

SIMPLE STRATEGY COULD MAKE SA GREAT

Tony Manning

In his best-selling book *The Tipping Point*, Malcolm Gladwell shows how many significant social changes are the result, not of one big factor, but rather of many small things which add up over time. For a while, nothing seems to happen; then, suddenly, a critical mass of new opinion, behaviour, energy or money creates a different reality.

Getting South Africa's economy to grow is clearly a matter of national concern. But making it happen should not be seen as some kind of mega-project that will take years to plan and even longer to implement.

Of course, government must create a context which encourages and enables investment. But then it is over to business. Only the private sector can deliver the wealth and create the jobs that we so badly need.

Results can only be delivered by one company at a time. But it can happen faster than most people think. What starts as a groundswell can rapidly add up to something significant.

Since 1994, this country has had more than its share of talk shops, bold visions and grandiose plans. Yet all too often delivery has fallen short of the promises. And too many strategies are adopted which will ensure failure rather than success.

The problem begins when well-meaning people set out to find the perfect solution to whatever challenge is before them. Instead of experimenting on a small scale, they start with research that costs a fortune and takes forever. Instead of getting off the ground with something modest, they waste time trying to conquer the universe with the ultimate design.

But for all their efforts, and for all their talk of "benchmarking" and "best practices" and being "world class", their colossal dreams never fly. The damned things are too clumsy, too fat and too slow to take off. When they do make it into the air, they often crash and burn before they gain speed or altitude.

This is not just a public sector failing. Corporate executives make the same mistakes. They love the idea of long-term planning, when all evidence shows how futile it can be. They search for the "silver bullets" that will let them win the war for markets and profits, but ignore the reality that there are no formulas, and that in any event, implementation is worth 100 strategic IQ points.

Central planning by governments has a terrible track record. Companies fare no better when they apply the same theories. So it's little wonder that managers around the world have abandoned their faith in long-range planning and head office autocracy, and shifted instead to a mode of less talk, more action.

Several factors drive this trend. First, is the fact that innovation is a messy affair; great ideas come from surprising quarters, and usually when they're not expected.

Then there's the need to respond fast to issues and events in an increasingly complex environment. This demands that individuals are empowered to think and act as they see fit, in real time rather than in accord with some head office schedule.

And last but not least is the impact of technology on how customers behave, and on how organizations deliver value. The internet bubble might have burst, but the technology revolution is just beginning. Demassification, mass customization and one-to-one marketing are already familiar terms.

In this new environment, South Africa does not need more conferences, commissions or complex “solutions” in order to realize its potential. What it does need is a healthy dose of common sense.

Business must be allowed to get on with what it’s there to do: make money. Government must do what it is there for: shape a context in which private enterprise will flourish and in which citizens can reach for their dreams.

In their quest for greatness, the executives who run SA’s institutions should think small. They should forget about great master strokes, and focus instead on some basics. And they should accept that the way to deal with complexity is through simplicity.

Best practices in strategic thinking are surprisingly uncomplicated. Anyone can understand them – and if more people did, and the “strategic IQ” of more organizations improved, better performance would quickly follow.

The past two decades have seen an astonishing proliferation of management tools. Most have been dismal flops. There are many reasons, but the one that stands out is poor communication.

More specifically, what’s missing or mismanaged is the “strategic conversation” that focuses people’s attention, inspires them to do great things, and makes it possible in turn for them to speak up and be heard.

We all know that “what gets measured gets managed”. Yet we forget that it is only what is spoken about that will be either measured or managed.

Too often, this conversation is left to chance. Executives spend too much time on vision and mission statements that are pure puffery, and too little on crafting messages that will actually make a difference. They make speeches that do not cause anything new to happen, and they introduce initiatives and programmes that cost a fortune and achieve nothing but cynicism, irritation and demotivation in the very people they’re trying to excite.

Strategic conversation begins with the assumption that every individual can make a difference, and that it is better to err on the side of sharing too much information rather than too little.

After that, it is a matter of asking critical questions and of creating a context in which they will be answered – and the answers tested – in robust fashion.

Organizations are managed conversations. When those conversations are managed badly, people are sure to under-perform. When they’re managed well, magic happens.

South Africa’s first revolution gave all our people a voice. A second revolution, with simplicity, clarity and action as its tenets, can give us wings.

Tony Manning is chairman of the Institute of Directors and an independent management consultant He can be contacted at (011) 884-2635 or strategist@tonymanning.com. His latest book, *Making Sense of Strategy*, is published by Zebra Books and is available at most book stores at a price of R69,95.