

Review: Strategic Intuition
Creating Insight-Ready Environments

By Kathleen M. Hosfeld

In 183 pithy pages – and many of those devoted to footnotes – William Duggan, an associate professor of management at Columbia Business School, has identified a gap in approaches to strategy and strategic planning: How do great business ideas come to us?

Whether the objective is creating a breakthrough product or creating social change, Duggan writes in *Strategic Intuition: The Creative Spark in Human Achievement* that those who are successful have experienced flashes of insight he calls strategic intuition and have taken action on them.

But hey, someone objects. Aren't flashes of insight like the proverbial butterfly, chase them and they elude you. Isn't it true that you're at their whim to land on your shoulder or not? It's true that insight can't be scheduled. Yet, Duggan makes the case that insight happens when we make room for it in our planning and thought processes.

The typical approach to strategy and strategic planning, he says, is to decide our ideal future state, make a to-do list, and march towards the end goal. This approach, originally articulated by Antoine Jomini in the book *the Art of War*, was widely regarded as a military "best practice."

This is how many people conduct strategic planning processes today. But such an approach focuses on problem-solving rather than strategic insight. Most significant business breakthroughs and catalysts for social change don't happen when someone sits down to solve a problem.

"Study Jomini and you might conclude that military strategy is simply a matter of choosing an objective and marching your troops to get there. Study (Michael) Porter and you might think that business strategy is simply a matter of analyzing your industry, your competitors and your own competitive advantage," writes Duggan.

Businesses and non-profits often over-identify with their methods and forget to step back and review their intent – why their business or organization exists. Strategic planning, as traditionally practiced, can often boil down to perpetuating the status quo.

Making Room for Insight

But in reviews of "how they did it" that include Bill Gates and Paul Allen (Microsoft), and Sergey Brin and Larry Page (Google), as well as the leaders of the Civil Rights Movement and others, Duggan describes a radically different process whereby an insight forms.

The process has four steps: learn and study what has worked before, create an empty but ready awareness – he calls this presence of mind --, allow previously known elements to reform in a new way in your mind (the strategic insight), and act on the insight when it arises.

Creating presence of mind, he notes, is perhaps the most difficult step because it involves letting go of what you know and being open to new thoughts and patterns. On the other hand, presence of mind can come as easily as staring out a window at clouds being pushed around by the wind.



Some comparison can be made between Duggan's model and that described in the book *Presence*, written by Peter Senge, Otto Scharmer and colleagues. The most helpful commonality, to my reading, is the emphasis on deep reflection. If we want to move from problem-solving to innovation, we have to take time to reflect more deeply.

Don't Throw Out The Baby

Duggan's description of strategic intuition's role in organizational planning places it in the context of traditional planning methods. We're not intended to throw out the useful aspects of Porter's or anyone else's analytical model. Situation analyses are part of the learning that takes place prior to strategic intuition, he says. Analysis and deliberative planning should also take place in the phase during which the organization seeks to take action on strategic intuition. So, the solution is not to throw out all that has been done before. It's to add to the process the elements that may lead to better outcomes.

Taking It Home

Two take-aways that organizations can apply to their planning processes include:

Notice What's Working – As you begin any planning process, take an inventory of what's working. That can include what's working in your own organization. It can also include what's working elsewhere. Strategic intuition often comes as a result of combining previously separate elements of what's working elsewhere into a new whole.

Create an Insight-Ready Environment – Many organizations seek to foster creativity in the workplace. It may be more important to create an insight-ready environment. To do this, the company might make a habit of reviewing case histories – its own and others – to build institutional memory of what's worked in the past. Additionally, it might experiment with ways to help employees create presence of mind – setting aside spaces and times for reflection without a particular expectation or deadline for an outcome.

Strategic Intuition: The Creative Spark in Human Achievement by William Duggan is published by the Columbia Business School, Columbia University Press.



Kathleen Hosfeld is the President of Hosfeld & Associates, Inc. Since 1989, Hosfeld & Associates' strategy and marketing services have launched, grown and inspired visionary for-profit and non-profit organizations and projects. We help clients think more clearly and boldly about their goals. We provide the skills and resources clients need to implement breakthrough strategies for profitability, service, and contribution. For more information, please visit <http://www.hosfeld.com>

June 2008