

Should strategic thinking be reserved for senior leaders?



UNLOCKING THE HIDDEN BUSINESS POTENTIAL



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INTRODUCTION

Should strategic thinking be reserved for senior leaders?

Traditionally, it's been assumed so, given their extensive education and experience, which naturally positions them at the forefront of an organisation.

But what if we shifted this paradigm? What if strategic thinking became a pervasive force across all levels of organisations?

This paper isn't just about challenging norms, it's about unlocking untapped potential. It's a call to action to harness diverse insights and innovative ideas.

It aims to provoke contemplation on the value of nurturing this skill throughout an organisation and sheds light on the tangible business advantages. By democratising strategic ideation, we empower individuals and teams to drive meaningful change and seize opportunities that might otherwise go unnoticed.

This paper bridges the gap between aspiration and implementation with a comprehensive framework tailored for the cultivation of strategic thinking at scale. From entry-level to seasoned professionals, let's make strategic thinking not just a skill reserved for the few, but a mindset embraced by all.

But before we go any further, let's look at Harvard Business School Online's description of the term discussed in this paper. Strategic thinking is "... any skill that enables you to use critical thinking to solve complex problems and plan for the future. These skills are essential to accomplish business objectives, overcome obstacles, and address challenges - particularly if they're projected to take weeks, months, or even years to achieve" (Stobierski 2020).

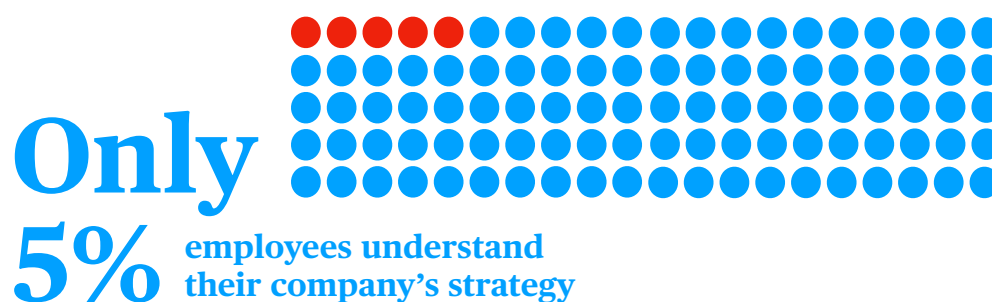


**Successful companies don't
rely on a genius CEO.**

Historically, strategic thinking was primarily the domain of executive leaders, who dictated the direction of organisations through top-down approaches. This hierarchical model aimed for efficiency but often stifled critical thinking and innovation among employees, leading to missed opportunities and stagnant growth.

According to McKinsey, we shouldn't expect these old models to be fit for purpose in today's environment. They are mechanistic by design, built to solve for uniformity, bureaucracy, and control—goals that undercut what companies now prioritise: creativity, speed, and accountability (McKinsey 2021).

It is not a surprise that successful companies don't rely on a genius CEO. They build collective intelligence, systematically empowering everyone, from the boardroom to the shop floor, to use their brains and apply them to the problems and opportunities that matter most. The iPhone wasn't the brainchild of Steve Jobs, Warren Buffet didn't want to bet on Apple, and Amazon Prime wasn't Jeff Bezos' idea. Each of these breakthroughs was sparked by an employee who'd been given the tools, skills, and confidence to ask the right questions (University of Cambridge 2023).



However, one barrier remains to enable the bottom-up approach - only 5% of employees understand their company's strategy, according to Kaplan and Norton (Harvard Business Review 2005).

Strategic thinking is cited by majority of CEOs as the main problem in their organisations.

Furthermore, only 14% of organisations say that their employees have a clear understanding of their company strategy and direction, and only 24% of employees feel their work and capabilities are linked to strategy (Schiemann 2009). To complete this research, strategic thinking is often cited by the majority of CEOs as the main problem in their organisations (Bonn 2005).

However, some leaders are sceptical about communicating strategy to the entire organisation, fearing that valuable information could be leaked to competitors. Kaplan and Norton address it by quoting Mobil's Brian Baker *"Knowing our strategy will do them little good unless they can execute it. On the other hand, we have no chance of executing our strategy unless our people know it. It's a chance we'll have to take."* (Kaplan and Norton 2000).

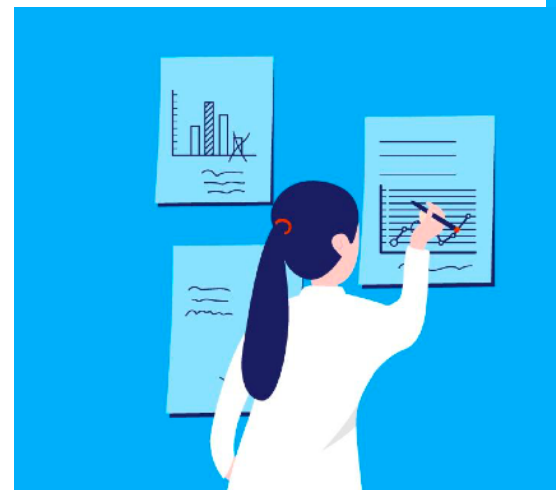
STRATEGIC THINKING TOOLS AND METHODS

Numerous self-help books espouse the importance of strategy and strategic thinking for organisational success. One notable example is the "HBR Guide to Thinking Strategically" (Harvard Business Review Press, 2019), renowned for its adept guidance in grasping the broader organisational landscape, honing focus on critical aspects, and facilitating informed decision-making.

What sets this book apart is its comprehensive approach, not only illuminating the necessity of understanding company strategy but also offering strategies for navigating scenarios where such insights are not readily available or subject to frequent change. It culminates with a robust array of probing questions designed to ignite strategic contemplation.

However, while such resources are invaluable, they often overlook crucial facets. True strategic thinking necessitates a deep understanding of customers and the ability to pose pertinent inquiries. Without these components, guidance remains incomplete.

Furthermore, many existing resources cater primarily to seasoned professionals, leaving novices or those without formal business education struggling to apply strategic principles effectively. Consequently, they target senior leaders and strategists, inadvertently excluding a broader audience.



Notable examples abound in the literature, including works by Kaplan and Norton, which provide comprehensive methodologies for instilling strategic thinking throughout organisations. Their seminal works, such as "Strategy Maps" and the "Balanced Scorecard," offer a strategic planning and management framework favoured by executive leaders worldwide. These tools serve not only to articulate organisational objectives but also to align day-to-day operations with overarching strategy, fostering a cohesive and purpose-driven workforce (Kaplan and Norton, 1996).

Of particular significance is Kaplan and Norton's "The Strategy-Focused Organization: How Balanced Scorecard Companies Thrive in the New Business Environment." This work delves into the transformative power of integrating customer experience metrics into strategic decision-making processes. However, to achieve the results, businesses need to see their products and services through the eyes of the customers. This leads to understanding what matters to them. What matters to customers drives the business's success.

In addition to literary resources, various models and tools offer structured frameworks for capturing and enhancing business value creation. For instance, the Business Model Canvas (Strategyzer 2024), serves as a strategic management and entrepreneurial aid, facilitating the design and innovation of business models. Similarly, methodologies like OGSM (Objectives, Goals, Strategies, and Measures) (MindTools), provide a systematic approach to defining and tracking measurable goals and actions aimed at achieving business objectives.

Tools like the Empathy Map (Gibbons 2018), offer a collaborative visualisation tool to deepen understanding of customer groups, fostering empathy and emotional intelligence in customer interactions. Furthermore, methodologies such as the Business Case, endorsed by the Association for Project Management (APM), enable rigorous evaluation of project viability by weighing benefits, costs, and risks, thereby substantiating decisions with a compelling rationale.



These tools, while invaluable, are most effective when integrated and applied with good judgment. Mastery of their application demands a certain level of expertise and experience.

However, in the dynamic landscape of modern business, characterised by evolving strategies and shifting customer behaviours, there arises a need for a more accessible and employee-friendly framework. Such a framework should enable alignment with evolving business strategies and facilitate a deep understanding of changing customer dynamics, ultimately fostering not only the bottom-up implementation of strategy but also the cultivation of strategic thinking itself.

THE SOLUTION

Drawing from two decades of hands-on experience observing organisations across the spectrum, from startups to established corporations, the "**Business Growth Framework**" emerges as a solution inspired by empirical study, secondary research and the renowned methodologies of Kaplan and Norton's Balanced Scorecard.

Distinguished by its departure from traditional top-down approaches, the "Business Growth Framework" champions a bottom-up perspective on strategic thinking. It bridges the gap in existing resources by offering a practical, accessible pathway for both current and emerging leaders to cultivate this essential capability. Central to its efficacy is the integration of the 70-20-10 Model for Learning and Development—a methodology that emphasizes experiential learning, social learning, and formal learning - more on this later.

At its core, this framework champions a shift towards **customer-centricity**, fostering a profound understanding of customer needs and preferences. It transforms organisations from product-centric to customer-centric models and links customer insights to business return on investment (ROI) for sustainable business growth.

“(the framework) helped our group to develop interesting projects and get new ideas.” - Florent Berclaz, Head of Quality Management at Batmaid

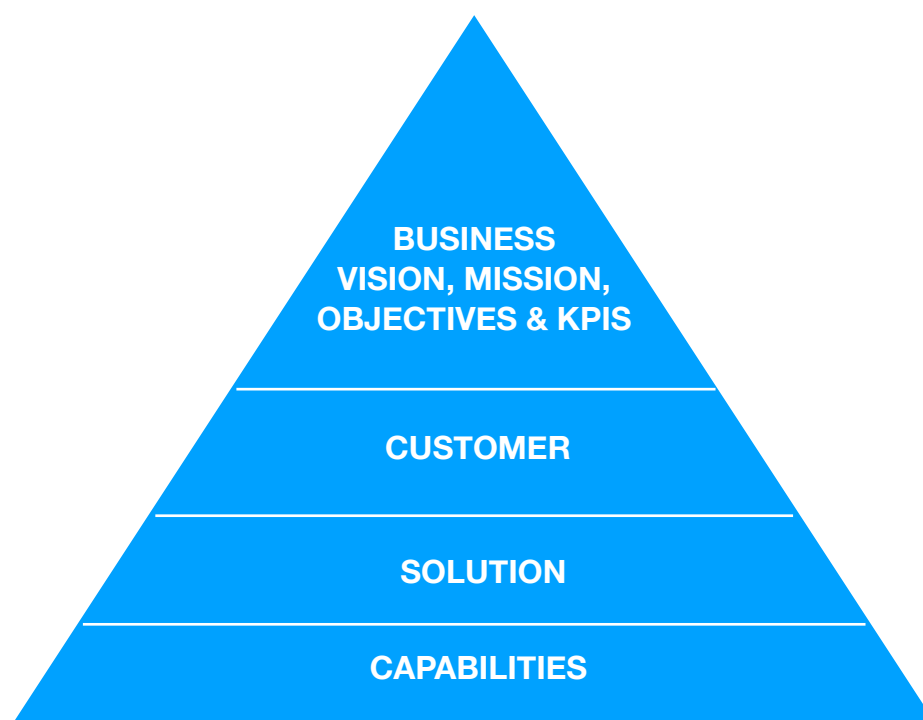
Moreover, the "Business Growth Framework" acts as a catalyst for heightened employee engagement, harnessing the collective intelligence of teams to drive innovation and decision-making efficiency. By empowering employees at all levels to identify patterns, develop critical insights, and propose new business ideas.

"(The framework) helped our group to develop interesting projects and get new ideas. We could apply many theoretical aspects ... to our Customer and Agent Experiences." - Florent Berclaz, Head of Quality Management at Batmaid

Crucially, the framework's structured questioning process not only cultivates critical thinking and customer understanding but also facilitates seamless alignment with the strategic vision of senior leadership. This alignment not only fosters buy-in for innovative projects but also liberates senior leaders to focus their energies on high-impact initiatives, thus optimizing organizational efficiency and efficacy.

The described framework takes the shape of a four-layer pyramid: Business Mission, Vision, Objectives & KPIs; Customer; Solution and Capabilities, as seen in Figure 1.

Figure 1.



Business Growth Framework

The complete framework and some of its layers have been introduced to businesses in Switzerland in a training format and were described as bringing immediate value to the participants.

“At Uber Eats we are empowered to think strategically and make decisions enabled by strategy, great hiring, culture of experimentation and good leadership. There is a lot of continuous leadership training, and while it’s challenging to attribute my growth solely to one aspect, this training framework definitely enables my strategic thinking.” - Thomas Loustau, Operations Manager at Uber Eats.

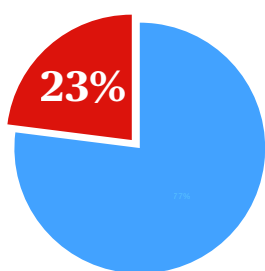
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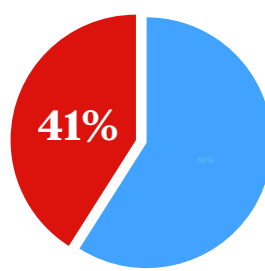
Let’s look closer at the challenges and opportunities for increasing employee engagement, customer understanding and decision-making mentioned previously.

EMPLOYEE ENGAGEMENT

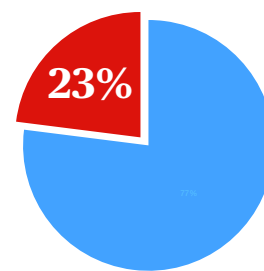
According to Gallup's 2023 report, only **23% of employees are engaged** in the workplace. Combining it with actively disengaged employees costs the global economy **8.8 trillion dollars, or 9% of global GDP**. When the surveyed employees were asked what changes would make a great workplace, 41% mentioned engagement and culture (Gallup 2023).



Only 23% employees are engaged in the workplace



For 41% employees more engagement makes a great workplace



23% of businesses with engaged workforce are more profitable

A question naturally comes to mind. How can organisations expect an engaged workforce who successfully implements business strategy if only a minority understands it and can link it to their contributions?

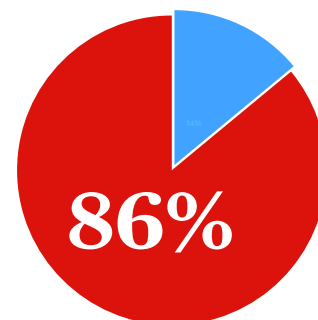
When Kaplan and Norton asked companies which successfully implemented the Balanced Scorecard methodology and incentives about the impact, they said that the strategy became everyone's everyday job because everyone understood it and became motivated to execute it (Kaplan and Norton 2000).

Motivated and engaged employees are more productive and more attuned to customer needs generating **23% greater profitability** (Harter 2022), which takes us to the next point.

CUSTOMER UNDERSTANDING

A robust strategy must be rooted in a deep understanding of customer needs, as this investment yields significant returns in terms of profitability - **86% of customers are willing to pay more** for a better experience (Kulbyte 2022).

Companies increasingly recognise this opportunity, as seen in the rapid shift of responsibility for Customer Experience (CX) to the Executive level of organisations (NTT Ltd 2021). Notably, a striking 87% of executives now identify customer experience as their foremost growth engine. However, only 1 in 3 is prepared to address it (Sherrell and Trettin 2019).



86% of customers are willing to pay more for a better experience.

Only 1 in 3 executives is prepared to address it.



Yet, even with an abundance of available data, many organisations still grapple with truly understanding their customers. The paradox lies in the realisation that mere quantitative data, while abundant, often falls short of cultivating genuine intimacy with customers—a nuance critical for meaningful engagement and lasting loyalty. *“Quantitative data is not who people are, it’s merely a byproduct of what people do because of who they are.”* - Marcus Collins.

He proves the point with McDonald’s case study. The company reinvented itself from being “the most hated” to being “cool,” but also impacted the bottom line. According to its Q2 2023 earnings report, McDonald’s experienced a 10.3% sales growth in the U.S. and 11.7% globally. Over the past two years, McDonald’s has been recognised as the #1 Most Effective Brand (McDonald’s 2023).

The company realised that quantitative data, which executive leaders often base their decisions on, is insufficient to create a great experience. They had to go out to meet their customers where they were (Collins 2023).

And who is better equipped to meet the customers where they are than its employees, especially from the frontline? Yet, only a few companies look to gather employee feedback that may provide the most valuable insights.

One of the companies that do it well is Decathlon, whose CEO Barbara Martin Coppola says *“We want people at every stage of the customer journey to constantly look for better ways of doing things. If someone notices an area that could be improved or innovated upon, they will receive the necessary backing and support to make it happen. This is true for all employees and certainly is not reserved for the C-suite. It is the teammates who deal with our customers on a daily basis who have the most direct access to our consumers, so it is vital that we listen to them no matter their level. We foster leadership qualities in all of our teammates...”* (McKinsey 2023).

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Decathlon, CEO

There may be additional benefits to senior leaders who empower customer understanding and share business strategy with subordinates - they can make more business decisions.

DECISION-MAKING

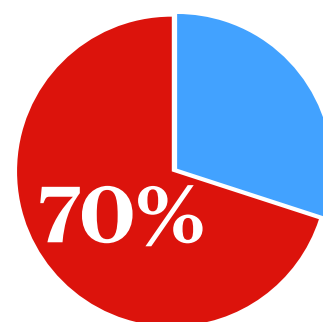
There is a growing recognition of empowering employees to think strategically to make informed decisions aligned with their expertise and responsibilities. This shift is prominently observed in thriving organizations where employees are increasingly entrusted to exercise judgment and actively contribute to the organization's success (De Smet, Hewes and Weiss 2020).

One compelling rationale for this empowerment is to alleviate the time pressures faced by executive teams. According to McKinsey's Global Survey, decision-making takes up as much as 70% of C-suite executives' time.

The opportunity costs are staggering: for the average Fortune 500 company, they typically equal more than half a million days of manager's time or \$250 million a year in salaries. Despite this massive investment, a majority of respondents to a McKinsey Global Survey said that their organisations do not spend that decision-making time well (McKinsey 2022).

In organisations where competent people possess clarity of intent, maintaining control only slows decision-making and limits agility. Senior leaders should focus on what only they should do, such as setting intent, making strategic choices and removing roadblocks. Not all decisions should be delegated, but many should (McKinsey n.d. "Decision-making...").

Traditionally, decision-making involves a select few key individuals, but imagine the potential if all stakeholders were engaged, leveraging their diverse perspectives. The collective intelligence process is not just about generating insight, it's about generating engagement (IMD 2020).



70% C-suite executive's time is taken up by decision-making.

Having outlined both the costs and benefits of fostering strategic thinking throughout all organisational levels, let's delve into how the Business Growth Framework can be effectively implemented.

THE BUSINESS GROWTH FRAMEWORK IMPLEMENTATION:

The framework implementation is based on the **70-20-10 Model for Learning and Development**, a research-proven formula, which breaks down into experience-based (70%), which is gained through everyday work; via colleagues, mentors and peers (20%) and structured courses, training, and materials (10%) (Lombardo and Eichinger 2023).

Implementing this framework requires going through each of these four layers, step by step, starting at the top of the pyramid and making its way down to the bottom:

Business Mission, Vision and Objectives

Typically defined by executive leaders and require comprehensive communication throughout an organisation as fundamental guiding principles. These are accompanied by selected **KPIs** (Key Performance Indicators) for monitoring progress and gauging the company's trajectory towards its objectives.

If well communicated, every employee should be able to ask themself:

- Do I know what the Business Mission, Vision, Objectives & KPIs are?
- Which objectives do I enable with the work I am currently doing?

Customer

We begin by identifying who our customers are. For clarity purposes, a customer is any stakeholder, internal or external who uses our products and services. Then, we move on to identifying their needs and problems.

Once we know these, the next step is to reflect on the following:

- Which problems do I solve for our customers?
- Which problems I don't solve for our customers but I should?
- How do I know these problems exist?
- What data proves it?

It requires looking into existing qualitative and quantitative as well as gathering any missing data. However, to avoid swimming in an ocean of data difficult to interpret, we must start by creating a hypothesis and asking the right questions that lead to actionable insights.

The best way to do it is to talk to customers by:

- Asking open-ended questions
- Giving the time to respond
- Listening attentively
- Being curious

Some of the best questions to ask are:

- Tell me about the last time you ...
- Could you tell me about your experience ...
- I noticed you said... Could you tell me more about it?
- What was challenging for you?
- What did you enjoy?

The customer layer of the pyramid should merit our utmost attention, as it forms the cornerstone of what comes next - effective solutions addressing customer's needs and at the same time, creating business opportunities that have the potential to influence to course of a strategy.




Solution

A solution is any project or initiative we are currently working on or should be working on to enable all of the above layers of the pyramid.

The right solution is created by asking:

- What business and customer problem does the solution solve?
- How does it solve it?
- How do I know it solves the problem?
- How can I measure it?

Naturally, no solution can be implemented and measured without the right



skills and tools in place. Therefore, we need to identify the capabilities required to turn an idea into a tangible outcome.

Capabilities

Capabilities are the organisation's internal and external resources that enable the execution of a solution. It includes people with specific skills, tools, knowledge and many others depending on our objective. We can start by asking:

- What skills or tools do I need to deliver the solution?
- Which strengths could my organisation capitalise on to support the objectives?
- Do I need someone to collaborate with me?
- How can I get their support?
- What are the risks, and how can I mitigate them?

This framework enables critical thinking that leads to spotting business opportunities. It's crucial to understand that in the era of AI, gathering data is more efficient than ever before but not necessarily more effective if we don't care to ask these questions.

CONCLUSION

To cultivate an engaged workforce, companies should foster a culture of bottom-up strategic thinking, empowering employees to ask the right questions and get actionable responses.

Moreover, leveraging collective customer insights and aligning them with business return on investment (ROI) opens avenues for sustainable business expansion. This approach instils a sense of ownership in every employee, compelling them to perceive driving strategic business growth as an integral part of their daily responsibilities.

Senior Leaders, Human Resources, and Learning & Development professionals play a pivotal role in integrating this framework into organisational practices. By doing so, they not only enhance employee engagement but also lay the groundwork for sustained success and continuous innovation.

Conversely, professionals themselves can leverage this framework to sharpen their critical thinking skills. By aligning their knowledge with the strategic vision of senior leaders, they can generate novel ideas that influence the course of business strategy and carve out opportunities for career advancement.

Let's tap into the hidden business potential.

ABOUT THE AUTHOR



Monika Zielonka is the Founder of [Monika Zielonka Innovation](#) and she currently lives in Switzerland.

She democratizes strategic thinking to drive innovation and sustainable business growth.

Monika empowers leaders to discover their strengths, see new business opportunities and garner support for ideas to demonstrate the profound impact of their work for organisational and individual advancement.

Her Executive MBA and Master in Fine Arts, give her a unique blend of business acumen and creative prowess, driving innovation at the intersection of creativity and commerce.

With over two decades of experience in Switzerland and the UK, Monika has led teams and crafted customer-centric strategies across diverse industries including AI, IT, and FMCG for start-ups and large corporations.

Monika is the creator of the “Business Growth Framework”, a testament to her commitment to driving sustainable business growth and fostering excellence in leadership. When she's not leading workshops, training sessions, or coaching endeavours, she devotes her time to mentoring startups and championing women's advancement initiatives.

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