the world’s economy have challenged this notion (if the idea of being able to accurately predict the future was ever more than this). Govindarajan (2005) underlines this when he points out that a strategy starts to die from the day it is introduced. As they begin their annual strategic-planning process, many organisations are coping with the difficulties of predicting the future and its inherent uncertainty through the use of scenario planning, according to The McKinsey Quarterly (April 2009).

Mintzberg’s work highlights tensions in managers’ roles and the difficulties they face in balancing operational and strategic tasks. Opportunities for the strategy coach might lie in helping managers focus on strategic work, and remaining engaged with the strategy generation process while involving others in this to help anticipate the future.

While some strategists might advocate an approach to strategy based on incremental operational improvements, Hamel (1996) says that this approach has its limits and instead he views “Strategy as Revolution”. He argues that a change in mindset is needed within a company if it is to discover radical strategies. Rather than offering a prescription to arrive at a revolutionary strategy, he sees this as a state of mind and offers a number of ways of thinking about strategy creation.

He discusses three types of companies – rule makers and rule takers who are the industry and rule breakers who seek to redefine the industry. Hamel says that rule breakers are the revolutionary subversives that challenge the status quo and invent a new regime. This requires people to look at the world differently for there to be real innovation in the strategy creation process and that "without enlightenment, there can be no revolution." He cites Anita Roddick, Body Shop founder, as an example.

Hamel believes that challenging the current paradigm is often extremely difficult for the current senior team as they are often defenders of it, saying "… you are unlikely to find a pro-change constituency among the top dozen or so officers."

Organisations' structures are often graphically depicted as a pyramid with the CEO and senior management team positioned at the tip as explained by Weber's rational-legal domination (1947 in Morgan, 1996). This implies that it is only those at the top that have a view about, and valuable contribution to make to, an organisation's strategy. Yet Hamel believes that strategy-making capacity is spread widely across a firm and that a broad spectrum of people should all be involved in its formation. In his experience, there are, typically, three important groups overlooked from this process: young people (who bring a fresh perspective on the world and emerging trends); those at the extremities of the organisation (who, remote from headquarters, need to be even more resourceful as they have less access to central resources) and new hires (people who have yet to be socialised into the norms of the organisation and who bring unsullied wider perspectives). Hamel says that the strategy challenge for most firms is to help this pro-change group of people find its voice. He goes further by asking CEOs if they know who, and where, such people are within their organisation.

Turning to strategy implementation, many managers believe that it can be problematic, with this belief based on the assumption that people are against change and that only a charismatic leader can propel the organisation forward to a new and better future.

However, Hamel believes that while there can be challenges in executing change, they are generally not about change per se but its lack of engagement with people: "That which is imposed is seldom embraced. An elitist approach to strategy creation engenders little more than compliance." Contrary to popular opinion, he says the aim is not to get people to support the change but to give them responsibility for stimulating change and having a sense of influence over their future.

Hamel would concur with Porter that small scale operational efficiencies are not enough to achieve the step-change in strategy required by firms in today's economic malaise. Hamel believes leaders need a different way of viewing the world to both conceptualise change and engage people behind it. He reminds us that the strategy-making process should entail encouraging broader participation and participants into the process, creating an environment where those open to new ideas can express their opinions, and that unconventional views can be melded into the thinking. These are the contests that senior managers face if strategy is to be revolutionary. These issues present opportunities for the strategy coach to challenge leaders' cognitions about the past and to envisage a different and better future. Here, strategy coaching can have a powerful impact on the whole organisation through influencing the behaviour and operating style of a leader.

Using the strategic model with senior coachees

This section of the chapter will explore the role of strategy coaching and coaches. It will introduce a process for strategy coaching and this will be used as a structural aid for the case material that follows.

It has been assumed so far that the CEO needs a strategy coach rather than a strategy consultant, which might seem a more common choice. Given this, this section starts by differentiating the two roles by looking at what a strategy coach does not do.

What a strategy coach doesn't do

In the face of eminent strategy models and theories, it is common for a CEO to employ a strategy consultant to advise on strategy formulation. But it could be better practice to engage a strategy coach who can help the organisation discover what is the right strategy for it than impose one from on high (Prahalad, 2005).

Strategy coaching might, therefore, prove of more value than the more traditional consulting approach to strategy.

There are a number of pitfalls for the would-be strategy coach. It is all too easy for the coach to be seduced by their privileged position (and that of the CEO coachee) and as a result collude due to his status, role or personality. An awareness of this hazard, along with coaching supervision can prove invaluable at such times.

A common trap is the temptation to slip into consulting mode and try to solve an organisation's problems for them or, worse still, impose generic theories and strategy models. These are risky for both parties, particularly because the coach cannot possibly know the business well enough. This is, after all, the CEO and top team's role. As Bartlett reminds us, "…coaching is much less about proving the answers than it is about asking the right questions…" (Govindarajan, 2005). While there seems to be differing views about strategy creation, there is consensus around a coach's role and ability to listen and 'hold up the mirror' to help the organisation evaluate its current position and develop frameworks to apply tomorrow's landscape to today's opportunities.

Instead of these, a far better contribution of the strategy coach is to encourage the coachee to consider alternative perspectives., to open up and stimulate debate on new topics and to raise the views of others in the organisation likely to be affected by the strategic choices of the leadership. Tools such as De Bono's Six Hats (1987) can be useful for helping senior leaders consider the wider risks, the full range of benefits, the process of developing change, the evidence from markets and customers and simple 'out of the box' thinking.

Pre-coaching coachee-coach matching

All coaching is preceded by the matching of a coach with the coachee. While this is always important and needs to be handled sensitively, it is particularly important for strategy coaching due to the expectations of the CEO and top team of the coach and its potential impact on an organisation. Business leaders expect coaches working with them to focus on issues critical to them and their organisations. It is, therefore, essential that a strategy coach demonstrates credibility, presence and impact from the first meeting with a top manager. It is also vital for the coach to demonstrate an understanding of the sector/industry as well as the organisation and its challenges and how these might affect the leader. The opportunity to work with very senior leaders can be won or lost in an instance. Be prepared!

Senior leaders operate at speed. It can be important for credibility's sake to match this pace. However, in doing so, it can be easy to ignore the crucial early stages of developing rapport and building trust. It is time worth spending, however, as it is a crucial criterion if the coaching is to be successful.

Strategy conceptualisation

Before an organisation moves towards its new strategy, it can be helpful to know where it is starting from. One role the executive coach can play is to work with the CEO to conduct a diagnostic of the current organisational portfolio. Watkins (2003) tells us that "You cannot figure out where to take a new organisation if you do not understand where it has been and how it got there." He tells us that there is a range of business situations, each presenting different challenges and opportunities and thus requiring different behaviours from leaders. He recommends understanding the stage of the organisation's development first – start-up; turnaround; realignment; or sustaining success – to determine the desired leadership response and then positioning coaching to support this.

According to Prahalad (2005), it can be useful to unearth and understand the prevailing logic of the organisation (why an entity believes what it does about its products/services, internal organisation, competitors and sources of competitive advantage) when developing a corporate strategy. Watkins' approach can be useful for this purpose. The next step is to explore the external terrain and the future relevance of the company's logic. Barker (2005) believes many organisations overlook this critical part of the strategy making process, jumping directly to strategic planning. This is important because past successes tend to be codified into the dominant logic. Often, there is a fine line between prevailing obsolete attitudes and beliefs and sources of future competitive advantage. One role of the coach is, therefore, to help the senior leadership develop their own understanding of the differences between the two. One of the key strengths a strategy coach brings at this stage is access to world-class practices drawn from a range of other industries (Govindarajan, 2005). After all, how many managers can claim extensive experience of global reorganisations, or large-scale mergers or acquisitions that are, for most executives, once-in-a-career moments?

It is important, however, not to spend too long looking backwards. Govindarajan (2005) suggests a forward focus by encouraging the CEO to assess a firm's potential as opposed to the current performance of the portfolio.

There are two trends dictating the demand for coaching senior leaders. With higher turnover of CEOs and shorter tenure, top leaders need to develop a viewpoint on how and where the organisation will compete in its industry, and then implement this

point of view and produce results from it in an ever-quicker timeframe (Prahalad, 2005). Irrespective of the health of the organisation, there is a need to produce value for customers and shareholders quickly. The coach needs to match this tempo because, as Peltier reminds us, "… the business world insists on results…soon." (2001). While cutting costs can be quick, relatively easy to achieve and produce fast results, it is doubtful that this will generate value into the long term. For the coach to maintain his hard-won credibility, every coaching session will need to add value and provide lasting benefit well beyond the initial chemistry meeting.

Govindarajan (2005) tells us that strategy issues are far too complex for a single person to solve. As such, it might be tempting for a CEO to reach out to others close within the organisation for help. However, there are genuine difficulties for the CEO in being able to hold an open and frank conversation about strategy with anyone inside the organisation: "I can't talk to the chairman because in the end he's the one who is going to fire me. I can't talk to my Finance Director because ultimately I'm going to fire him, and I can't tell my wife because I never see her and when I do, that's the last thing she'll want to talk about" (Tappin and Cave, 2008). Lyons agrees, saying "problems can come from talking too freely inside an organisation, however flat or virtual it may be… Leaders need a safe and supportive theatre… in which to rehearse and refine their ideas." (2006). Coaching can meet this need.

With the risks associated with seeking internal advice, it is not surprising that many leaders choose to remain silent. Given these risks, and the inherent loneliness of the CEO's position, it is not unexpected that a business leader would look outside of the organisation for a trusted, impartial adviser. A CEO can feel more comfortable talking to an external person as they typically have nothing to gain and are detached from the internal political climate. Coaching can provide leaders with the opportunity to participate in a developmental conversation that would otherwise be all but impossible to hold internally. Here, the coach – and often only the

coach, can challenge the senior leader's current wisdom and help him think significantly differently about the current organisation's fitness for purpose. In the absence of this dialogue, there is often no reflective space or consideration and testing of a broad range of ideas.

Hamel reminds us of the advantages of including different people in the strategy creation process. One of the contributions of a strategy coach is to facilitate conversations across these groups, including the top team and senior managers, and to bring people together to talk openly about organisational imperatives that cut across organisational silos. Bartlett (2005) tells us the coach can support the CEO through accessing these diverse views by becoming a resource to the top management and, through this, and by identifying blind-spots and raising levels of awareness, help build its capability. A skilled coach is familiar with, and practised at, working with resistance to change in ways that executives often are not and can use their insights on individuals and the change process to bring about co-operation and cohesion.

Strategy planning

According to de Geus (1988), "The real purpose of effective planning is not to make plans but to change the… mental models that… decision makers carry in their heads." To do so well, "they may have to use provocation or shock tactics like raising difficult questions and challenging conventional assumptions." This is a difficult role for the CEO to play as senior leaders are both consumers as well as producers of that same strategy. Here again, the strategy coach can make a significant contribution.

Once a future strategic direction has been decided, the CEO must build momentum towards it without leaving casualties along the way or colluding with the prevailing logic. It is during this phase that Prahalad (2005) believes that strategy coaching and personally effectiveness coaching can become merged. Drawing upon the strategic point of view developed earlier, the CEO can quickly ask critical questions; listen to alternative and opposing viewpoints; and challenge the status quo. The aim of this stage is to develop a powerful coalition behind a particular point of view. This requires significant personal effectiveness on the part of the CEO. The coach can role model the desired skills and behaviours and work with the CEO to develop these through preparation, rehearsal and repetition until they become fluent (Peltier, 2001).

Strategy implementation

We have all seen organisations that have implemented poor strategies well and been successful, while other firms with near perfect strategies implemented less well have not achieved the anticipated results. The ability of the CEO and management team to executive a change in strategy should, therefore, not be underestimated. A coach tasked with helping an organisation implement a chosen strategy needs to establish credibility between the leader and the team and vice versa. This can be particularly challenging when trying to envisage a different future for the organisation that is as-yet out of sight.

Davidson (2005) uses a simple three-step process: Aim; Ready; Fire when working with entities to conceptualise and prepare for change. 'Aim' involves bringing the senior team together to assess the current situation and define a desired future state. The 'Ready' phase is about preparing the ground for the changes to come, including communicating the new-look organisation and developing people strategies to align everyone's effort behind the changes. Finally, 'Fire' concentrates on launching the change, executing the strategy and delivering the results from it.

Once the corporate strategy has been agreed, it needs to be translated into business unit level strategies to be implemented. Coaching for change becomes the focus here to help develop the tactics for deploying the strategy and turning it into reality. Managers and individuals will need to make sense of the strategy and determine the implications of it for them. Canner (2005) tells us that the chosen strategy must provide meaning as well as direction and as such can be a powerful motivator for change.

Case study

Introduction

This case example demonstrates how strategy coaching was used to support a defence company making difficult strategic choices during a time of significant, market-led change. It shows how I used the strategy coaching process presented above with the organisation and its CEO. Details have been changed to preserve confidentiality where necessary.

The issue

A change in government policy led to a defence company having to reconsider its core markets, central strategy and core work activities. By way of background, the organisation had a long history, held significant share in international markets with respected products over long life cycles, was based across multiple sites in the UK, had a 4,000-strong workforce and generated £15M profit from £400M turnover in the year in which this assignment was carried out. Competitors were facing similar challenges at the same time and first-mover advantage was available since the legislation change would have made the organisation's core offerings obsolete overnight. This was the biggest change facing the organisation in the past 75 years (almost its entire history).

On the surface, the presenting issue was straight forward: external changes required the organisation to change. It needed to make some strategic choices over its future direction and respond accordingly. However, an initial hurdle was that, with the exception of the CEO and some of the Non-Executive Directors (NEDs), the organisation and its senior managers did not see the need to change and had not started to prepare for it.

The CEO had already proposed a draft strategic direction in a recently produced strategy paper but failed to obtain buy-in to it, which was delaying its sign-off and implementation. This paper had been produced largely by the CEO with the support of 1-2 NEDs and not actively through the rest of the Corporate Management Team (CMT) and organisation. This was partly because of time pressures but mainly due to the CEO's concerns over the CMT's effectiveness, particularly in strategic decision making.

Although there was a lead time of eighteen months, gaining agreement to the new strategy did not leave long in light of the scale of the changes needed. There were risks of loss of market share and revenues from not being ready when the new policy came into effect, which added significantly to the pressures.

In addition to achieving support for a new (still to be agreed) strategy, the CEO also wanted to repair some of the damage done by his overly directive approach to driving the initial strategy into place. He, therefore, wanted the strategy coaching to develop an approach to leadership for the CMT that improved its effectiveness and achieved the following outcomes:

- focused more on strategy and less on operational details;
- developed team working methods to be more effective, particularly in decision making;
- encouraged improvements in communications between the CMT and the wider organisation; and
- improved working relationships and engagement within the CMT.

The strategy coaching process

Coaching for strategy conceptualisation

Even though I had a track record in strategy coaching, I still needed to build my credibility and gain the confidence and trust of the CEO and top team, particularly as I had not worked with the company before. This started by exploring and agreeing how I would work with them to achieve the aim.

The first step in using the coaching model was for the CMT to develop a point of view on where, and how, to compete in the changed market. This could have stemmed from an analysis of the current performance and future potential of the portfolio. However, while this was present and future focussed, the challenge here was that the prevailing logic was a barrier to change. This grew out of the organisation's size ("we're enormous and have the capacity to absorb any change thrown at us" - as we've done before) and a history of mergers and acquisitions (resulting in a lack of trust between Divisions). This logic wasn't immediately obvious and only became apparent during individual coaching sessions with the senior managers. During this time, I found I needed to be both supportive and challenging: empathetic about their views and why they held these but especially challenging in terms of the drivers behind the need for change and the very real implications for the organisation if there were no change. I found that questioning the relevance of soon-to-be outdated functions a necessary, but difficult, way of challenging the status quo. I was able to reassure the CMT members that their views would be heard. It was important to gain their trust to achieve this and a useful reminder how much time (on-going, over several coaching sessions) this could take.

In practice, the content to assess the current business portfolio (present and future) developed out of these conversations. I used the knowledge gained in my conversations with the various CMT members and division heads in my work when coaching the CEO. In turn, this enabled him to develop a more refined point of view on the new strategic direction. He valued the time and space coaching provided to think and test his ideas.

Despite the pressure to agree a new strategic direction, the CEO knew that he needed clarity of thought to generate a workable strategy and (well thought out, pragmatic) solutions. To achieve this, he wanted to create thinking time in an extremely busy role. In addition to the ongoing strategy creation process, I coached the CEO on his part in the CMT effectiveness issues raised previously that were having an impact on him and his work. Through a process of structured questioning, I was able to draw out his experience and abilities, enabling him to find solutions that matched his natural leadership strengths.

Coaching for strategic planning

It was not enough, however for the CEO to develop a point of view. It needed to be explored, debated and shared with the CMT and NEDs. The CEO decided to use an existing management meeting for this purpose.

Here, my role was to facilitate an open conversation between the CMT and help them reach a shared point of view. Complete consensus was neither necessary nor helpful, as a unanimous decision would probably have been a compromised strategy. Given the history, and that an impasse had been reached between CEO and CMT previously, I explored with them how they had worked successfully together before and how they could learn from those times when decisions had been reached successfully. This, and drawing on the trust earned from the individual coaching sessions, worked well in terms of facilitation style.

Specifically, this forum:

- established criteria by which decisions were made (e.g. what would a good decision look like? How will we know?);
- reviewed drivers for change (e.g. why change? why now?);
- explored a range of strategic options in turn and the benefits and implications of each;
- reviewed points of contention from the different options; and
- worked towards an agreed solution aligned with the company's long term vision and mission.

Outcomes and benefits

It was during the facilitated board meeting that agreement was reached on a new strategic direction. This joint consultative forum proved to be an effective setting to create a powerful alliance

behind the chosen strategic direction. It created a climate that allowed the CMT to plan to implement the strategy.

In addition to achieving this, there were additional benefits in terms of the CMT's development in improved effectiveness, decision making, communication, as well as an appreciation of different operating styles and individual strengths and contributions.

This process is very different from that typically used by an external strategy consultant who might try to push a particular strategy from a box of models and tools. Using an inside-out approach, the strategy was designed by the organisation and was distinctive to it. The challenge for me was to work closely with the CEO, CMT and NEDs throughout the different phases of strategy creation without becoming overly involved in it. Not surprisingly, I found this a difficult role to balance. Equally, it was not surprising that the company found creating a new strategy difficult because, ultimately, many of the answers to these questions were about its central purpose and ethos as an organisation.

The defence company agreed a new strategic direction and plans to implement it. They executed the changes in good time and subsequently achieved the benefits from having done so including gains in market share and operating profits.

Conclusions

The economic world has changed – perhaps forever. In response, organisations have had to change too. Leaders are facing new competitive rules and must find an appropriate strategy in which to contend in these changed markets. Today's strategies are dynamic, ever-changing and ubiquitous. Leaders must follow suit. Anixter (2005, in Morgan et al, 2005) reminds us, "The days of the lone executive preparing a five-year strategy are over. Strategy today is a fluid, complex, and collaborative process, more so than it historically ever has been".

To keep up will, inevitably, require a significant shift in mindset on the part of the leader. This is an area where a strategy coach can challenge and corroborate a client and his thinking and make a real difference to leaders and their organisations.

Let the final word go to Lyons, "Coaching is not simply a passing fad; it offers a pragmatic supporting context in which modern strategy flourishes. In today's turbulent world, strategy has developed into something that emerges, always tracking a moving target. And the preferred vehicle – responsive enough to reduce the risk in successfully travelling toward that ever-changing destination – is to be found in the dialogue of coaching." (2006)

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