Interview with Dr Stanley C. Abraham, author of *Strategic Planning: A Practical Guide for Competitive Success*

Interview by Gareth Bell

D r Stanley C. Abraham is Professor Emeritus of Strategy and Entrepreneurship at California State Polytechnic University, Pomona. He has over 40 years' consultancy experience, and founded his own firm, Future by Design, in 1983. In 1999, Dr Abraham co-founded the Association for Strategic Planning, which now has a membership of over 830 in 14 different chapters across the USA. In 2007, he was awarded the ASP's Distinguished Service Award, and was the first inductee into the ASP Hall of Fame in 2008. The second edition of his popular text book, *Strategic Planning: A Practical Guide for Competitive Success*, calls upon his wealth of experience to offer a model for strategic planning that is both academically rigorous and practically applicable. More information about Dr Abraham's book can be found at: www.emeraldinsight.com/promo/strategicplanning.htm

Dr Stanley C. Abraham

You have been involved in strategy, as both an academic and a practitioner, for over 30 years. What got you started? What's your perspective on the field's evolution?

What started my interest was a project I did as a consultant for the Los Angeles County Sheriff's Department in the late 1960s about techniques used in long-range planning. The interest continued in my doctoral program in management at UCLA where I researched ''Futures Research Methods'' in 1975. And while working for The RAND Corporation, I was approached by Pepperdine University's School of Business and Management in 1980 to teach a course in Business Policy and Strategy.

The field had its roots in long-range planning and its associated analytical methods. One of its most outspoken skeptics, Professor Henry Mintzberg, early on complained that the field of strategic planning was too analytical and divorced from reality[1]. Only in recent years has the field focused on strategy – that is, strategic planning as a process, and what distinguishes strategic from operational decision-making. In his recent book *Good Strategy/Bad Strategy*, Richard Rumelt says good strategy is a coherent set of analyses, concepts, policies, arguments, and actions that respond to a high-stakes challenge. Rumelt preaches truth to power when he says that the most common reasons for so much bad strategy include executives actively avoiding both the hard work of crafting a good strategy and the pain that accompanies making hard choices[2].

You co-founded the Association for Strategic Planning in 1999. Could you talk a little about the ASP's growth over the last 13 years, and how successful it has been in cultivating a strategic-planning community?

I'd be remiss if I didn't give the lion's share of the credit to Janice Laureen, one of ASP's co-founders and its Executive Director for about the last decade, who unfortunately passed away on March 8, 2012. Thanks largely to her efforts, ASP's membership now exceeds 860 in 14 chapters across the country and includes many international members.

Its annual conferences and in most chapters regular monthly meetings featuring worthwhile speakers have driven membership growth and fostered interest in strategic planning. Two years ago, ASP became the first professional organization to offer three levels of certification: Strategic Planning Associate (SPA, mainly for students or newbies to the field), Strategic Planning Professional (SPP, a first-level certification for people working with strategic-planning teams), and the advanced Strategic Management Professional (SMP, for people working at the top levels of strategic planning either as an executive or consultant at that level). The ''pioneer'' group that developed the Body of Knowledge for these certifications were all accorded SMP certification, including me, and some went on to become Registered Education Providers, sanctioned to offer training courses to people wanting to become certified. All this activity has further cultivated interest in strategic planning and in fact set some professional standards in the field.

Finally, the strategic-planning community comprises many elements, notably practitioners, consultants, academics, and people that work for nonprofits and government organizations. ASP sponsors an annual award recognizing excellence in strategic planning (the Richard Goodman award) in classifications that include large and small for-profit businesses, nonprofits, and government agencies. It publishes an electronic newsletter, *The Strategic Edge*, with a circulation of over 10,000 and conducts webinars on selected topics related to strategic planning, along with other initiatives. What ASP has succeeded in doing is maintaining a practitioner and ''real-world'' approach to strategic planning, finding people who in one way or another tell us what works and doesn't work in practice. This distinguishes ASP from The Strategic Management Society, which tends to be more theoretical and academic, though it is more international and has its own journal. I believe that ASP is distinctive and fills a need to educate and provide a forum for anyone interested in doing strategic planning for any kind of organization.

The second edition of your textbook, *Strategic Planning: A Practical Guide to Competitive Success,* has recently been published, in which you present a strategic-management process model ''that works''. How does this model differ from those offered by other strategic-planning textbooks?

My textbook emphasizes strategic thinking and the need for executives to generate and assess viable alternatives before deciding on a best strategy. In addition, my approach includes a rigorous process for developing strategic issues, viable alternatives, and selecting a best one. While some strategic-planning textbooks acknowledge the need to come up with alternatives, they don't present a rigorous method for doing so. For example, how can one tell that one has a ''good'' or worthy alternative in the first place? And certainly one needs at least two alternatives; otherwise there is no decision to be made. The method proposed uses criteria that best represent what an organization believes constitutes ''success'' and can be used by a person or a group to think through arguments to support the choice as well as why other alternatives were rejected. It facilitates the most critical management skill – to think strategically. In other words, it enables leaders to make better choices.

Strategic thinking receives short shrift in many textbooks. Few offer any guidance for doing it. How, indeed, does one look for a better business model or better strategy? How can an organization ensure that this activity takes place year round and feeds into the strategic-planning process? In fact, few books take the trouble to distinguish between business models and strategies. A recent book about business models has shed a lot of light on what they are and how an organization can improve the one they have, and presents everything in a novel, pictorial, and implementable way[3]; it seems to suggest continuing to improve the business model is all a company needs to be successful. Could this be the end of strategy? Not as long as there are competitors to combat.

Finally, the whole emphasis of my book is to *apply* the strategic-analysis model (SAM) to a company, which not only forces a manager to think, which is hard work, but also helps the student or reader learn the process of becoming a strategist. This is in contrast to new editions of at least one established textbook on strategic management designed so that

even the professor using the book and associated teaching aids doesn't have to think too much, using the authors as surrogate teachers[4].

"Strategy" seems to have many meanings, as indicated by the appendix of over 70 commonly used definitions you include at the end of your book. What are the key tenets to avoiding a misunderstanding of what "strategy" means?

For years, textbooks used to advocate a process of first identifying objectives (or in some cases goals) and then coming up with a strategy to achieve them. And that was how strategy came to be defined – as a way of achieving a goal or objective. But that definition ignores the notion of competition, so in the real world, organizations need a strategy that confers an advantage over their competitors.

This thinking leads to the idea that it might be better to come up with a strategy first and *then* set the objectives. If that sounds confusing, the mental image of taking a walk through the woods might help. Imagine that your path branches into three paths, each leading to a different place. But only when one of the paths is chosen can you turn your attention to how fast to go along that path or how far to go each day (objectives).

This explains my definition of strategy simply as how an organization chooses to compete. The 77 other definitions are useful, in that they underscore what strategies try to achieve – a competitive advantage, an increase in bargaining power, brand reputation, a better market share and market position, greater profitability, and so on.

Are there any current projects you are working on? What is next for you?

I have just finished a textbook on strategic management for a private online educator and need some time off before contemplating any new projects. I will continue in my role as Contributing Editor for *Strategy & Leadership* and I enjoy interviewing innovators in the field for *S&L*. In fact, my interview with Adrian Ott, who researches how companies can develop new business models based on customers' time and habits, is appearing in *Strategy & Leadership* Vol. 40 No. 4.

Notes

1. Mintzberg, H. (2000), *The Rise and Fall of Strategic Planning*, Pearson Professional, New York, NY.

2. Rumelt, R.P. (2011), *Good Strategy/Bad Strategy: The Difference and Why It Matters*, Crown Publishers, New York, NY, reviewed by Abraham, S. (2012), "Crafting good strategy is hard work and involves tough choices", *Strategy & Leadership*, Vol. 40 No. 1, 45-48.

3. Osterwalder, A. and Pigneur, Y. (2010), Business Model Generation, Wiley, Hoboken, NJ.

4. Abraham, S. and Leavy, B. (2007), "Interview: After 15 editions, the editors of a strategic management textbook reflect", Strategy & Leadership, Vol. 35 No. 4.

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