

The Death and Resurrection of Strategic Planning: A Review

The Rise and Fall of Strategic Planning

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The first reading of *The Rise and Fall of Strategic Planning* could cause even the casual planner to stop and reflect. For individuals and organizations that have invested resources into strategic planning, the title alone may strike fear. And, Mintzberg's conclusions are largely correct. However, in our opinion he did not go far enough. Professor Mintzberg offers a searing critique of classical and conventional strategic planning and planners. His identified fallacies of so-called strategic planning are unerringly true. He describes the three fallacies as: (1) predetermination—planners' belief that future prediction is possible. Mintzberg reminds them it is not, (2) detachment—get away from the organization to see clearly, and (3) formalization—formalized planning is good, more formal is better. It is our conclusion that *The Rise and Fall of Strategic Planning* really criticizes strategic planning in its *conventional* form. The models addressed, in spite of the names, actually prescribe tactical or even operational planning and are not

useful in strategic planning. On this basis, the author is undeniably on the right track. But planning frameworks that address positive societal contributions (Mega-Level planning) seem to rise above the criticisms of Mintzberg and were not addressed in his analysis.

This paper examines three fallacies described by Mintzberg and contrasts them to the Strategic Planning Plus (Kaufman, 1992, 1995; Kaufman et al. 1993, 1996) approach. We identify and discuss alternatives to Mintzberg's three main criticisms, and build upon what he has not said to define a better approach that does not bury strategic planning. In closing, we will tie together Mintzberg's criticisms and our suggestions based on the Organizational Elements Model for Strategic Planning Plus (Kaufman, 1992, 1996) to show that strategic planning does not have to be narrow, limited, or entombed.

The Fallacy of Predetermination

Mintzberg paints a realistic portrait of the weaknesses of *conventional* strategic planning models. Mintzberg states that "Strategic planning, as it is usually practiced, is heavily slanted toward the 'predict-and-prepare' mode of coping with the future" (p. 34). Reactive modes of decision making

will not lead organizations toward prosperity. Most organizations have not practiced proactive planning and few have even been exposed to models that suggest alternatives to reactivity. Mintzberg points out that proactivity has been based on fallible forecast and predictions, not on commitment to creating a positive future.

Peter Drucker advised, if you cannot predict the future, create it. The future of strategic planning is that we must not sentence ourselves to be the victims of the inevitable future, but rather creators of it. Proactivity that will create a positive future must have its foundation in a concrete vision of the future. A vision to which everyone is committed and no alternatives less than total success and continuous improvement toward it are acceptable.

The first critical step in the Strategic Planning Plus process is the adoption of an Ideal Vision (Kaufman, Herman, and Watters, 1996; Kaufman, 1996). The Ideal Vision is a cross-cultural and multinational vision of the future all people wish to create for future generations. When an organization finds commitment toward a common destination from its individuals, proactive decision making can start. The Ideal Vision creates a framework for decision making within the organization. Individuals together develop directions and boundaries in which they can be empowered to make decisions and

search for success within the organization and beyond. (The ground rules are simple: either a decision leads toward the accomplishment of the Ideal Vision or it does not.)

Creating the future, though, is not without its responsibilities. If organizations wish to be proactive and build a future in which they can prosper, then they must commit to making a societal contribution. Strategic Planning Plus (Kaufman, Herman, and Watters, 1996; Kaufman, 1996) is a pragmatic and practical model for accomplishing just that. The model is a proactive planning methodology that begins with societal contributions and assists in the creation of a future in which organizations and individuals can succeed and contribute.

The Fallacy of Detachment

A second weakness identified by Mintzberg is that conventional models of planning lead to detachment. It is difficult for managers to both effectively plan for the future and simultaneously remain in contact with their organization. It would be simplistic to believe that organizations will not evolve while management spends months deriving a future for the organization. Traditional models of strategic planning are often so detailed and time consuming that managers cannot achieve both tasks at once.

Mintzberg continues with "from the air, a forest looks like a simple carpet of green, not the complex living system it really is" (p. 257). So, how does a manager remain involved with the living system while being exposed to the happenings of the larger system in which the organization is merely a subsystem? The Strategic Planning Plus approach, based on the Organizational Elements Model (OEM) may help to overcome these limitations. The OEM defines organizations with five common and linked elements.

The organization's contributions (results) to society are called Outcomes (Mega level planning). Results outside of the organization are called Outputs (Macro level planning). Results within the organization are classified as Products (Micro level planning). The Processes are the means and processes that the organization uses to produce results. The Inputs are what the organization uses in the processes. Examination and participation in all five elements of the OEM allow managers to gain a systems view of their organizations, external clients, and their societal context and realities. Managers are not limited to a Macro view (organization-wide) nor a Micro view (sections and/or departments) of their organization when they apply the OEM. It is the failure to address Mega-societal payoffs that we suggest leads to the flawed planning efforts which are criticized by Mintzberg.

The Fallacy of Formalization

Formalization is the third failure highlighted by Mintzberg. The formality of "conventional planning tends to be a conservative process, sometimes encouraging behavior that undermines both creativity and strategic thinking" according to Mintzberg (p. 158) — creativity and strategic thinking that are essential to organization in today's competitive markets (Covey, 1996). Strategic planning models which will lead organizations into the future will have to overcome this weakness of traditional models. But "a particular weakness of the 'analytical mind,' as mentioned in Chapter 4, is its tendency toward 'premature closure': problems being structured early, the alternative delineated prematurely, so that the attention can be concentrated on assessing them." Observations like this one by Mintzberg highlight one of the traps of tactical planning. Tactical planning

focuses only on products, means, and resources.

By focusing planning initiatives on the processes and resources, and not the results, organizations are susceptible to the predetermination of solutions. By postponing the selection of a solution (a feature of the Strategic Planning Plus approach) until after the problem has been defined and alternative solutions have been identified and prioritized can the planning process be open to both creativity and strategic thinking.

The Rise and Fall of Strategic Planning gives the reader an excellent portrayal of the weakness of conventional strategic planning. And the book further suggests for the reader several possible solutions for revitalizing strategic planning initiatives within their organizations. These possible solutions appeared fragmented to us, but could all be integrated in a holistic model. From this appraisal, the practical solution seems to be the consideration of the Strategic Planning Plus approach. This approach adapts the conventional models into a proactive initiative that can help create a positive future for an organization. Strategic Planning Plus intends to overcome the fallacies exposed by Mintzberg and offers advantages conventional models fail to address.

Fortunately, it is our conclusion that all is not lost for strategic planning. Organizations that wish to find success in the next century and in the new paradigms of business have strategic planning options. The unfortunate news coming from Mintzberg is that successful strategic planning efforts will require some difficult changes — paradigm shift — in the current fundamental practices and paradigms of leading an organization. Mintzberg advocates a blending of Visionary (single creative strategist) and Learning ("variety of actors") with the conventional planning wisdom (p. 209). Balance between planning, vision, and learning is vital to organizational success (Covey, 1996; Senge, 1990; Kaufman, 1996).

"The visionary approach is a more flexible way to deal with an uncertain world" (p. 209). Here is where Mintzberg and the OEM unify. We agree with Mintzberg's assessment of the dangers of fallacies of planning at the tactical and operational levels, and we suggest that Mintzberg's "visionary ap-

	MEGA/ OUTCOMES	MACRO/ OUTPUTS	MICRO/ PRODUCTS	PROCESSES	INPUTS
WHAT SHOULD BE					
WHAT IS					

The Organizational Elements Model (Kaufman, 1992, 1995; Kaufman et al. 1993, 1996)

proach" is the first step in effective Strategic Planning. The integration of a vision and learning is the participatory methodology we advocate. This balance is brought to light through Mintzberg's matrix of success (p. 360). The matrix displays strategy utility (Intended Strategy Realized?—did we do what we planned as we planned) and organizational success (Realized Strategy Successful? or were the results deemed successful).

we perform in the far right column. Mintzberg tells us too many organizations are living in the left column and calling it "strategic planning." We submit that useful strategic planning only exists in the right-hand column and Strategic Planning Plus is a practical methodology for achieving results.

Mintzberg, of course, addresses our zeal in his book. He would perhaps characterize us as the "it's not us" crowd. We hope the above analysis

strategic planning is premature if one starts with society as the primary client of any organization.

References

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		Realized Strategy Successful?	
		No	Yes
Intended Strategy Realized?	No	No-No = failure of everything, try again	No -Yes = emergent success (learning)
	Yes	Yes-No = failure of deliberateness (efficient but not effective) plan carried out without useful results.	Yes-Yes = deliberate success, plan worked as intended.

By inspection, any member of the organization can see we can only win if

reveals this not to be true. We feel that the pronouncement of the death of