

**School of Government**

**PADM 510**  
**APPROVED PERSONAL COURSE OF STUDY**

**Taught with STRA 511**  
**STRATEGIC THINKING**  
**(24 Points)**

**Trimester Two 2009**

**COURSE OUTLINE**

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**Names and Contact Details**

**Course Coordinator:** **Dr Lance Beath**  
Room RWW 505, Level 5, Railway West Wing, Pipitea Campus  
Telephone: 027 436 5234  
Email: [lance.beath@vuw.ac.nz](mailto:lance.beath@vuw.ac.nz)

**Administrator:** **Darren Morgan**  
Room RH 821, Level 8, Rutherford House, Pipitea Campus  
Telephone: (04) 463 5458  
Fax: (04) 463 5454  
Email: [darren.morgan@vuw.ac.nz](mailto:darren.morgan@vuw.ac.nz)

**Office Hours:** 8.30am to 5.00pm, Monday to Friday

**Trimester Dates**

**Trimester Dates:** Monday 13 July to Saturday 14 November 2009

**Teaching Period:** Monday 6 July to Saturday 24 October 2009

**Class Times and Room Numbers**

<b>Module One:</b>	Thursday 9 July 2009	8.30am – 6.00pm
<b>Module Two:</b>	Thursday 3 September 2009	8.30am – 6.00pm
<b>Module Three:</b>	Thursday 22 October 2009	8.30am – 6.00pm

**Locations:** Classes will be held on the Pipitea Campus of Victoria University in Wellington and you will be advised of your classroom one week prior to each module by email.

### **Withdrawal Dates**

Students giving notice of withdrawal from this course after **Monday 20 July 2009** will NOT receive a refund of fees.

Students giving notice of withdrawal from this course after **Monday 12 October 2009** are regarded as having failed the course, unless the Associate Dean subsequently gives approval to withdraw.

Notice of withdrawal must be in writing / emailed to the Masters Administrator. Ceasing to attend or verbally advising a member of staff will NOT be accepted as a notice of withdrawal.

### **Course Content and Readings**

There is no set textbook for this course. An outline of the course and list of readings by topic area follows:

#### Topic One Introduction and Overview

What is Strategic Thinking and how does it differ from other types of thinking (philosophical enquiry, scientific thinking and empiricism, induction and deduction, formal thinking, the policy sciences)?

What are its characteristics? How can we recognise it when we see it? What are its strengths and limitations?

Which part of the brain is involved in strategic thinking? Are other species capable of strategic thought?

Where can we look to find examples of strategic thinking (good as well as bad)?

What is the purpose of strategic thinking: should it be reflective or action-oriented?

Is strategic thinking anything more than informed story telling (scenario building) and myth making? Is it creative and divergent or deductive and convergent? How is it related to romanticism, existentialism and post-modernism?

What is the state of the underlying theory? Can strategic thinking be taught? If so, how?

What is the relationship between strategic thinking and systems thinking?

Introduction to strategic thinking in government: the link between strategic thinking and policy thinking; encouraging creativity; creativity techniques; a selection of relevant external links.

### *Key readings*

Liedtka, Jeanne (2004). Strategy as Design. In *Rotman Management, Winter 2004*.

Prime Minister's Strategy Unit (2004). UK Cabinet Office *Strategy Survival Guide* (extracts).

Sterman, John D (2002). *All Models are Wrong: Reflections on Becoming a Systems Scientist*. System Dynamics Review Vol. 18, No. 4, Winter 2002: 501-531.

### *Supplementary readings*

Cook-Greuter, Susanne R (2002). Nine Action Logics and Their Development in Detail. Strategic thinking as an individuated stage in the differentiation/integration process.

Grundy, Tony and Brown, Laura (2002). Becoming Your Own Strategy Consultant. In *Be Your Own Strategy Consultant: Demystifying Strategic Thinking*. Thomson Learning. London.

Schwartz, Peter (1996). The Scenario-Building Animal. In *The Art of the Long View: Planning for the Future in an Uncertain World*. Doubleday. New York.

Caldwell, Bruce (2004). Epilogue: A Meditation on Twentieth-Century Economics. In *Hayek's Challenge: An Intellectual Biography of F. A. Hayek*. University of Chicago Press. Chicago and London.

Barry, David (1997). Strategy Retold: Toward a Narrative View of Strategic Discourse. In *Academy of Management Review 1997*. Vol. 22, No. 2. 429-452.

Cummings, Stephen (2002). Deconstructing Management: Premodernism, Modernism and Postmodernism. In *ReCreating Strategy*. SAGE Publications Ltd. London.

Franklin, Peter (1998). Thinking of Strategy in a Post-Modern Way. In *Strategic Change*, John Wiley & Sons Ltd, December 1998.

Ogilvy, James (2003). What Strategists Can Learn from Sartre. In *Strategy+Business, Winter 2003*. Retrieved from [www.strategy-business.com](http://www.strategy-business.com) on 10/02/04.

Gupta, Dipak K (2001). The Elements of Strategic Thinking: Decision Tree and Game Theory. In *Analysing Public Policy: Concepts, Tools and Techniques*. CQ Press (Congressional Quarterly Inc). Washington D.C.

Cavana, Robert Y and Mares, Edwin D (2004). *Integrating Critical Thinking and Systems Thinking: from Premises to Causal Loops*. System Dynamics Review Vol. 20, No. 3, Fall 2004: 223-235.

Wright, Alicia and de Joux, Virginia (2003). *Getting Results: Case Studies of Innovation in the Public Service* (Extracts). Amherst Group Ltd. Unpublished report to NZ Public Service Innovation Team drawn from DPM&C, the Treasury and SSC.

## Topic Two The Liedtka Model

A brief introduction to each of the elements in the Liedtka Model of Strategic Thinking: Intent Focus; Thinking in Time; Hypothesis Driven; Intelligent Opportunism; Systems Perspectives.

How each of the elements inter-relate.

The Liedtka Model in practice. Using the model to drive a strategic thinking process.

### *Key reading*

Lawrence, Eton (1999). Strategic Thinking: A Discussion Paper. Research Directorate. Policy, Research and Communications Branch. Public Service Commission of Canada.

### *Follow-up readings*

Heracleous, L (1998). Strategic thinking or strategic planning. In *Long Range Planning*, 31, (3), 481-487.

Liedtka, Jeanne (1998). Strategic thinking; can it be taught? In *Long Range Planning*, 31, (1), 120-129.

Liedtka, J (1998). Linking strategic thinking and strategic planning. In *Strategy and Leadership*, October (1), 120-129.

## Topic Three The Strategic Thinker as Revolutionary and Romanticist

Underlying elements in the Liedtka Model: the role of the strategist in challenging established modes of thought.

Thesis, anti-thesis and synthesis (Hegel).

Strategic thinking as a catalyst for action.

Romanticism and strategic thought. The 'indomitable will' of the individual.

The role of national mythologies, narrative discourse and story-telling.

### *Key reading*

Berlin, Isaiah (1999). The Roots of Romanticism: the Lasting Effects. From the *A. W. Mellon Lectures in the Fine Arts (1965)*. The National Gallery of Art, Washington, D.C. Published by Princeton University Press. Edited by Henry Hardy.

### *Supplementary reading*

Hayek, F. A. (1944). The End of Truth. In *The Road to Serfdom*. University of Chicago Press. 50<sup>th</sup> Anniversary Edition (1994).

## Topic Four Intent Focus

What is meant by 'strategic intent'? How does strategic intent act to preserve and lengthen the attention span of organisations, set worthwhile targets, and create the conditions within which organisations can strive for industry or sector leadership?

How is strategic intent related to the strategic culture of an organisation?

If strategic thinking cannot be solely a matter of reason, where does emotion enter in, and how can the emotional aspects of intellect be used to reinforce reason?

### *Key readings*

Hamel, Gary and Prahalad, C. K. (1989). Strategic Intent. *Harvard Business Review*. May-June 1989.

Smith, Charles E. (1994). The Merlin Factor: Leadership and Strategic Intent. In *Business Strategy Review*. Spring 1994.

Roberts, Kevin (2004). *Lovemarks: the Future Beyond Brands*. Reed Books. Auckland.

### *Supplementary reading*

A Grand but Costly Vision: Manned Mission to Mars. Lead editorial piece in *The Economist*. Jan 17<sup>th</sup>-23<sup>rd</sup>, 2004.

## Topic Five Thinking in Time

What is meant by the phrase 'thinking in time'? Does the past have predictive value and how can our knowledge of the past be used to condition and inform our views about the future?

What do Hamel and Prahalad (1994) mean when they assert that strategy is not driven solely by the future but by the gap between current reality (where we are at the present) and our intent for the future (where we want to end up)?

What does Liedtka (1998) mean when she asserts that strategic thinking is the process whereby we connect past, present and future, using an institution's memory and its broad historical context as 'critical inputs into the creation of its future'?

Can we agree with Neustadt (1986) when he states that thinking in time has three components: 'one is recognition that the future has no place to come from but the past...another is recognition that what matters for the future is departures from the past, alterations, changes, which prospectively or actually divert familiar flows from accustomed channels...a third is continuous comparison, an almost constant oscillation from the present to future to past and back, heedful of prospective change, concerned to expedite, limit, guide, counter, or accept it as the fruits of such comparison suggest'?

### *Key reading*

Neustadt, Richard and May, Ernest (1986). Seeing Time as a Stream. In *Thinking in Time: the Uses of History for Decision Makers*. The Free Press, New York.

### *Supplementary reading*

Brand, Stewart (1999). Notional Clock/Kairos and Chronos/Moore's Wall/Uses of the Future/Uses of the Past. In *The Clock of the Long Now: Time and Responsibility*. Basic Books, New York.

### Topic Six Hypothesis Driven

Why does Liedtka claim that the ability to develop and test successive hypotheses is the 'core competence of the best strategy consulting firms'?

Is it profitable to propose that hypothesis generation and testing lies at the core of strategic thinking ability? What is missing in this general proposition?

What does the scientific method have to say about the role of hypotheses?

Is there a conflict between creative and analytical modes of thought and, if so, how does the iterative use of hypotheses about the future accommodate and facilitate both?

How should moral, ethical and philosophical considerations be taken into account?

### *Key readings*

Berlin, Isaiah (1962). The Purpose of Philosophy. In *The Power of Ideas*. Pimlico (2001).

Berlin, Isaiah (1978). An Introduction to Philosophy. Recording of a conversation with Bryan Magee. In *Men of Ideas: Some Creators of Contemporary Philosophy*. BBC London.

Putnam, Hilary (1978). The Philosophy of Science. Conversation with Bryan Magee (ibid).

Popper, Karl (1951-56). Kinds of Determinism. In *The Open Universe: An Argument for Indeterminism*. From the *Postscript to the Logic of Scientific Discovery*. Routledge, London and New York (1982).

### *Supplementary readings*

Burke, James and Ornstein, Robert (1995). The ABC of Logic. The impact on logical thinking of the invention of the alphabet. In *The Axemaker's Gift: A Double-Edged History of Human Culture*.

Popper, Karl (1945). The Rise of Oracular Philosophy: Aristotle and Hegel. In *The Open Society and its Enemies. Vol II. The High Tide of Prophecy: Hegel, Marx, and the Aftermath*. Routledge & Sons, London.

## Topic Seven Intelligent Opportunism

Lawrence (1998) summarises the essence of intelligent opportunism as *openness to new experience*. He argues, and Mintzberg (1999) agrees, that organisations seeking to cultivate the practice of openness need to put special stress on mechanisms for encouraging the flow of ideas at all levels of the organisation, from the most junior upwards. This is the essence also of *emergent strategies* versus top-down or deliberative strategy.

### *Key readings*

Mintzberg, Henry (1996). The Manager's Job. Reading 2.1 in *The Strategy Process: Concepts, Contexts, Cases*. Henry Mintzberg and James Quinn (eds). Prentice Hall, New Jersey.

Quinn, James and Voyer, John (1996). Logical Incrementalism: Managing Strategy Formation. Reading 5.1 (ibid).

Mintzberg, Henry (1996). Crafting Strategy. Reading 5.2 (ibid).

### *Supplementary readings*

Richardson, Bill (1994). Comprehensive Approach to Strategic Management: Leading Across the Strategic Management Domain. In *Management Decision*, Vol. 32 No. 8, pp. 27-41.

Robertson, Duncan (2003). Agent-Based Models of a Banking Network as an Example of a Turbulent Environment: the Deliberate vs. Emergent Strategy Debate Revisited. In *Emergence*, 5(2), 56-71.

## Topic Eight Systems Perspectives

Liedtka (1998), following the Mintzberg model, puts special stress on the importance of cultivating systems-wide perspectives as a key ingredient in the way strategic thinkers approach the tasks of problem solving and ideas generation. In the business context, a systems perspective involves the ability to understand and conceptualise *all* of the relationships between *all* of the elements in the total value-creating chain. In a public sector context, it is the ability to perceive and respond creatively to the myriad of political, social and economic relationships impacting on the organisation from the Minister down (and the taxpayer up), as well as appreciating the role of the organisation in relationship to every other part of the public sector. In this sense, for the New Zealand public sector official seeking to achieve a systems perspective, it entails the ability to think about and articulate what New Zealand is trying to achieve, internally as well as externally, and to do this as part and parcel of designing and implementing systems to deliver the particular outputs for which the individual organisation is responsible.

### *Key reading*

Senge, Peter (1996). The Leader's New Work: Building Learning Organisations. *Sloan Management Review* (Fall 1990), pp. 7-23. Also appears as Reading 8.2 in *The Strategy Process: Concepts, Contexts, Cases*. Henry Mintzberg and James Quinn (eds). Prentice Hall, New Jersey.

### *Supplementary readings*

Hurst, David K., (2000). Learning from the Links: What Systems Thinking Teaches About Golf and Management. In *Strategy+Business*. Reprint No. 00404. Fourth Quarter, 2000. [www.strategy-business.com](http://www.strategy-business.com)

Richardson, George P., (1986). Problems with Causal-Loop Diagrams. In *Systems Dynamics Review* 2 (no. 2, Summer 1986): 158-170.

### Topic Nine    Physiology

Strategic thinking, and creative thinking more generally, undoubtedly has its base in the detailed physiology of the brain. The very brief selection of readings set out below cover what is known, or at least what is currently supposed, about the physiological and anatomical bases for strategic thinking. Much of this material, being relatively new and therefore still untested, or in any event not fully tested, is at the speculative and, in places, popular edge of science. It should be read with caution. It nonetheless seems worthwhile reproducing a selection of it here because, if we can understand the anatomy of thinking better we may, it seems reasonable to hope, also begin to understand how to exercise and train the brain for creative as well as analytical thought.

#### *Key reading*

Calvin, William H. (1989). Making Up the Mind: Morning on Eel Pond and Shaping Up Consciousness with a Darwinian Dance: Emergence from the Sub-Conscious. In *The Cerebral Symphony: Seashore Reflections on the Structure of Consciousness*. Bantam Books.

### *Supplementary readings*

Sagan, Carl (1977). Lovers and Madmen and the Future Evolution of the Brain. In *The Dragons of Eden: Speculations on the Evolution of Human Intelligence*. Ballantine Books. New York.

Dawkins, Richard (1998). The Balloon of the Mind. In *Unweaving the Rainbow: Science, Delusion and the Appetite for Wonder*. Penguin Books, London.

### Topic Ten    Beyond the Liedtka Model. Conclusions and Suggestions for Further Study

The attraction of the Liedtka Model is that it offers an ordered framework within which to ‘think about thinking’ and, in particular, to think about strategic thinking. But attractive though it is as a model, no model can hope to comprehend all of the elements that go to make up what must remain, at essence, a creative and possibly chaotic activity. And this must be particularly true the more disordered and chaotic the actual world in which we are seeking to act appears to be. A small selection of final readings are therefore offered as an antidote and a reminder of the complexity within which real strategic thinking and planning takes place.

#### *Key reading*

Kurtz C. F. and Snowden D.J. (2003). The New Dynamics of Strategy: Sense-making in a Complex and Complicated World. *IBM Systems Journal*, Vol 42, No 3, 2003.



### *Supplementary readings*

Elster, Jon (1989). When Rationality Fails. In *Solomonic Judgements: Studies in the Limitations of Rationality*. Cambridge University Press/Maison des Sciences de l'Homme.

Ruitenbeek, Jack and Cartier, Cynthia (2001). The Invisible Wand: Adaptive Co-Management as an Emergent Strategy in Complex Bio-Economic Systems. *Center for International Forestry Research*. Bogor, Indonesia. Occasional Paper No. 34.

### Topic Eleven. Selected Student Case Studies from 2008

Finally, and as a guide to the range and quality of student case studies undertaken in previous courses we are enclosing, with the permission of the students concerned, a small selection of student papers from the 2008 STRA 511 course:

Felipe Cousino (2008). *Strategy as persuasion*.

Michelle Jordan-Tong (2008). *Strategic thinking: Peak performance as the model, Kevin Roberts as the practitioner*.

Graeme Wilkinson (2008). *Info-Murals: Visualising Strategy*.

## **Course Learning Objectives**

Strategic Thinking explores the nature of strategic thinking and how it relates to other types of thinking (e.g. scientific thinking). The state of the underlying theory is explored using the Liedtka Model as the starting point for discussion. Course members will be exposed to a wide range of examples of strategic thinking in the New Zealand public sector context as well as further afield. The aim is to encourage course members to reflect on the nature of strategic thinking, become familiar with the literature of strategic thinking as reflected in the course readings, and demonstrate the ability to apply the discipline and creativity of strategic thinking within their own fields of interest.

PADM candidates are expected to achieve these learning outcomes at a level appropriate for senior managers in the NZ public sector (e.g. a strategic rather than operational focus; oriented towards whole-of-government rather than a single work unit or organisation; demonstrating synthesis, contextuality and multidisciplinary thinking), and will be assessed on that basis.

## **Course Delivery**

This course is delivered in a modular format, which includes a minimum of 24 hours contact. The 24 hours are broken up into three separate days of eight hours each (a 'module'). There are three modules in the course with approximately five to six weeks between each module. Attendance is required at all three modular teaching days (8.30am – 6.00pm).

## Expected Workload

The learning objectives set for each course are demanding and, to achieve them, candidates must make a significant commitment in time and effort to reading, studying, thinking, and completion of assessment items outside of contact time. Courses vary in design but all require preparation and learning before the first module. Regular learning is necessary between modules (students who leave everything to the last moment rarely achieve at a high level). Expressed in input terms, the time commitment required usually translates to 65-95 hours (excluding class contact time) per course.

## Assessment Requirements

The following assessment requirements need to be met:

1. An essay of 2,000 words (worth 30% of the final course grade) reflecting course members' understanding of an aspect of strategic thinking. The essay is to be based on a critique of one or more of the key readings from any of the ten topic areas listed above. An advanced draft of the essay is to be ready for discussion and presentation of key points to the class by course members at the first module on Thursday 9 July 2009. ***The finished essay is due for handing in no later than 5.00pm, Thursday 23 July 2009. No time extensions will be allowed for this first assignment.***
2. An analysis of an example of strategic thinking to be presented at the second module. In undertaking their analysis and class presentation, course members may use the Liedtka Model as a framework for strategic thinking if they wish, or alternatively develop a strategic thinking model of their own. A copy of the notes and a print out of any slides used for the presentation ***are to be handed in to the course coordinator at the second module (Thursday 3 September 2009).*** Guidelines on the presentation including the maximum time that will be available to course members to make their presentation and field questions from the class will be distributed at the first module.
3. A final report of 3,000 words maximum (70% of course grade) based on the case study presented at the second module. In writing up their case study, course members are encouraged to critique and extend the Liedtka Model, or develop their own strategic thinking model based on critical reflection on class discussion, the course readings for STRA 511 and the wider strategic studies literature – ***the due date for the final report is 5.00pm, Thursday 5 November 2009. No time extensions will be allowed for the final report.***

**Please submit assignments 1 and 3 IN HARD COPY to:**

Post Experience Programmes,  
School of Government,  
Victoria University of Wellington,  
Level 8 Reception,  
Rutherford House,  
23 Lambton Quay,  
P.O. Box 600,  
Wellington.

Assignments that are submitted in person should be placed in the secure box at School of Government reception (Level 8, Rutherford House, Pipitea Campus) during office hours of 8.30am to 5.00pm, Monday to Friday. The assignment box is cleared daily, and assignments will be date stamped.

**Students should keep a copy of all submitted work.**

*Note: Your assessed work may also be used for quality assurance purposes, such as to assess the level of achievement of learning objectives as required for accreditation and audit purposes. The findings may be used to inform changes aimed at improving the quality of FCA programmes. All material used for such processes will be treated as confidential, and the outcome will not affect your grade for the course.*

**Mandatory Course Requirements**

Submit or participate in all pieces of assessment required for this course.

**Class Attendance**

The School expects you to attend all three modules for the course. If, before enrolment for a course, you are aware that you will not be able to attend a module, you must notify the Director of Master's Programmes when you enrol explaining why you will not be able to attend. The Director of Master's Programmes will consult with the relevant course coordinator. In such circumstances, you may be declined entry into a course.

If you become aware after a course starts that you will be unable to attend a module or a significant part of a module (i.e. more than two hours in any given day), you must advise the course coordinator before the module explaining why you will be unable to attend. The course coordinator may excuse you from attendance and may also require you to complete compensatory work relating to the course content covered during your absence.

**Deadlines and Failure to Meet Due Dates**

The ability to plan for and meet deadlines is a core competency of both advanced study and public management. Failure to meet deadlines disrupts course planning and is unfair on students who do submit their work on time. It is expected therefore that you will complete and hand in assignments by the due date. Marks will be deducted at the rate of five per cent for every day by which the

assignment is late and no assignments will be accepted after five working days beyond the date they are due. For example, if you get 65% for an assignment, but you handed it in on Monday when it was due the previous Friday, you will get a mark of 50%.

If ill-health, family bereavement or other personal circumstances beyond your control prevent you from meeting the deadline for submitting a piece of written work or from attending class to make a presentation, you can apply for and may be granted an extension to the due date. You should let your course coordinator know as soon as possible in advance of the deadline (if circumstances permit) if you are seeking an extension. Where an extension is sought, evidence, by way of a medical certificate or similar, may be required by the course coordinator.

## **Communication of Additional Information**

Additional information if any will be conveyed to course members by email.

## **Other Information**

For the following important information follow the links provided:

### **Academic Integrity and Plagiarism**

<http://www.victoria.ac.nz/home/study/plagiarism.aspx>

### **General University Policies and Statutes**

<http://www.victoria.ac.nz/home/about/policy/academic.aspx>

### **Faculty of Commerce and Administration Offices**

<http://www.victoria.ac.nz/fca/studenthelp/Contactus.aspx>

### **Manaaki Pihipihinga Programme**

[http://www.victoria.ac.nz/st\\_services/mentoring/](http://www.victoria.ac.nz/st_services/mentoring/)