

## **Executive Summary**

*What clarity is:* Strategic clarity means that you understand how to achieve what you want within your organization's reality.

*Benefits:* Our research and experience show that working towards greater strategic clarity at the individual level leads to bottom-line improvement at the organizational level.

- Greater value created in the short and long term, resulting from
- Greater effectiveness and efficiency in deploying the organization's resources towards achieving its goals, resulting from
- Greater alignment among the executive team, resulting from
- Greater individual clarity about what is important and how to achieve it

*How it works:* Based on how you work best, we can help you gain greater clarity through:

- **Coaching** – meet with you periodically, as you face demanding decisions
- **Training** – develop your skills at gaining and maintaining clarity
- **Consulting** – outsource the clarity-making process to us

*Who uses it:* We work with world-class organizations large and small, for-profit and non-profit, always with leaders that realize that (1) they face difficult decisions in complex organizational settings, and that (2) their clarity is important to successful strategy and implementation.

## **What clarity is and why it is important**

Though it seems obvious that greater clarity is better, it is not obvious what clarity is, how we know if we have it, what most influences it, and what it gets us. We have been studying this at the Institute for Strategic Clarity, exploring the technologies and methodologies that influence strategic clarity, how to measure it, and what it influences. In our recent book *Managing from Clarity* published by Wiley (see [www.managingfromclarity.com](http://www.managingfromclarity.com)), we define strategic clarity as simply seeing a reality in which your expectations can happen. In our experimental research at UT-Austin, decision makers with just 20% greater clarity than the average outperformed 87% of their colleagues in creating short and long term value for the organization. This research supports what we have found in our work with for-profit, non-profit, and governmental organizations large and small, including Royal Dutch/Shell, Town of Vail municipal

government, TXU (formerly Texas Utilities), Society for Organizational Learning, Mexican Central Bank, Texas Department of Health, and A.T. Kearney – leaders with greater clarity about what they want and how to get it are much better able to lead their organizations to success.

On the importance of clarity, David Norton, co-author of the best selling book *The Balanced Scorecard*, says, “Most organizations can’t execute strategy. Complexity is their enemy. A shared model (vision) of the strategy is the best way to cut through complexity. Unfortunately, developing clear and compelling visions to guide organizations is an art mastered by very few leaders. Are we condemned to wander aimlessly until a great leader develops a vision? *Managing from Clarity* provides a roadmap for introducing systems thinking to your organization. Read it; it’s a snapshot of how strategy will be managed in the 21st Century.”

The hundreds of leaders that have worked with us and participated in our seminars, from start-ups to organizations with a long track record of success, all find that they could use much greater clarity. For example, when we ask, on a scale from 1 to 10, how clear they are about what their organization wants and how to achieve it, rarely do they answer above 6. When we ask what percentage of their clarity is shared by their colleagues and direct reports, we rarely get above 40%. This confirms the obvious: it is difficult to get our heads around the increasingly turbulent and demanding decisions we face, especially when we are not focusing on getting clarity about it.

On the necessity of clarity, Francis Gouillart, co-author of the best-selling book *Transforming the Organization*, says, “If you're not a systems thinker, you're not a good business leader. A few born leaders do it through intuition. For all the rest, there's *Managing from Clarity*. The book will spell out for you how to build your strategic agenda and how to align your leadership team around it.”

### **A proven method for gaining clarity**

Based on the foundations of strategy research and on the rigorous testing of methodologies, we have developed, at the Institute, a proven process for helping you and your organization gain greater clarity about your organization’s strategy, quickly. This process meets the CRISPness criteria for clarity. It is **C**omprehensive, including all the relevant elements of a sound organizational strategy. It is **R**igorous, founded on solid, testable research and methodologies. It is **I**ntegrative, using a systemic framework to unite the theory and tools. It is **S**imple, greatly reducing the jargon and methods of strategic thinking and implementation, making it easier to understand without sacrificing rigor. It is **P**urposeful, focusing the organization on achieving what it wants and aligning it with the wants of the people who bring the organization to life.

We have applied this process with organizational leaders in 15 countries on 5 continents, in English and Spanish, such as the Mexican Secretariat of Health, Petróleos de Venezuela, Boehringer Mannheim (Roche), and CARE USA.

Dan Farrell, a leader in the electric utility industry, comments on the process. “The strategic clarity process enables business leaders to ‘get their mind around’ the dynamic, multi-faceted system that IS their enterprise. This way of thinking has enabled me and

my leadership team to better understand our business, clearly define our interdependencies, and, from this place of greater clarity, identify those few, critical "leverage points" from among the host of options on the table. Bottom-line, managing from clarity has enabled us to make better-informed resource allocation decisions."

We have found that this greater clarity leads to much greater organizational alignment around what to do and what not to do in implementation – much greater effectiveness and cost savings.

- A public health agency aligned multiple disparate initiatives around a simpler initiative, which stopped a major epidemic
- An engine manufacturer reduced supply chain instability, which had been creating large penalties in late orders
- A regulated company successfully navigated the deregulation of a majority of its business, clearly defining structures for success in the new deregulated world
- A private school was able to implement twice as many information technology priorities with the same budget, due to clarity about its goals and how to best achieve them

Elizabeth Martínez, Senior Vice President of the Department of Structured Finance at Banco Nacional de México shares how the process helped her team. "The Managing from Clarity process structured our thinking about how the critical pieces of our organization connect. It also helped us identify the key strategic resources and leverage points for our firm, and what we could realistically achieve, with regards to the complex and dynamic challenges our bank was facing at the time. The process and tools provided us a practical and effective way to get our group and its goals aligned around what really matters for our organization as a whole. This clarity allowed us to focus our energy as a management team around the problem itself and it strengthened our ability and enthusiasm to work together. Most importantly, we will never see our world as we did before."

Peter Senge, whose book *The Fifth Discipline* was identified by the *Harvard Business Review* as one of the seminal management books of the past 75 years, says, "I have been working with Jim Ritchie-Dunham and Hal Rabbino using their Strategic Clarity approach at the Society for Organizational Learning and have found it to be extremely interesting theoretically and very useful practically in helping our team truly understand and articulate our strategic future. The approach supports both strategic dialogue within a management team and communication of a strategic perspective more broadly."

### **How we can help you**

Our commitment to you is that you will gain greater clarity and excellent results. In a relatively short time, you will be much more efficient and effective, without buying or selling anything, taking fuller advantage of the resources you have today in your organization.

There are various paths to clarity, depending on how you best work. We will help you determine the path that works best for you. With some clients, we serve best as their **coach**, meeting with them weekly or monthly to co-develop their strategic clarity as they

face their demanding roles as leaders. Other clients prefer that we **train** them, helping them assess their current abilities and develop the new skills required to achieve and maintain strategic clarity. And some clients prefer to have us lead the development of strategic clarity for a specific project, while they focus on their core business, asking us to design and implement the **consulting** intervention with their organization.

For example, I worked as a coach and trainer with Jay Weiss, Vice President of Sagebrush Wireless Holdings. He says, “Systems thinking is an incredibly valuable tool for understanding complex business environments and developing the sometimes unconventional insights which can propel a business forward. Having worked with Jim Ritchie-Dunham in real world situations, I can say that no one is better at helping organizations translate the theory into useful practice.”

I partnered as a consultant with Elliot Paull, a former Principal at A.T. Kearney. He says, “All senior managers know that complexities and bottlenecks exist throughout the organization. However, it is exceptionally rare that the management team has a common understanding of where they exist. Key issues are often discussed and it feels like we are attacking them blindfolded. Jim’s tools and process integrated our best thinking at the top and gave us a structured way to prioritize and address them as a team more quickly and more effectively...it is very powerful!”

In summary, your clarity is important – it is imperative that you clearly understand what you and your organization want and how to achieve it. At the Institute for Strategic Clarity, we have a proven method for helping you increase your clarity and we want to help you get it. To talk about how we can help you gain greater strategic clarity, please contact me at (603) 620-4472 or [jimrd@instituteforstrategicclarity.org](mailto:jimrd@instituteforstrategicclarity.org).

Clearly yours,

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