

# AI Practitioner

*The international journal of AI best practice*

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## SOARing to High and Engaging Performance: An Appreciative Approach to Strategy

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Today's environment demands innovation, global perspective, collaboration and growth. Why do some organizations create and sustain positive momentum in leading strategic change while others make a great start but fail to execute? Hint: It starts with a highly engaged approach and inspirational leadership team.

The November, 2003 issue of AI Practitioner introduced appreciative strategy and the application of AI to strategic assessment, formulation, planning and implementation. The issue included the two original articles on SOAR, "Strategic Inquiry with Appreciative Intent: Inspiration to SOAR – a New Framework for Strategic Planning" and "The Heart of Appreciative Strategy". In addition, there were eight practical examples from the field of appreciative strategy.

Since then, SOAR has emerged as an effective and flexible strategic framework that releases an organization's energy, creativity and engagement. The SOAR framework accelerates strategic planning sessions and processes by using Appreciative Inquiry (AI) as a guiding approach to best inquire into strengths, opportunities, aspirations and measurable results; imagine the most preferred future; create innovative strategies, plans, systems, designs and structures; build a sustainable culture; and inspire organizational stakeholders to soar!

An organization must create and communicate a strategy and invigorate stakeholders with a shared vision, mission and plan that releases employees' creativity and energy at a speed that is in-synch with the industry change curve.

According to the late Peter Drucker:

Strategy is not a goal; it is a direction, a blueprint for putting the pieces together and building. It must have continuous feedback to translate real-time results into refinements and changes as appropriate.

In a Lego world, the fluid design and ability to connect and reconnect provide a new agility that is a central element of the 21st Century enterprise.<sup>i</sup>

In order for an organization to sustain itself in the 21st century, it must take advantage of opportunities, leverage internal strengths and use its human capital for building a society that enhances our planet. Global strategists Gary Hamel and C.K. Prahalad's<sup>ii</sup> research has stated that the key to organizational effectiveness is foresight in identifying future opportunities and action plans to build the necessary capabilities. They have identified four attributes necessary to get to the future first:

- An understanding of how competition today is different from the past
- An approach for finding and gaining insight into tomorrow's opportunities
- An ability to energize an organization top-to-bottom to reach for a vision and attain goals
- The capacity to get to the future first

The SOAR framework addresses Hamel and Prahalad's third and fourth attributes for successful strategic planning.

This additional energy and capacity is needed to respond to and anticipate today's global environment. Tojo Thatchenkery states that SOAR nurtures a culture of strategic learning and leadership by building a widespread appreciative intelligence. For Thatchenkery and Metzker, appreciative intelligence is "the ability to see a breakthrough product, top talent, or a valuable solution of the future that is currently hidden in the present situation."<sup>iii</sup>

This issue is designed to provide a solid grounding in the key concepts and practice of strength-based strategic thinking, planning and implementation. It updates the SOAR framework and gives case studies from organizations demonstrating its application and positive impact. Each case study concludes with results and demonstrates how SOAR can be incorporated into corporate, business unit or functional strategy. Case studies were selected to show:

- The variety of ways SOAR has been used
- Its impact in diverse environments, industries (profit and social-profit) and geographies
- The integration of SOAR with existing strategic planning methods and other "classic methodologies" such as project management, lean principles, or scenario planning.
- Stakeholders' impact when applying the SOAR framework
- Results, learnings and surprises people experienced while using SOAR

### What You Will Find in this Issue

Jackie Stavros and Gina Hinrichs article, "Soaring to New Heights of Strategic Planning to Execution," updates the SOAR framework and its broad application.

The next section highlights case studies in the for-profit followed by social-profit realm:

- Paul Kope shares a successful SOAR pilot that will expand to include all of BAE Systems, a defense contractor.
- Gina Hinrichs shows how SOAR can be applied at many levels and in many units to provide alignment at John Deere, a global manufacturer.
- Lionel Boxer explains how focusing on appreciative conversations of AI and SOAR can lead to successful strategic planning and improved professional relationships.

- Cheryl Richardson and Gina Hinrichs provide insight into using SOAR to deal with changes faced by the Metropolitan Library System.
- Roberta Peirick relates the story of a virtual leadership team that was supported in powerful strategic dialogue in limited face-to-face time by integrating AI and the SOAR framework with other processes and tools.
- Marge Schiller details the value of AI and SOAR in engaging a broad spectrum of stakeholders and volunteers for strategic planning in a community college.
- Alan Daly, Basha Millholen and Laila DiGuilio relate how accountability and community can be achieved in schools with AI and SOAR in an extended case study of Esperanza school system.
- Susan Wood, Donna Havens and Connie Sheaffer provide a case study where SOAR was used to help nurses build capacity for better work and better care.
- Jan Hetzel Silbert and Tony Silbert bring together four key lessons on Appreciative Inquiry's positive, participative approach to strategy development where traditional methods fell short.

The issue closes with two articles:

- Jane Seiling and Jackie Stavros highlight how SOAR connects to strategy and strengths-based theories, encouraging the whole system into the process of creating positive change.
- Patricia Malone invites readers to contribute to a study to better understand appreciative strategic capacity.

Our heartfelt thanks go to the contributors and the organizations and clients who have shared their experiences and lessons learned, helping reshape SOAR as a strengths-based flexible framework based on AI philosophy, principles and method. We invite you to contact contributors through their emails and continue discussing this exciting evolution from the field of Appreciative Inquiry. We hope this will motivate you to co-create even more strengths-based processes and applications allowing you and your organizational members to soar!

*Jackie Stavros and Gina Hinrichs  
Guest Editors, August 2007 Issue*

#### Footnotes

i Edersheim, E. (2007). *The Definitive Drucker*. McGraw-Hill, New York, NY, 40

ii Hamel, G. and Prahalad, C.K. (1994). *Competing for the Future*. Harvard Business School Press

iii Thatchenkery, T. and Metzker, C. (2006). *Appreciative Intelligence*. San Francisco, CA: Berrett-Koehler Publishers, 6

# SOARing to New Heights of Strategic Planning to Execution

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*This article highlights the steps and value of taking a strength-based approach to strategic planning. In the current complex environment there is an increased emphasis on achieving strategic goals through effective leadership, creativity and engagement. The SOAR framework builds on the best of the classic SWOT analysis by integrating Appreciative Inquiry with a strategic planning framework and creating a transformational process.*

Most companies fall short of achieving their strategic goals. Mankins estimates that strategies only achieve 63% of financial goals. This would indicate there is a strategy-to-execution gap.<sup>i</sup> The current environment is also characterized by increasing complexity and accelerating change. Strategic management, which we define as strategic formulation, planning and execution, should undergo rigorous rethinking of its approach. Although there are indications that new thinking and attempts at reformulation are being made (as in the book *Blue Ocean Strategy*) the basic assumptions of strategic management are firmly entrenched and unquestioned.

In this lead article, the SOAR framework is introduced as an emerging strategic planning approach. The SOAR framework addresses organizations' need for innovation and speed to results. SOAR is compared to the classic SWOT analysis with an explanation of why SOAR is effective. Finally, a more detailed view into how the SOAR framework can be used is provided.

Until execution delivers the desired organizational results, strategic management cannot be deemed successful. In many organizations, strategic planning leads to an unclear or ineffective handoff to operational business units and functional areas (research and development, human resources, marketing and sales, finance and accounting). For strategic management to be successful, it must have more and clearer impact.

The SOAR framework is a strengths-based strategic planning approach that builds on strategic management and moves to strategic leadership. It invites the whole system (stakeholders) into the process to propel an organization forward to its most preferred future. SOAR integrates Appreciative Inquiry (AI) with a strategic planning framework to create a transformational process which transforms the traditional SWOT analysis – a review of internal strengths and weaknesses plus external opportunities and threats – into an approach that accelerates and shifts the strategic planning efforts by focusing directly on those elements that will give a positive energy to the organization's future.

## **Strategic Management to Strategic Leadership: from SWOT to SOAR**

The core of the strategic planning approach has remained unchanged over the last fifty years. Most strategic planning processes contain a classic SWOT analysis which assumes that there

is an objective environment in which the organization competes. As Smircich and Stubbart have noted, the task of the strategic planner is to accurately perceive the environment and maintain congruence between the environment's needs and what the organization delivers.<sup>ii</sup> When the SWOT analysis is complete, the team thinks they know the "as is" state of the organization's environment – but then what?

Perhaps an objectively knowable environment is not the best assumption to hold for a strategic planning process. And what if organizations are socially constructed systems of shared meaning where members impact their environment? Strategic planners would then need to attend to creating and maintaining a system of shared meaning that facilitates organized action.<sup>iii</sup>

The SOAR framework operates from that assumption and experience to date indicates it provides greater innovation and speed to results through the involvement and engagement of stakeholders. The SOAR framework builds on SWOT, but it differs in important assumptions and approaches.

### SWOT: A Step by Step Review

The first step in the traditional strategic planning process is to review the current strategic position of an organization. It begins with a review of the existing mission statement – the reason for the organization's existence. It may describe the products or services supplied, the markets served and operating philosophy. A mission statement is most effective when developed with a guiding vision statement which answers the question, "Where do we want to be in the future?" The mission statement answers the question "What business are we in and who are we?"

The next step in the strategic planning process is to review existing goals. Then, the effectiveness of the strategies is evaluated. Strategies may be viewed at the following levels:

- Organization: What type of organization should we continue to be? Where and how should we remain, grow or exit?
- Unit: What is our unique contribution? What is our competitive advantage? How do we sustain ourselves in the marketplace?
- Functional: What should each functional area do to align with the unit and organizational level strategies?

After an audit of the current and past situation, a SWOT analysis provides an environmental scan. Data are collected to answer questions about the present and future of the organization and the markets or industry served. The forces that determine the present and future of the organization are segmented into internal and external variables using the SWOT format. Here is the model (Figure 1.):

<b>Internal Assessment</b>	<b>Strengths</b> Where we can outperform others	<b>Weaknesses</b> Where can others outperform us
<b>External Assessment</b>	<b>Opportunities</b> How we might enhance our successes	<b>Threats</b> What/who might threaten our success

Recommendations are made regarding strategic alternatives. From there, policies are reviewed or created to link the formulation of strategy with implementation. Policies and guidelines guide employees in implementation, often in the form of programs, budgets and procedures. Evaluation and control mechanisms measure activities and performance results. SWOT's central focus and desired outcome is being better than the competition.

## **The SOAR Framework: The Why, What and How**

### **The Why**

Today's organizations are under increased pressure for higher levels of innovation and faster results. While The SWOT approach can uncover strengths and weaknesses, SOAR provides the enhancement of moving from an "as is" analysis to a framework of leveraging **Strengths** and **Opportunities** to co-create individual and organizational **Aspirations** to achieve measurable **Results**.

The SOAR framework builds upon SWOT, in the same way as strategic leadership builds upon strategic management. Like SWOT, SOAR works to be better than the competition. However, SOAR strives for more by taking the organization beyond competition to become a better organization than it had conceived it could be. Instead of achieving incremental results, SOAR seeks breakthrough – movement toward a most preferred future.

### **The What**

SOAR involves a strengths-focused, relational process for creating an organization's future. This framework allows its leaders to identify and appreciate the purpose, values and strengths that have allowed the organization to succeed, and to establish a vision which is built on these strengths.

SOAR allows organization stakeholders to co-create the vision that leads to the energy and commitment to achieve results. It helps leaders in the organization to identify, understand and communicate: organizational values; purpose; direction; core and unique capabilities; opportunities; strategic initiatives; strategies and tactics; and structures and systems to create a positive organizational environment which builds on the positive core of the organization's unique value offering. <sup>iv</sup>

The SOAR framework offers several additional benefits. Its strategic planning process connection to operational execution is innovative, results-oriented and co-constructive. It begins with the proactive stance which acknowledges that the organization's stakeholders are active co-creators of its environment through the operational execution (inquire, imagine, innovate and implement). The SOAR framework invites stakeholders (or representatives of the stakeholders) into the strategic planning process.

### **The How**

The SOAR framework can be seen as an outgrowth or specific application of AI. Appreciative inquiries are conducted throughout the strategic planning and execution. An initial inquiry is conducted to best understand the organization's values and peak moments: what has worked well in the past. The inquiry also includes questions about the core factor that gives life to the organization and its wishes for the future. Environmental challenges are reframed into

opportunities to place the organization in a proactive position to leverage its strengths and if necessary acquire new strategic strengths.

SOAR's strategic inquiry is followed by creating an appreciative intent (a commitment) that builds on strengths and opportunities. By investigating aspirations and positive outcomes leadership can go beyond engaging body and mind to accessing heart and spirit. At this transformation point, participants affirm their values and create or re-create a vision and mission statement.

This strengths-focused innovative approach transforms the SWOT model into the SOAR framework. It creates energy and allows focus on what really matters: the future of the organization and people serving the community. A SOAR strategic planner or facilitator guides the process through crafting questions to discover the organization's core values, vision, strengths and potential opportunities, aspirations and results. This becomes a strategic inquiry with an appreciative intent (Figure 2.):

<b>Strategic Inquiry</b>	<b>Strengths</b> What are our greatest assets	<b>Opportunities</b> What are the best possible opportunities
<b>Appreciative Intent</b>	<b>Aspirations</b> Who do we want to be and what is our preferred future	<b>Results</b> What are the measurable results we want to achieve

As with previous strategic planning approaches, leadership determines long-term objectives and strategic initiatives on which the organization will focus. The next phases are devoted to defining strategic initiatives and priority projects. The "What" becomes the input to designing the "How" in successive cycles (inquiry, imagine, innovate, implement) of SOAR by engaged stakeholders to determine short-term objectives, tactical and functional plans, integrated programs, structures and systems to best achieve the desired future.

Strategic planning is an opportunity to help organizations soar with their strengths, to identify the best opportunities and to elevate an entire system's learning capacity to innovate from thought to finish. It can be a positive way to generate energy to accomplish essential changes more quickly. While we do not often talk about strategic planning in this way, it is clear that this approach to strategic planning can produce or refine a vision of new missions with a higher probability of execution and a culture of positive engagement.

In Figure 3 (Right), a modified AI 4-D cycle has transformed into a 5-I process of strategic leadership that has the potential to deliver innovation and speed to results. The transformation reflects a desire to use familiar business language to allow organizations to engage more readily.



Figure 3

Five phases that can be thought of as steps (but which involve cycles of SOAR thinking within each step) are provided. These five phases are briefly defined below:

1. *Initiate* – a leadership strategic conversation and formulation on how to apply and integrate SOAR with existing strategic planning methods, processes and applications. There is also a discussion that identifies the relevant stakeholders and how to bring them into the process.

2. *Inquire* – an appreciative inquiry into values and mission, internal environment → strengths and external environment → opportunities as well as conversations regarding aspirations and results. The “as is and might be” is explored.

3. *Imagine* – a creative dialogue that considers strengths and opportunities, and goes beyond to consider aspirations and the most preferred future – a bold vision. This phase also identifies the shared value set, vision and mission of the organization.

4. *Innovate* – designing the strategy (how to deliver). Innovation has been defined as applied creativity. Strategic initiatives are identified and prioritized to enact change to existing processes, systems, structures and culture. These changes take advantage of strengths and opportunities to achieve aspirations and results.

5. *Inspiration for Implementation* – is the energy, commitment and tactical plan necessary to execute the strategy. Results are used as feedback measures for iterations and course

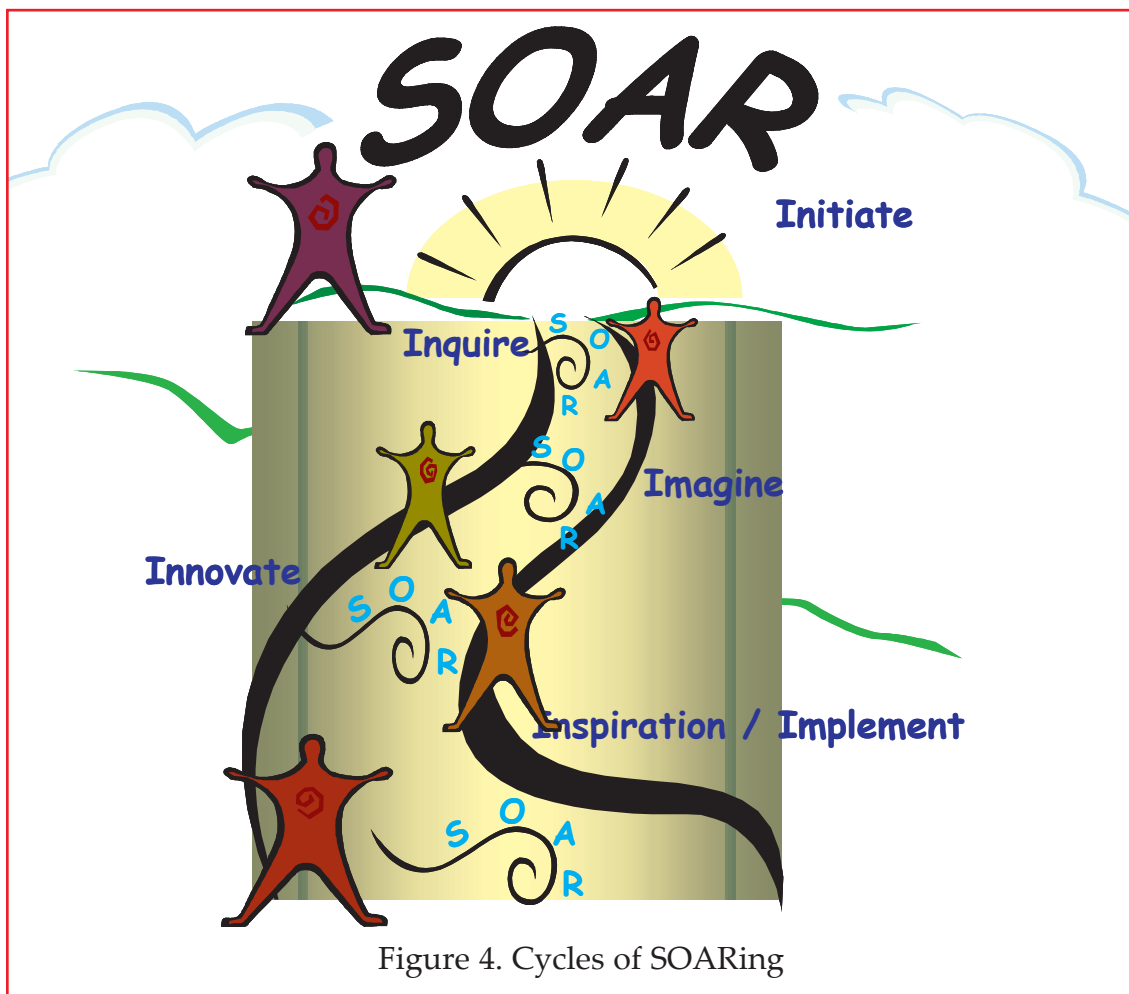


Figure 4. Cycles of SOARING

corrections. Implementation involves many people with different skills and competencies aligned and working on linked projects.

### Conclusion

This article has attempted to address the strategy-to-execution gap. In doing so, we have discussed SOAR, a strengths-based framework that builds on the best points of SWOT (strengths and opportunities) in order to move beyond the “as-is” state of the organization’s environment to the “to-be”. The SOAR framework, as inspired by AI, continues searching for life-affirming capabilities in the organization in finding a path to sustainability. An effective, sustainable path depends on being able to anticipate the future and be responsive to changing environment.

### Our Reflections and Learnings

The case studies in this *AI Practitioner* issue show ways in which SOAR can be incorporated whenever the strategic planning process is used to: complete environmental scanning; revisit or create organizational values, visions and missions; formulate strategy and strategic plans; and design aligned tactical plans. SOAR brings about desired transformational change not only at the strategic business unit level, but also at the corporate and functional level. Beyond achieving measurable results, organizations:

- Identify the positive core of the organization (strengths and opportunities)
- Obtain clarity of values, vision and mission to align with strategic initiatives, strategies and action plans (aspirations)
- Plan, design and facilitate a whole-system strategic planning session
- Identify measurements that drive performance (results)

All of the above behaviors are key to the differentiation of the SOAR framework.

These case studies and articles emphasize the value of asking questions on the achievement and sustainability of the designed path. Closing the strategy-to-execution gap is what the SOAR framework achieves more effectively than other approaches. One ongoing benefit of the SOAR framework is that organization members at all levels continue to discover strengths, seize opportunities, articulate aspirations and assess results. These are the nutrients organizations need in order to grow and feed the kind of learning that is relevant and adaptable.

#### Footnotes

i Mankins, M.G. & R. Steele. Turning Great Strategy into Great Performance, *Harvard Business Review*, July-August, 2005.

Smircich, L. & C. Stubbart. (1985). Strategic Management in an Enacted World. *The Academy of Management Review*, vol. 10, no. 4, 724-736.

ii Ibid.

iii Stavros, Jackie, David Cooperrider & Lynn Kelley. Strategic Inquiry: Appreciative Intent: Inspiration to SOAR, *AI Practitioner*, November 2003.