



# Strategic thinking does not stop at the strategy

How purpose and context shape strategy, strategic plans, and successive business plans

## The concept

A common misconception holds that the strategic task is discharged once the document has been approved. In our view, strategy is better treated as the beginning of a longer conversation: formed in the interplay between purpose and context, translated through a strategic plan into successive annual business plans, and held in continuing dialogue with the organisation's risks.

## In practice

A medium-sized public entity came to us wanting to clarify its strategy and to keep a newly-appointed board actively engaged in managing risk. We ran four workshops, one afternoon a week across a month: purpose, context and strategy; risk and mitigation; the strategic plan; and the business plan for the coming year and the out years. The entity continues to run the process annually.

## Questions we ask in client strategy conversations

- What is the purpose we are serving, and how has it been tested against our current context?
- Which elements of that context have shifted materially since the strategy was last revisited?
- How does the strategic plan sequence the work, and where are the natural points to pause and adjust?
- Are the business plans recognisably descendants of the strategy, or have they drifted?

## Questions to ask yourselves

- Would a colleague unfamiliar with our work recognise why we exist from reading our strategy?
- When we last revisited our strategic risks, did we treat them as live matters or as a compliance exercise?
- Do our teams experience the strategy as a guide to daily choices, or as a document on a shelf?
- When circumstances change materially, what is our practice for testing whether the strategy still holds?

## Red flags we look for

- A strategy document not meaningfully discussed since the day it was signed off.
- Business plans that bear little visible relation to the strategic plan they claim to deliver.
- Risk registers that remain stable while the external environment plainly does not.
- A tendency to conflate the strategy with the strategic plan, or the strategic plan with the annual budget.