



DODReads Executive Summary

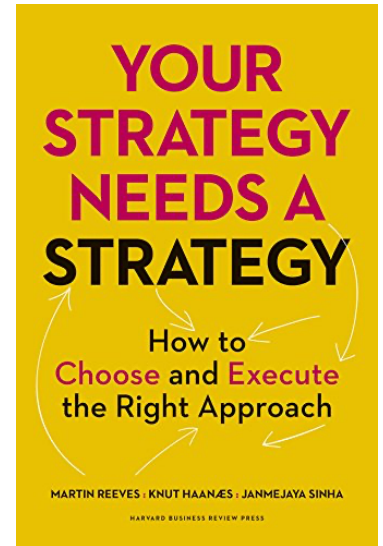
Your Strategy Needs A Strategy

How to Choose and Execute the Right Approach

Thesis: Strategy is, in essence, problem-solving, and the best approach depends upon the specific problem at hand. Your environment dictates your approach to strategy. You need to assess the environment and then match and apply the appropriate approach.

- **Martin Reeves:** Martin Reeves is chairman of the [BCG Henderson Institute](#), dedicated to exploring and developing valuable new insights from business, technology, economics, and science. Martin is also a member of the BCG Henderson Institute's [Innovation Sounding Board](#), dedicated to supporting, inspiring, and guiding upstream innovation at BCG. Martin regularly contributes to HBR, MIT SMR, Fortune, and other management journals on business strategy and management.

- [LinkedIn](#)
- [BCG Website](#)
- [TED Speaker](#)
- [Harvard Business Review](#)



[Your Strategy Needs a Strategy - BCG Website](#)

Why this book is important for the Military Professional:

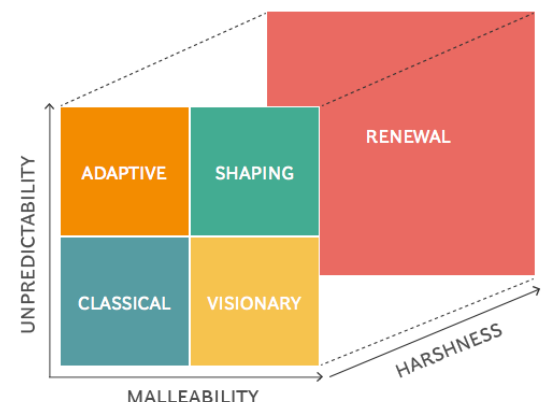
When a military professional enters the civilian world, they are thrust into a world of corporate strategy and competition. *Your Strategy Needs a Strategy* provides a broad understanding of high-level strategy and techniques for companies and firms in multiple stages of development and varying complex environments. This knowledge will help military veterans in corporate roles understand their piece of the organization's greater competitive strategy and, as a result, meet their senior leaders' intent and succeed.

Palette -a comparable range, quality, or use of available elements: [variation](#)

The Strategy Palette

Dimensions of Business Environments

- Business environments differ along three clear characteristics, predictability, malleability, and harshness
- These dimensions create the strategy environments of *classical, adaptive, visionary, shaping, and renewal*
 - *Classical* environments are predictable and unchangeable
 - *Adaptive* environments are unpredictable and unchangeable
 - *Visionary* environments are predictable and changeable
 - *Shaping* environments unpredictable and changeable



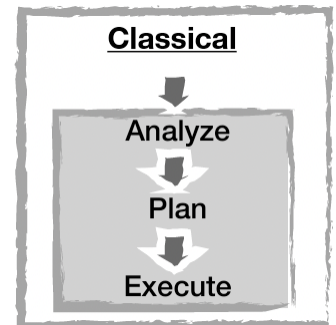
- *Renewal* environments are defined by constrained resources

Strategy Archetypes and the Strategy Palette

- In corporate strategy, matching your strategy to the business environment you are operating in is essential.
 - *Classical* - Be Big
 - *Adaptive* - Be fast
 - *Visionary* - Be first
 - *Shaping* - Be the orchestrator
 - *Renewal* - Be viable
- It is best to match and tailor your strategy approach to the business environment; having a ready *strategy palette* and shifting your approach accordingly is the recommended approach

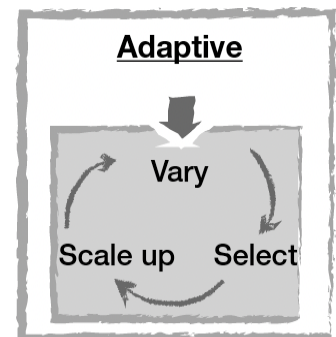
Classical Strategy - Be Big

- Classical strategy is the most recognizable and traditional form of strategy; it is taught in most business schools and often known as the only form of strategy
- The classical approach is most effective in classical environments that are stable, predictable and advantage is likely to be sustained once gained
- You should apply the classical approach to strategy in stable regulatory and competitive industries that are mature, and likely to yield consistent and moderate growth
- Classical strategy is defined by utilizing superior size and scale to defeat competition
- Classical strategy follows the steps of *Analyze, Plan, and Execute*
 - *Analyze* - The organization identifies their ideal market and how to gain a competitive advantage with the resources they have
 - *Planning* - The organization sets long and short-term strategic goals and outlines clear plans that can be easily followed throughout all levels
 - *Execute* - Organizations applying the classical approach must execute with great discipline and achieve both their long term and short term goals



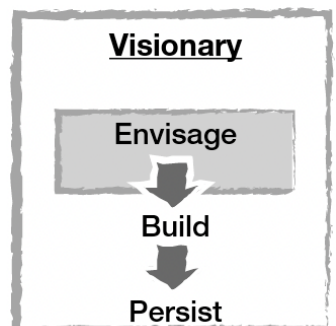
Adaptive Strategy - Be Fast

- The adaptive approach is most effective in fast paced environments that are constantly shifting and difficult to predict or change
- Success in an adaptive environment comes from constant experimentation, speed, and efficiency
- You should apply the adaptive approach in immature, dynamic, and disruptive industries that are likely to change with new technologies or regulation
- The adaptive approach is defined by using speed to react quicker to economic changes than ones competitors
- Adaptive strategy addresses the following steps:
 - *Vary* - Organizations vary how their business operates by experimenting and swiftly generating new ideas
 - *Select* - Organizations quickly select the most promising options discovered from the experimentation and implement them into their business
 - *Scale Up* - Organizations exploit their newly found competitive advantage and rapidly increase its size and magnitude to reap the benefits of the new business opportunity before competitors can catch up



Visionary Strategy - Be First

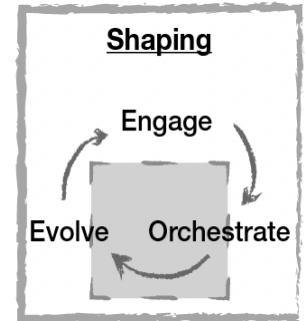
- The visionary approach is most effective in a predictable environment where visionaries believe they have the power to revolutionize the environment on their own
- Success in a visionary environment comes from recognizing a unique market opportunity and capitalizing on it by building a new market segment and following through on the identified possibility



- You should apply the visionary approach in environments in which you believe you can create or re-create a unique possibility in the market
- The visionary approach is defined by recognizing and acting on a megatrend before competitors can
- Visionary strategy is broken down as follows:
 - *Envisage* - Visionary leaders envision an invaluable possibility that can realistically be achieved
 - *Build* - Visionary leaders work with a single-minded focus to build and achieve the possibility
 - *Persist* - The visionary organization persists and scales up and their new possibility until they have achieved the envisioned goal

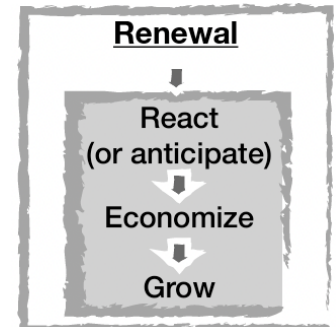
Shaping Strategy - Be the Orchestrator

- The shaping approach is most effective in unpredictable and malleable environments where the organization has the opportunity to lead and shape an industry
- Success in a shaping environment is best attained if the industry is in early development and the rules and customs of the industry have yet to be written
- You should apply the shaping approach if you can drive the evolution of an industry and the willingness to collaborate with other industry stakeholders
- The shaping approach is defined by influencing other entities in the industry and orchestrating the change you wish to see
- Shaping strategy follows these important steps:
 - *Engage* - Shaping organizations engage other stakeholders to create a unified vision for the future at an opportune time
 - *Orchestrate* - Shaping organizations orchestrate collaboration with stakeholders and build the platform they are seeking
 - *Evolve* - Shaping organizations evolve and scale up the platform they have built while maintaining flexibility.



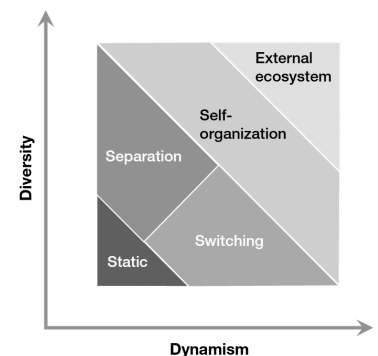
Renewal Strategy - Be Viable

- The renewal approach is utilized in harsh environments when the organization needs to recover
- Renewal strategy aims to restore vitality and competitiveness to the organization
- Renewal strategy helps the organization survive and eventually thrive in response to an internal or external shock
- Renewal strategy is as follows:
 - *React* - Renewal organizations react quickly and decisively, as early as possible in response to a shock
 - *Economize* - Renewal organizations economize by cutting costs, refocusing their businesses and saving money
 - *Grow* - Once renewal organizations have recovered; they must pivot to one of the other forms of strategy to grow their business



Ambidexterity: Be Polychromatic

- Most large businesses operate in multiple different diverse business environments due to their size and variation; this requires the simultaneous or successive use of two or more strategy approaches
- Ambidexterity is difficult and most organizations fail to perform during both stable and turbulent times
- The four approaches to ambidexterity are:
 - *Separation* - Divide the organization in subunits and run differing strategy approaches independently of one another; this is the most straightforward approach and is best in less dynamic and less diverse environments
 - *Switching* - Use a common pool of resources and continuously switch and mix approaches in accordance with business environment shifts; this approach is best used in evolving industries and rapidly shifting environments



- *Self-organization* - Organization's subunits self-organize and decide which strategy approach works best for their situation; this approach is best used in rapidly shifting environments that move too quickly for the switching approach
- *External Ecosystem*- Organizations outsource their strategy selection; this approach is best used in the most complex and dynamic environments that the organizations cannot handle on their own.

Lessons for Leaders: Be the Animator

- Due to the complex environment of modern markets, leaders need to be the animators of multiple approaches to strategy
- Leaders must fill constantly shifting roles that adapt to their current environment; these eight leadership roles are:
 - *Diagnostician* - Take an objective and external perspective to diagnose the business environment and match the organization's strategy to the identified environment
 - *Segmenter* - Structure the organization to match their strategy to the corresponding business environment
 - *Disrupter* - Constantly review and scrutinize the diagnosis and segmentation and question whether they align with the business environment in order to prevent rigidity
 - *Team coach* - Select the right people to manage their part of the strategy and develop their understanding of the strategy palette
 - *Salesperson* - Advocate for and communicate the chosen strategy to investors and employees
 - *Inquisitor* - Ask probing questions to refine the strategic approach
 - *Antenna* - Look outward to catch signals of a changing external environment
 - *Accelerator* - Put weight behind key initiatives that require additional top-down support

Personally Mastering the Strategy Palette

- Understanding the strategy palette is only half the battle, you also must build the skills to effectively execute sound strategy
- Tips for building strategy skills
 - Deepen your understanding of the strategy palette
 - Practice applying the strategy palette to business and non-work situations
 - Broaden your experience
 - Practice the skill of setting and shaping context for others

“The strategy palette provides leaders with a new language for describing and choosing the right approach to strategy in a particular part of their business. It also provides a logical thread to connect strategizing and execution for each approach.”

– Martin Reeves

Resources and Additional Reading

- 1) [Good Strategy Bad Strategy: The Difference and Why It Matters](#)
- 2) [How to Win in a Winner-Take-All World](#)
- 3) [The Trusted Advisor](#)
- 4) [Blue Ocean Strategy](#)
- 5) [Playing to Win: How Strategy Really Works](#)

If your office or command is in need of one book or a hundred we would be honored to [source them](#)