



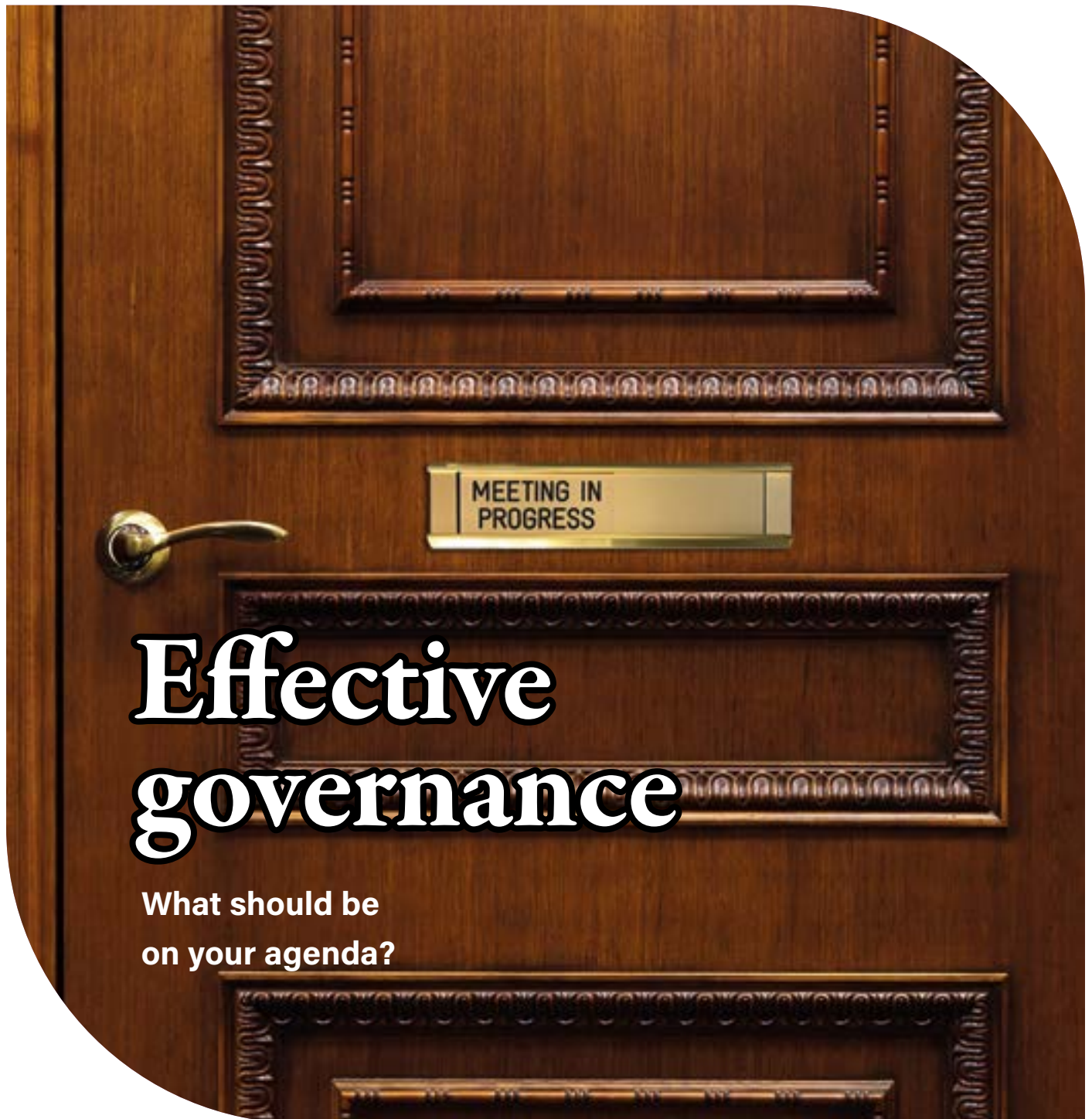
INDEPENDENT SCHOOL MANAGEMENT

Insights from a successful
school merger

Maximise revenue from
hiring school facilities

A new perspective to VAT
on school fees

Managing claims of
discrimination



Effective governance

What should be
on your agenda?

Think strategically

Craig Lawrence outlines the reasons for continually revisiting your school's strategy

You'll often hear people being told that they need to think more strategically, usually when they're faced with a significant problem that threatens their organisation. But waiting until you're facing an existential threat before you start to think more strategically is probably too late. That's why it's no secret that the most successful organisations make a habit of thinking strategically as a matter of routine. But what is strategic thinking, why is it so important and how do you do it?

WHAT IS STRATEGIC THINKING?

Put simply, strategic thinking is about shifting your focus from what's happening within your organisation to what's happening around it, now and in the foreseeable future. In doing this, you're trying to identify the opportunities that you might be able to exploit as the environment around you changes, as well as the obstacles that you're going to need to overcome to remain successful. *The Harvard Business Review's* guide to thinking strategically puts it neatly: "When you think strategically, you lift your head above your day-to-day work and consider the larger environment in which you're operating."

Max McKeown, a strategy author, concurs but also believes that "becoming a strategic thinker is about opening your mind to possibilities". This is an important aspect of effective strategic thinking because all too often if we bother to think about the future at all, we have a habit of viewing it through rose-tinted spectacles, assuming it will unfold

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in the way that we want it to. We can be forgiven for this because we are born with a natural optimism bias, but the problem is that the future has a habit of unfolding in a way that constantly surprises us. Indeed, the future is so uncertain and unpredictable that the formal study of the subject is now known as 'futures studies', with the pluralisation of the word reflecting the fact that there are many alternate possible futures, all of which could present opportunities, as well as obstacles.

WHY IS STRATEGIC THINKING IMPORTANT?

Organisations that are adept at strategic thinking identify possible opportunities and likely obstacles well before they materialise. Not only does this mean they can prepare themselves well in advance, but it also means they can start doing things to help shape the future so the outcome that most benefits them becomes more likely. Returning to McKeown, this is why he believes that "becoming a strategic thinker – a strategist – is about getting better at shaping events" and why Harry Yarger, author of the seminal *The Little Book on Big Strategy*, believes that the aim of good strategy is to "create more favourable future outcomes than might otherwise



Craig Lawrence

exist if left to chance or the hands of others". So, if your school is good at strategic thinking, then not only will it be able to identify and then exploit opportunities that others miss, but it will also be able to make these opportunities more likely to materialise.

To take an example many will be familiar with, in the early 2000s, Charlie Ward, an engineer at Amazon, noticed that people were becoming increasingly time-poor. In 2005, Amazon exploited the opportunity it felt this presented by launching Amazon Prime, a service deliberately aimed at people who are more time-sensitive than price-sensitive. Customers didn't ask Amazon to provide

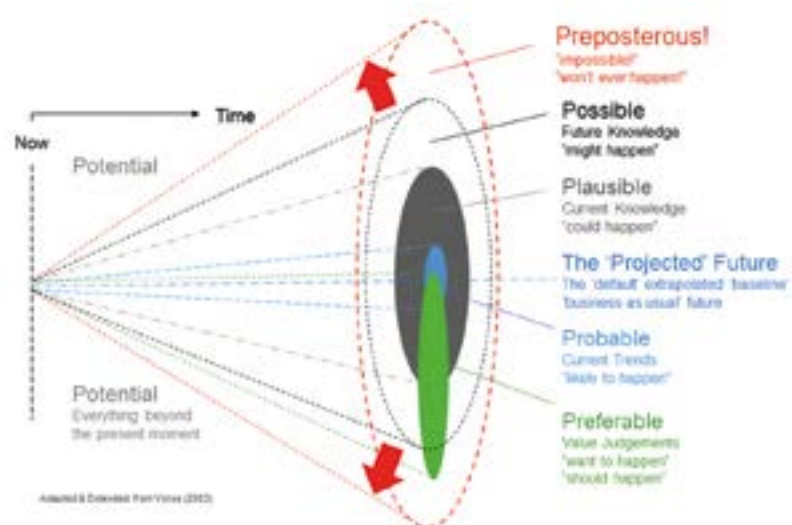


Diagram 1: The Futures Cone. Image reproduced by permission of Dr Joseph Voros (see: thevoroscope.com/2017/02/24/the-futures-cone-use-and-history)

the guaranteed two-day delivery service but, by 2021, the scheme had more than 200 million paying members globally, establishing it as one of the world's biggest online subscription services. It's a similar story with obstacles. Those organisations that have looked to the future and identified a possible challenge that might need to be addressed will be better placed to overcome it, or even shape the future so that it's less likely to materialise.

HOW DO YOU DO STRATEGIC THINKING?

As we've already established, effective strategic thinking requires us to try to understand what the future might look like. But as we've also established, there are lots of different possible futures.

The trick is therefore to try to identify those we should focus on. The Futures Cone illustrated in Diagram 1 can help with this. Developed by Joseph Voros in the early 2000s, it identifies alternative futures that could unfold, including the 'projected', 'probable', 'plausible', 'preferable', 'possible' and 'preposterous'. Describing what each of these might look like in, say, five years' time can be a powerful way of starting to understand how the environment in which your organisation operates might change. But to do this in an informed way, you need to develop a better understanding of what's happening around you, both at the global level and at the more local level, specifically the sector in which your organisation operates.

At the global level, a good starting point is to consider the megatrends that seem to be shaping the world in which we all live and work. There's lots of analysis on this and even a quick online search would identify things like: climate change and increasing electrification; global population increases; greater urbanisation; the increasing ubiquity of artificial intelligence and machine learning; the blurring of work/life boundaries etc. Thinking more locally, the best way to understand what's happening in the education sector is to become

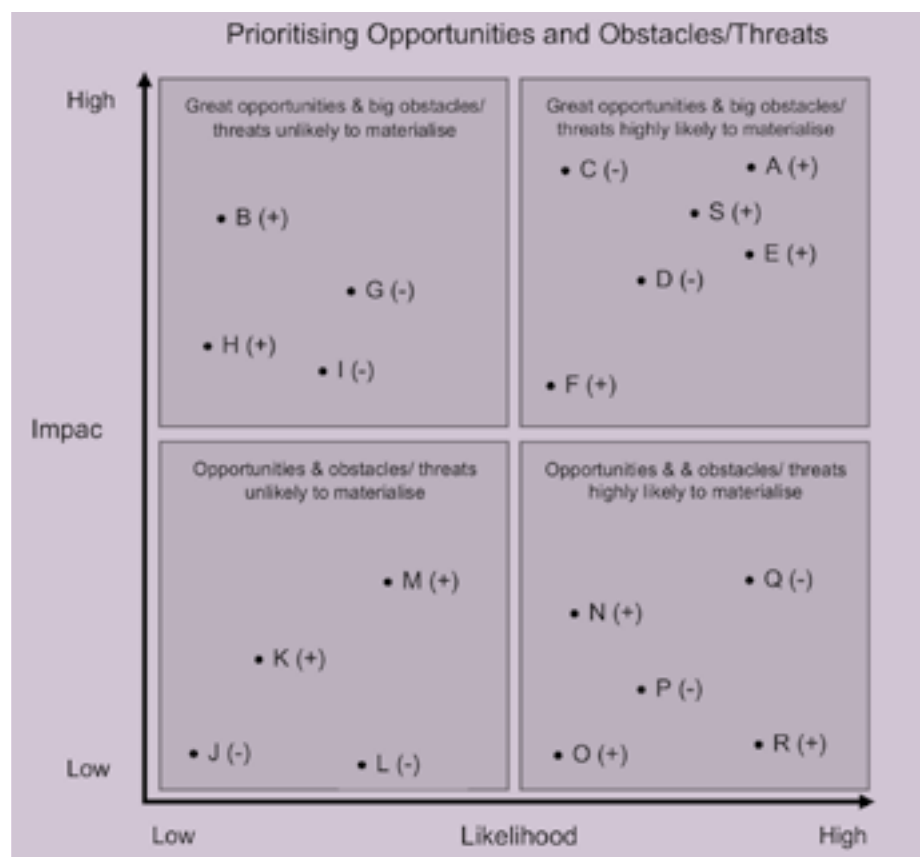


Diagram 2: Identifying the greatest opportunities and the biggest obstacles/threats (Source: The Quick Guide to Effective Strategy)

super-inquisitive and to hunt for, rather than gather, information about emerging trends affecting the sector by reading more widely, listening to expert podcasts, attending conferences, following bloggers etc.

Once you've spent time in the 'understand' phase, you can then apply a technique called 'visioning' or 'scenario planning' to describe what you think some of the alternative futures might be as they relate to the world in which your organisation exists. Going back to the futures cone, a good place to start is by describing what you think the 'probable' future might look like, so the one that you think is most likely to unfold based on everything you've read, heard or seen. It can be quite difficult to do this if you've never done it before, but applying the PESTLE headings can help, where the acronym stands for 'political', 'economic', 'social', 'technological', 'legal' and 'environmental'. The idea is that you take each heading in turn and think about how the trends and changes you've

identified under that heading (both global and local) will shape the sector.

To take a topical example, under the 'political' or 'economic' headings your description of the 'probable' situation in, say, five years' time might include something like: "having won the general election in 2025, the Labour government imposed VAT on school fees and removed the exemption from business rates that charitable fee-paying schools enjoyed". Once you've described it in a few paragraphs, you can go back to each of the different headings to try to find opportunities you could exploit and obstacles you might need to overcome, capturing them on an impact/likelihood matrix such as that illustrated in Diagram 2 as this will help determine which to focus on, with the opportunities denoted by a (+) and the obstacles denoted by a (-). As you do this, it helps if you have an idea of what you want your school to be like in the time frame you are considering as this helps you identify how specific opportunities might help you achieve



► your desired endstate (think of them as the ladders in the game Snakes and Ladders).

It's then worth considering the different actors, or stakeholders, that might impact on your environment and ascertaining whether, in the alternative

future you are examining and, given the endstate you are trying to achieve, they are likely to represent opportunities (perhaps for collaboration) or obstacles (because they are likely to oppose you). Plotting them on a 'power/interest' matrix like that in Diagram 3 can help

you determine which are likely to be most important to you, where (+) or (-) are used to denote whether the stakeholder is likely to support or oppose you.

Having applied your strategic thinking skills to develop an understanding of how the future might unfold, you are well placed to position your organisation for success by developing a strategy that joins the dots, exploiting the opportunities you've identified and overcoming the obstacles, as well as shaping the future where you can make the former more likely to materialise and the latter less so. However, the chances are that although you might get some of it right, the future will always surprise us so it's important that you also consider the 'plausible' and 'possible' futures, not just the 'probable', and that you've thought about what you would do if they were to unfold.

Once you've started to implement your strategy, remaining attuned to what's happening around you and being prepared to adapt your strategy when it becomes apparent that your predictions about the future were incorrect is imperative. That's why the most successful organisations create time for strategic thinking and do it regularly – something worth thinking about as, having read this article, you switch focus back to the day-to-day operations of your school. ■

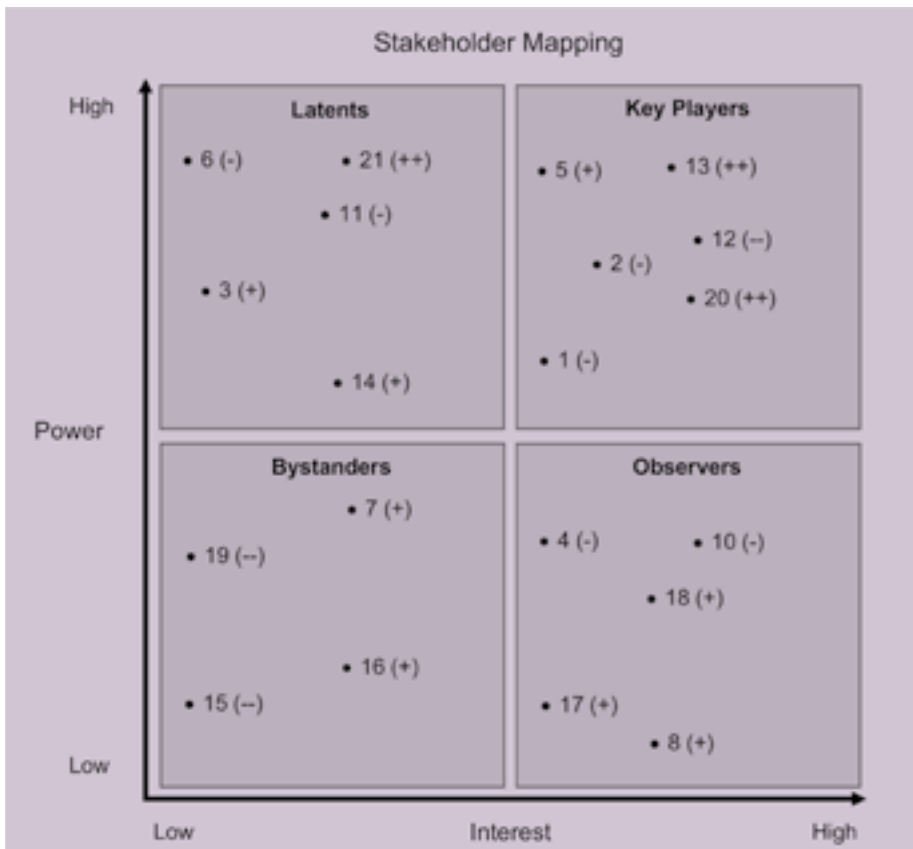


Diagram 3: Stakeholder mapping using a power/interest matrix (Source: The Quick Guide to Effective Strategy)

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