

The fall and rise of strategic planning essay sample

[Business](#), [Strategic Management](#)



a) In his article, *The fall and rise of strategic planning*, Henry Mintzberg (1994) depicts the strategy-making process as a strategic thinking process rather than a strategic planning one. In his attempt to explain the debacle that the latter concept has experienced after being enthusiastically embraced in the mid 1960s, the author lays a high stress on the difference between vision and plans. Thus, he argues that plans are programs using “strategies or visions that already exist” while vision consists of coming up with new, fresh, creative perspectives on the organization’s future. In order to be considered visionaries, managers must corroborate both soft information (encompassing their or others’ experience), and hard information (represented by market researches and other similar formal studies) and afterwards synthesize their learning into a vision that should guide the company’s trajectory.

In other words, Mintzberg states that the difference between planning and thinking is similar to the one between analysis and synthesis. Therefore, if the former implies setting goals, establishing steps for their achievement and anticipating the results of the operations implemented, the latter is founded on intuition and creativity as the two major ingredients that are capable of bringing “the wind of change” to an organization. This second choice is perfectly illustrated in the article by invoking Jim Clark’s vision of three-dimensional computing. He didn’t know how the 3D applications would be designed, but he was sure that these would revolutionize the IT market by making computers easier to use. Thus, he had the vision but he didn’t have the plan.

In his essay, Mintzberg also focuses on the pitfalls of planning. He states that, despite planners assigning the strategic planning's failure to the lack of support from top managers, the real reason for such debacle is the planners' incapability of effectively involving senior managers in the process. In this context, the author creates an edifying parallel between organizing a journey and organizing change within a company. Thus, he claims that a journey may be prepared either in a *committing* style which leaves the shaping of its course to participants, or in a *calculating* style which clearly establishes a destination and the steps that people must take in order to reach the respective location. Consequently, if the former induces high enthusiasm among travelers, the latter makes them feel a sort of machineries which are compelled to act according to a procedure that neglects their preferences and quality of human beings.

When shifting to the organizational background, the author states that planners are in favor of the calculating style because they aim at reducing "managers' power over strategy making." This may be considered a significant paradox because in spite of the fact that strategic planning has been created in order to comply with Frederick Taylor's perspective on scientific management, the concept fails to meet one of the basic requirements expressed by the father of modern management: understanding the process before implementing it. In conclusion, managers should effectively take part in the planning process for doing their best to achieve the established goal.

Mintzberg continues his pleading by presenting the false beliefs on which strategic planning is founded (*fallacy of prediction, detachment, and formalization*) and by summarizing the key roles that planners have within an organization (*strategy finders, catalysts, and analysts*). The author concludes his argumentation by stating that organizations shouldn't go beyond the formalization edge and should encompass both right-hand planners who are described as conventional, analytic thinkers, focused on maintaining order, and left-hand planners who appear as more creative, intuitive and “ messy” but who have an impressive contribution to implementing change.

1. b) I) Strategic planning consists of designing a step-by-step trajectory that an organization must follow in order to achieve a certain objective. The phases that the planner establishes must be implemented according to his indications and must be continually supervised in order to ensure that all activities have reached pre-defined standards. At the end of the algorithm, planners compare the obtained results with the forecasted ones and conclude if the plan has or hasn't successfully led to achieving the goal.

The difference between strategic planning and thinking lies in the fact that the former derives from the latter, or better said, it helps the latter materialize. Thus, change implies first having a revelation and afterwards delivering a plan for implementing it. If we commute to the trading field, we could say that it is impossible to design the packaging before knowing what the content is. For instance, let's take Edwin Land's case presented by

Mintzberg in his article. If it hadn't been for his daughter's complaint about not being able to see the photo immediately after taking it, the Polaroid camera would have never existed. Therefore, Land's strategic thinking was represented by the vision of the revolutionary model that occurred after combining the girl's statement with his technical knowledge, while strategic planning consisted of the research and development phases that allowed launching the new product on the market.

1. II) According to Henry Mintzberg, strategic planning has fallen from its pedestal because of those who misinterpreted it as strategic thinking. Thus, planners were mistaken for vectors of change while their task mainly consisted of rearranging the patterns already existent within the organization.

Moreover, planners who tried to catalyze change often complained about the employees' rejection of innovation and the lack of support from top managers. But this was just a deceitful appearance that planners invoked for covering their inability to integrate managers and employees in the organizational change process. These were similar to puppets helplessly assisting to a process that concerned them without being able to take part in it. Additionally, planning eventually came down to checking if middle managers did their job for meeting standards. Such technique highly offended them because, despite having better ideas for bringing change to the organization they worked for, they were obliged to obey some rules in which they didn't believe. Consequently, they felt like a sort of intruders

which weren't allowed to express their opinions and act according to them. Therefore, they often opposed or refused to back up the planners' initiatives.

III) Mintzberg states that the misinterpretation of strategic planning relies heavily on one major false belief: planning is identical to the strategy-making process. Furthermore, this error is based on three fallacies referring to prediction, detachment, and formalization.

The first one considers the environment to be unchangeable during designing and implementing the plan. This theory defies the real environment within which an organization performs, one which is highly dynamic and complex. This means that nowadays changes are extremely frequent and difficult to handle because of the many and delicate factors which generate them. Consequently, the problem that a plan tries to solve may disappear and be replaced with another one by the time the plan is completely drawn out. On the other hand, a plan could lose the rationale that has supported its delivery while being implemented. One shouldn't overlook that while an organization tries to fix a problem, its competitors don't sleep. For instance, a company may try to copy the product of its rival, but while striving to imitate the competitor's innovation, this could come up with another breakthrough allowing it to maintain its market leadership.

The second fallacy regarding detachment refers to the illusion of institutionalized innovation. In other words, those who misunderstand planning think that innovating is a sterile process to which interaction isn't necessary. Thus, planners collect hard data which is often excessively quantitative and aggregated and deliver it to the senior managers who think

about the best manner in which they can take advantage of it. The procedure is simple and comfortable and none of the participants involved has to leave his office for discussing with the other members. Mintzberg argues that this is a huge error because change may occur through both deliberate and emergent strategies. Thus, without having the intention, managers might discover an opportunity by paying attention to gossip, hearsay or the conclusions empirically drawn out by employees. Therefore, human interactions are vital to strategy-making.

The formalization fallacy refers to the strategic planners' illusion of being able to replace human creativity and intuition with artificial intelligence, expert systems, and so on. Still, despite processing a large amount of information, such mechanisms aren't able to comprehend it and come up with innovative ideas. In conclusion, if formalization implies thinking before acting, strategy-making may break the rules and put acting before thinking.

1. IV) According to Mintzberg, planners play three major parts: strategy finders, analysts, and catalysts.

The first role implies that planners have to search for information that managers might use for coming up with brilliant visionary ideas. Thus, they have to delve into experiments, failures of competitors, gossip or any other formal or informal source that is able to provide them with an essential clue.

Secondly, planners have the time and skills to carry out analyses of the industry within which the organization operates, the company's strengths and weaknesses, the opportunities and threats it faces and so forth. Still, the

planner's essential part is to make managers think out of the box by offering them pertinent alternatives to their traditional conceptions.

Thirdly, planners have to help change occur. Just like teachers give their full support to pupils regardless of their aptency for learning, planners must urge managers to adopt a creative perspective on future by using provocative or shocking techniques that challenge mentalities or preconceptions.

Bibliography

Mintzberg, Henry (January – February, 1994). *The Fall and Rise of Strategic Planning* . Harvard Business Review, 105-114.