

Knowledge Worker

Bridging the Gap between Ends and Means – Part 2

(August 2013)



Introduction

The diagram above which was used in the first part of this column is reproduced here for the purpose of reminding us all that strategy and tactics bridge the gap between ends and means. Both focus on how to achieve a specified set of ends. Strategy has to do with *deploying* resources and tactics focus on *employing* them. In this, Part 2, we will delve into how one goes about identifying and clarifying the ends sought and devising a strategy for achieving them.

What Is Strategy?

In Part 1, we focused on what the experts have to say about strategy. In light of that review, we come now to the basic question: What is strategy? Is it a plan? Does it refer to how we will obtain the ends we seek? Is it a position taken? Just as military forces might take the high ground prior to engaging the enemy might a business take the position of low-cost provider? Or does strategy refer to perspective, to the view one takes of matters, and to the purposes, directions, decisions and actions stemming from this view? Lastly, does strategy refer to a pattern in our decisions and actions? For example, does repeatedly copying a competitor's new product offerings signal a "me-too" strategy? Just what is strategy?

Strategy is all these – it is perspective, position, plan, and pattern. Strategy is the bridge between policy or high-order goals on the one hand and tactics or concrete actions on the other. Strategy and tactics together straddle the gap between ends and means. In short, strategy is a term that refers to a complex web of thoughts, ideas, insights, experiences, goals, expertise, memories, perceptions, and expectations that provides general guidance for specific actions in pursuit of particular ends. Strategy is at once the course we chart, the journey we imagine and, at the same time, it is the course we steer, the trip we actually make. Even when we are embarking on a voyage of discovery, with no particular destination in mind, the voyage has a purpose, an outcome, and an end to be kept in view.

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Strategy, then, has no existence apart from the ends sought. It is a general framework that provides guidance for actions to be taken and, at the same time, is shaped by the actions taken. This means that the necessary precondition for formulating strategy is a clear understanding of the ends to be obtained. Without these ends in view, action is purely tactical and can quickly degenerate into nothing more than a flailing about.

When there are no "ends in view" for the organization writ large, strategies still exist and they are still operational, even highly effective, but for an individual or unit, not for the organization as a whole. The risks of not having a set of company-wide ends clearly in view include missed opportunities, fragmented and wasted effort, working at cross purposes and endless internecine warfare. For the leadership of an organization to remain unclear or to vacillate regarding ends, strategy, tactics and means is to not know their own minds. The accompanying loss of morale is enormous.

A comment from Lionel Urwick's (1956) classic *Harvard Business Review* article regarding the span of control is applicable here:

"There is nothing which rots morale more quickly and more completely than poor communication and indecisiveness – the feeling that those in authority do not know their own minds (p. 43)."

One possible outcome of such a state of affairs is the emergence of a new dominant coalition within the existing authority structure of the enterprise, one that will augment established authority in articulating the ends toward which the company will strive. Also possible is the weakening of authority and the eventual collapse of the formal organization. No amount of strategizing or strategic planning will compensate for the absence of a clear and widespread understanding of the ends sought.

The Practical Question: How?

How does one determine, articulate and communicate company-wide ends? How does one ensure understanding and obtain commitment to these ends? Some quick answers are as follows:

The ends to be obtained are determined through discussions and debates regarding the company's future in light of its current situation. Even a future-oriented SWOT analysis (an assessment of Strengths, Weaknesses, Opportunities and Threats) is based on current perceptions.

The ends settled on are articulated in plain language, free from flowery words and political "spin." The risk of misdirection is too great to tolerate unfettered wordsmithing. Moreover, the ends are communicated regularly, repeatedly, through a variety of channels and avenues. There is no end to their communication.

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Understanding is ensured via discussion, dialog and even debate; in a word, through conversations. These conversations are liberally sprinkled with examples, for instances, and what ifs. Initially, the CEO bears the burden of these conversations with staff. As more people come to understand and commit to the ends being sought, this communications burden can be shared with others. However, the CEO can never completely relinquish it. The CEO is the keeper of the vision and, periodically, must be seen and heard reaffirming it.

Ultimately, the ends sought can be expressed via a scorecard or some other device for measuring and publicly reporting on company performance. Individual effort can then be assessed in light of these same ends. Suppose, for instance, that a company has these ends in mind: improved customer service and satisfaction, reduced costs, increased productivity and increased revenues from new products and services. It is a simple and undeniably relevant matter for managers to periodically ask and be asked the following questions:

- What have you done to improve customer service?
- What have you done to improve customer satisfaction?
- What have you done to reduce costs?
- What have you done to increase productivity?
- What have you done to increase revenues from new products and services?

The Decisions Are the Same

No matter which definition of strategy one uses, the decisions called for are the same. These decisions pertain to choices between and among products and services, customers and markets, distribution channels, technologies, pricing and geographic operations, to name a few. What is required is a structured, disciplined, systematic way of making these decisions. Using the "driving forces" approach is one option (Tregoe & Zimmerman, (1980); Robert, 1993). Choosing on the basis of "value disciplines" is another (Treacy & Wiersema, 1993). Committing on the basis of "value-chain analysis" (Porter, 1980) is yet a third. Using all three as a system of cross-checks is also a possibility.

Some Fundamental Questions

Regardless of the definition of strategy, or the many factors affecting the choice of corporate or competitive strategy, there are some fundamental questions to be asked and answered. These include the following:

Related to Mission & Vision

- Who are we?

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- What do we do?
- Why are we here?
- What kind of company are we?
- What kind of company do we want to become?
- What kind of company must we become?

Related to Corporate Strategy

- What is the current strategy, implicit or explicit?
- What assumptions have to hold for the current strategy to be viable?
- What is happening in the larger, social and educational environments?
- What are our growth, size, and profitability goals?
- In which markets will we compete?
- In which businesses?
- In which geographic areas?

Related to Competitive Strategy

- What is the current strategy, implicit or explicit?
- What assumptions have to hold for the current strategy to be viable?
- What is happening in the industry, with our competitors, and in general?
- What are our growth, size, and profitability goals?
- What products and services will we offer?
- To what customers or users?
- How will the selling/buying decisions be made?
- How will we distribute our products and services?
- What technologies will we employ?
- What capabilities and capacities will we require?
- Which ones are core?
- What will we make, what will we buy, and what will we acquire through alliance?
- What are our options?
- On what basis will we compete?

Some Concluding Remarks

Strategy has been borrowed from the military and adapted for business use. In truth, very little adaptation is required.

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Strategy is about means. It is about the attainment of ends, not their specification. The specification of ends is a matter of stating those future conditions and circumstances toward which effort is to be devoted until such time as those ends are obtained.

Strategy is concerned with *how* you will achieve your aims, not with what those aims are or ought to be or how they are established. If strategy has any meaning at all, it is only in relation to some aim or end in view.

Strategy is one element in a four-part structure. First are the ends to be obtained. Second are the strategies for obtaining them, the ways in which resources will be deployed. Third are tactics, the ways in which resources that have been deployed are actually used or employed. Fourth and last are the resources themselves, the means at our disposal. Thus it is that strategy and tactics bridge the gap between ends and means.

Establishing the aims or ends of an enterprise is a matter of policy and the root words there are both Greek: *politeia* and *polites*—the state and the people. Determining the ends of an enterprise is mainly a matter of governance not management and, conversely, achieving them is mostly a matter of management not governance.

Those who govern are responsible for seeing to it that the ends of the enterprise are clear to the people who people that enterprise and that these ends are legitimate, ethical and that they benefit the enterprise and its members.

Strategy is the joint province of those who govern and those who manage. Tactics belong to those who manage. Means or resources are jointly controlled. Those who govern and manage are jointly responsible for the deployment of resources. Those who manage are responsible for the employment of those resources—but always in the context of the ends sought and the strategy for their achievement.

Over time, the employment of resources yields actual results and these, in light of intended results, shape the future deployment of resources. Thus it is that "realized" strategy emerges from the pattern of actions and decisions. And thus it is that strategy is an adaptive, evolving view of what is required to obtain the ends in view.

This column has taken a broad, multi-faceted look at the subject of strategy. Some readers might go away disappointed that no final, unambiguous definition of strategy has been provided. The quick response is that there is none, that strategy is a broad, ambiguous topic. We must all come to our own understanding, definition and meaning. Helping the reader do so has been my chief aim in this column.

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Link to Part 1

If you missed Part 1 of this column and would like to read it, here is a [link](#).

References – Part 2

1. Porter, M.E., (1980). *Competitive Strategy*. Free Press: New York
2. Robert, M., (1993). *Strategy Pure and Simple*. McGraw-Hill: New York
3. Treacy, M. and Wiersema, F., (1993). “Customer Intimacy and Other Value Disciplines” in *Harvard Business Review*, January-February (pp.84-93). Harvard Business School: Cambridge
4. Tregoe, B.B. and Zimmerman, J.W., (1980). *Top Management Strategy: What It Is and How to Make It Work*. Kepner-Tregoe: Princeton
5. Urwick, L. (1956). “The Span of Control” in *Harvard Business Review*, May-June (pp.39-47). Harvard Business School: Cambridge.

Related Reading

There are several other strategy-related articles on my web site. Links to some of them are provided below. The links in red are to .pdf versions.

- [Sir Basil H. Liddell-Hart's Eight Maxims of Strategy .htm](#)
- [Competitive Strategy & Industry Analysis: The Basics a la Michael Porter .htm](#)
- [A Strategic and Business Planning Bibliography](#)
- [Strategic Decision Making](#)
- [Strategy Is Execution .htm](#)
- [Strategy, Strategic Management, Strategic Planning and Strategic Thinking](#)
- [Three Forms of Strategy: General, Corporate & Competitive .htm](#)

About the Author

Fred Nickols, CPT, is a knowledge worker, writer, consultant, and former executive who spent 20 years in the U.S. Navy, retiring as a decorated chief petty officer. In the private sector, he worked as a consultant and then held executive positions with two former clients. Currently, Fred is the manager partner of [Distance Consulting LLC](#). His website is home to the award-winning [Knowledge Worker's Tool Room](#) and more than 200 free articles, book chapters, and papers. Fred is a longtime member of ISPI and writes this monthly column for *PerformanceXpress*. A complete listing of all Knowledge Worker columns and access to them is available [here](#).