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Strategic Staircases: Planning the Capabilities Required for Success

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Creating an adequate supply of the requisite skills and competitive capabilities is a fundamental objective of strategy. Managing this process in an effective and systematic manner is difficult. Employing the strategic staircase is a proven way of overcoming this difficulty. The framework enables managers to break the strategic agenda into bit-sized pieces, it guides the selection of priorities and provides a powerful device for communicating strategy throughout the organization, thereby bridging the gap between strategy and action.

Ask a senior manager where strategy fails and the most probable reply will be—'at the implementation stage'. Indeed, a survey conducted by Fortune magazine concluded that 90 per cent of strategies do not work; 'implementation' was believed to be the simple most important cause of that failure.[1]

Implicit in this view is an assumption that the flaw lies not with the strategy itself, not in the way in which it is developed or the objectives that it embodies, but rather in mishandling by those hapless managers charged with its execution. Hence the oft heard refrain, 'our strategy is fine, but we can't we get our managers to put it into practice'. Since line management is integral to the strategy process, this is rather like an academic saying that universities would be fine without students or publishers wishing for a world without authors.

Ascribing responsibility for a strategy's failure to poor implementation by 'management', broadly defined, is convenient; at least it spares the chief executive or Director of Strategic Planning the task of re-examining the strategy itself in search of an explanation. But is it valid? The answer, in our view, is *no*.

The experience of working with and advising a number of major British and European companies has convinced us that, more often than not, the 'failure' of so many strategies is not to be found in their implementation, but instead with the process by which they are developed and the dilemmas that they engender. Our purpose in this article therefore is two-fold: (1) to identify the real sources of the implementation problem and, (2) to propose a practical means of resolving it.

Where Strategy Fails: The View from 'Below'

It is often said of very long books that there is a good short book in there trying to get out. In any document, what you leave out is as important as what you put in. Leaving things out is about knowing when to say 'no' and having the resolve to do so. Once that discipline breaks down, indigestion ensues. Yet this is precisely the effect that strategy documents often have upon managers; overload and indigestion. Why? Because, in an attempt to be comprehensive, and provide for all eventualities, strategy, at both corporate and functional levels, leaves nothing out. In place of a discerning 'no' we have an uncritical 'yes' to everything. 'Yes' to cost reduction, quality improvement, margin enhancement, overseas expansion, new product development and so the list goes on.

Seen from below, from the point of view of the typical middle or junior manager, a strategy asks us to pursue (simultaneously) 10 different priorities—to each of which five key performance measures are attached. In response to the manager's question, 'what is really important?', the answer is typically 'well it's all important. We cannot afford to slip up on any of these things'.

From the average manager's point of view this creates two problems. First, he or she is being asked

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to do too many different things at once and, moreover, not neglect any single priority since all are equally important. Secondly, the priorities themselves are often in conflict or simply incompatible. Thus, not only are we being asked to act across a broad front but the front itself is pulling us in different directions. A graphic illustration of both of these difficulties is provided by Rosabeth Moss Kanter's description of the view from below:[2]

☆ Think strategically and invest in the future—but keep the numbers up today.

☆ Be entrepreneurial and take risks—but do not cost the business anything by failing.

☆ Know every detail of your business—but delegate more responsibility to others.

☆ Speak up, be a leader, set the direction—but be participative, listen well, co-operate.

☆ Continue to do everything you are currently doing even better—and spend more time communicating with employees, serving on teams, and launching new projects.

Seen from below impossible strategic agendas, complete with mixed and contradictory messages, are all too often a seemingly inevitable part of managerial life. Now if the problem seems familiar, you can be sure that in line management's eyes so is the solution. Ignore the strategy and its attendant demands or, at most, pay lip service to it. Experienced departmental or functional level managers know that if they just keep their heads down senior management's current hobby horse—and the unresolvable dilemmas to which it gives rise—will go away (which is the managerial equivalent of lying down until the headache passes). So managers resort to doing what they have done before; to adopting solutions that have worked well in the past. The fact that one department or functional area goes off in one direction that is diametrically opposed to another, that the distribution manager pursues priorities that inevitably undermine those of a sales director, is seen as the natural order of things.

Seen from below, then, the failure of strategy is a failure not of implementation, of the will to make strategy happen, but rather an in-built failure of the strategy itself to generate a limited number of mutually consistent priorities and a clear framework within which to make the choices and tradeoffs that are an integral part of every managers job. Too often, the quest for comprehensiveness and all inclusive strategy stifles the central strategic message. However, the one message that managers do pick up is that in the past certain ways of doing things have proved effective and it is to these tried and tested formulae that they return.

Old Ghosts

The retreat into repeating yesterday's formulae is given further impetus by the fact that most organizations, like individuals, have an inherent preference for continuing to do to what they do well. We often convince ourselves that the lowest risk option is to repeat the business formulae which have served us well in the past. Our facilities, networks, procedures, information systems, supplier and distributor relationships, job descriptions and organizational structures are set up to do just this. The multitude of unquestioned assumptions we apply to daily activities ensure we do so. Our first reaction as a business is to deny that the changes we see around us are anything more than a temporary aberration. Once the evidence of a changed environment becomes indisputable, then we argue that it does not require a fundamental shift in what we are doing.

Overstated or not, there is some of this fundamental conservatism in every company. It is based on the simple fact that since we are set up to do one thing, it is a nuisance when the market starts asking us to do something else instead. It is not surprising, therefore, that we are most comfortable with planning systems which project the status quo forward. At worst, we start with what we are, pretend we can forecast the future, and then make a few adjustments well chosen to ensure they are not too disruptive and satisfy the CEO's desire for growth. Familiar sales and profit 'hockey sticks' are classic examples.

This process, shown in Figure 1, projects the firm along its current trajectory (A) and then makes some adjustments to this base case designed to take account of the predicted environmental developments, often with a healthy dose of optimism (B). Given the basic lack of predictability of events which directly or indirectly impact on our market environment (developments in Eastern Europe and German reunification being good examples) we end up at (C).

All things considered, our planning process has not done badly, after all (C) is considerably better than our rudderless fate at (A). Many companies, however, have set themselves a 'mission' in parallel with this process. This mission is cast in the role of a

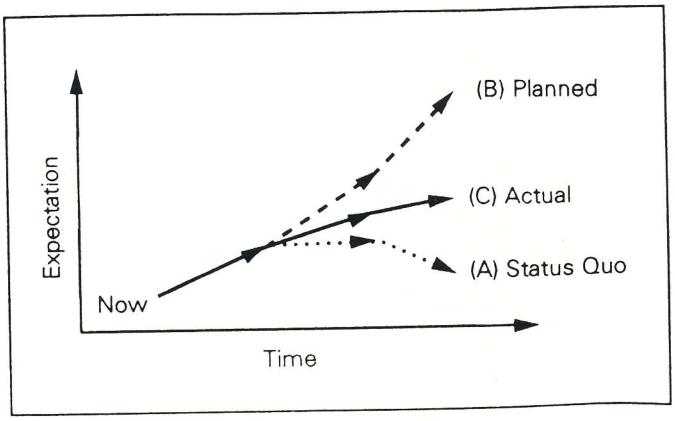

Figure 1. Projecting the status quo

challenging, yet realistic future goal, lifting business units out of the myopia of short-term financial measures and helping to convey the fact that changes which are often painful and inconvenient for the individual have some longer run purpose and reward.

It is now widely agreed that missions have an important potential role as part of the strategy and planning process, yet they are often insufficiently well tied into planning to have a chance of success. A critical danger is that by projecting the status quo forward with a set of incremental, albeit reasonable adjustments to forecast environment change, the reality of our performance passes by while the mission floats like an unreachable star above (as in Figure 2). As a result, the mission loses credibility.

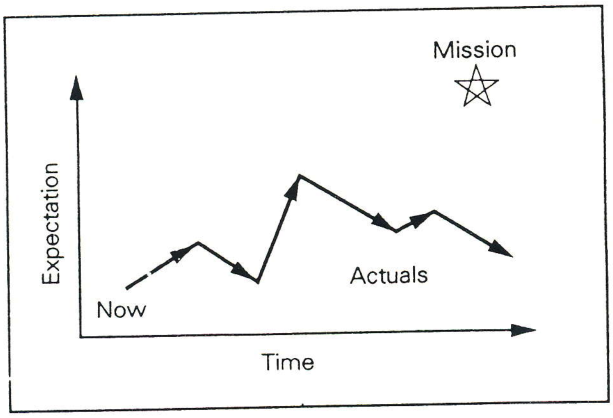

Figure 2. Moving forward incrementally

In what follows we suggest that to be effective in embodying a mission, the planning process must do an 'about face'. Rather than projecting today forward, it must start from the mission and derive its milestones from working back towards the present. This may sound like a simple ruse. In our experience, however, it can have far reaching implications both for the structure of planning systems and their success in supporting real change if properly implemented.

Figure 3 depicts this process of working back. The first implication concerns the specification of the mission itself. If my company is to become 'The best and most successful company in the airline industry', the mission recently announced by British Airways, it must form an indentikit of what success in this achieving mission might look like. Does this imply that I must be significant in the U.S. domestic market and intra-regional markets within Asia? Which are the target customer segments which must define BA as 'the best'? What are the key parameters: safety record, size and growth, financial return, customer satisfaction, employee loyalty, and so on, used to define 'most successful'?

The second stage would be to ask what the airline capable of delivering that picture of success would

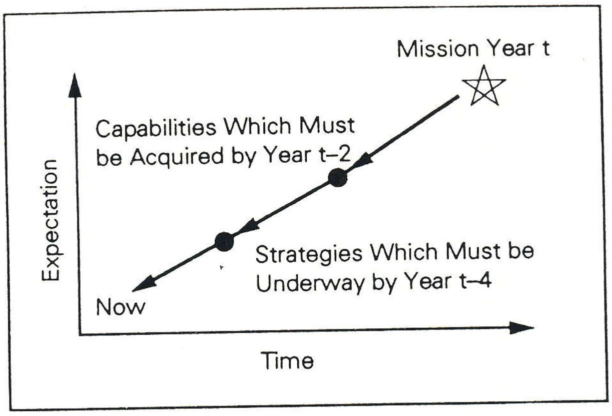

Figure 3. Working backwards

itself need to look like in terms of capacity, resources, staff skills, route configuration, organizational structure, brand image, etc. Rather than forecasting demand and sales, this approach emphasizes prediction of the capabilities necessary to deliver a future definition of success.

As with any forecasting, this 'supply-side' prediction is far from being free of uncertainty. Rather than assuming it away, uncertainty must be fed into the process. The greater the uncertainty surrounding the nature and stock of a capability necessary to support success, the greater the flexibility which must be built into policies pertaining to it. The bounds of uncertainty around how many aircraft BA needs to deliver success in terms of its mission, for example, must be reflected in the planning of future options for aircraft purchase. Thus a certain degree of flexibility may be a required capability to be promoted by the plan in its own right.

Stage three involves projecting our supply-side prediction back in time to ask the question 'what milestones must we have reached (say) 2 years prior if we are going to be on track to get the resources, skills, capacity, brand preference, structure and so on we need to achieve this supply-side goal in place given realistic lead times involved?'

Successive application of this planning procedure allows us to work back to what actions must be taken now to build the future capabilities required. This amounts to defining our mission in terms of the supply-side imperatives to achieve it and planning the critical paths to constructing these. This is analogous to defining our mission, goals and strategy as a civil engineering project with plans for its completion. This is in sharp contrast to annual adjustment of a forward projection which, in terms of our analogy, would be like setting a tunnelling machine to work in Dover and incrementally adjusting its direction according to the hardness of the rock it happened to meet. La belle France would remain a vague mission, so comfortably far away that no immediate action to take account of it would be required. The chances of reaching Calais would be correspondingly low.

The Strategic Staircase

Behind supply side strategic planning lies the concept of *sequential* development of capabilities, skills and hard and soft assets (such as plants and brands), in a deliberate way. Just as in any construction project, the sequence is important for two reasons.

Firstly, the customer's buying behaviour often dictates the ability to supply certain attributes of a product or service *before* others are even considered. Take our air transport example: most customers' initial concern is a high level of safety. Once they are satisfied that there is little difference in safety between two competitors, the basis of their decision switches to convenience and service. If both competitors offer very similar levels of this, they probably buy on price. The same is true of many other products. When we purchase a watch these days, we expect it to keep time with a high degree of accuracy; once this is satisfied, we switch our focus to the design of the case, price and so on.

In general, customers often have a strong hierarchy of purchase criteria. They are quite uncompromising on an attribute, like safety, until they find themselves in the position where there is little to choose between competitors. Then some previously unimportant factor becomes the dominant driver of the purchase decision.

This has important consequences for the sequencing of supply side strategy. It says that unless we develop our competitive capabilities to deliver in a sequence which parallels the customers' hierarchy of buying criteria we will get nowhere. We will be investing in being able to deliver secondary attributes at a stage when many buyers are not even willing to consider us.

The second reason for a critical role of sequencing is internal to the organization. Viewing the overall gap between the capabilities we have now and those we must develop to support the achievement of our mission, the gulf often looks daunting. Management and staff approach the task resigned to failure. Attempting to fix everything at once is beyond the total capacity of current resources. Moreover, the successful development and exploitation of some capabilities must build on the base of other skills. Excellent marketing skills which stoke up customer expectations are a definite liability if deployed before we have the capabilities to deliver. Similarly, it may be impossible to recruit and motivate a top rank salesforce before we have a product in which they can believe.

The answer to these problems lies in breaking up the overall requirement to close a capabilities gap into 'bite-sized pieces': tasks which employees can focus on, which they can believe are realistic rather than overwhelming. These can then be sequenced to take account of the complementarity between the capabilities and the order in which they must be deployed in the market.

The earthmoving equipment industry provides a good illustration of the importance of sequencing in supply side strategy. The costs of equipment breakdown on a construction site are high: scheduled labour must be laid off, idle materials incur interest costs, resulting delays to progress and final completion often attract the expense of penalty clauses. Equipment reliability, readily available maintenance and rapid supply of parts and service traditionally dominated buyers' decision making and earned a price premium for those with the capabilities to provide them. Where the buyers could obtain these from a number of suppliers, however, their attention turned to price. Once competitors were able to offer high reliability at very similar prices, the buyers chose equipment with additional features relevant to the needs of their particular applications. Eventually, as their market matures, it may be necessary to have the capability to follow major customers into new, diversified business areas.

Starting from a long way behind, Komatsu set itself the mission of catching up with the world leader in the earthmoving equipment market, Caterpillar. With scale only one sixth of Caterpillar's, even in 1971, a small and undemanding home market, virtually no dealer network, little relevant technology, poor quality, a 'cheap and nasty' brand image, poor parts supply, lack of familiarity with world markets, few English speaking staff and a narrow product range, it was clear that the problem lay not in forecasting demand, but in generating the necessary capabilities to compete in the market and match its ambitious mission. Even to the most committed Japanese team, however, the gap must have looked daunting.

Working backwards from Caterpillar's strengths, it was clear that Komatsu would need a broad product line and possibly the ability to match future diversification by Caterpillar. An excellent service and dealer network were also essential. Yet, no dealer would touch a product he did not believe he could sell. With low labour costs and subsidized steel prices, Komatsu could market on price alone. Facing the operating cost penalties of 'downtime' when their equipment failed, however, few customers were prepared to take the risk.

To deal with this risk aversion, the first step in Komatsu's strategic staircase (Figure 4) would have to achieve close to parity with Caterpillar on quality and reliability. The strategic plan thus focused on licensing to improve technology from key component suppliers and companies in related industries as well as implementing total quality control systems throughout the Komatsu organization. This was

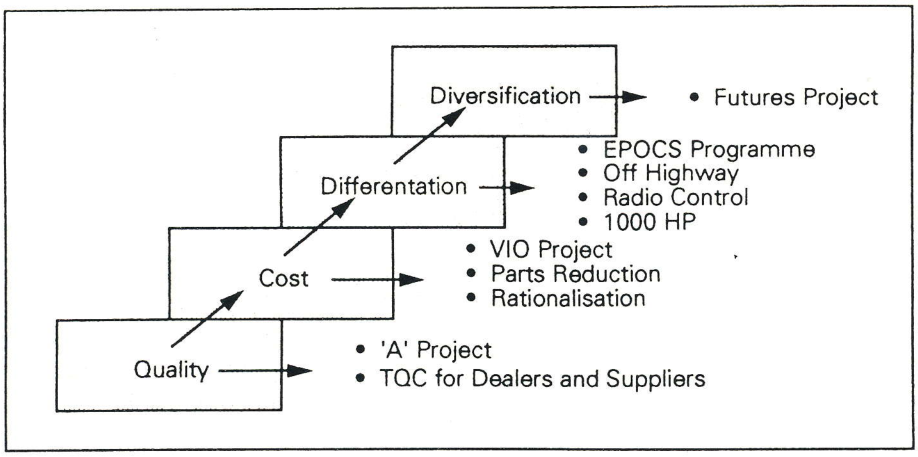

Figure 4. Komatsu's strategic staircase

then extended to key suppliers and subsequently to its dealers.

Quality was a 'bite sized' objective on which employees could focus their energies, not for its own sake but as part of a sequence for building capabilities long-term. Once achieved, customers would face minimum risk of downtime whether they bought Komatsu or Caterpillar. Their attention would then turn to relative prices. Komatsu's next step in the supply side staircase was therefore to whittle away Caterpillar's cost advantage.

Looking to minimize the disadvantage of its smaller scale, Komatsu set about reducing the number of parts in its products, maintaining variety through combining different base modules, and rationalizing its product and supply networks to reduce costs for any given level of volume.

With quality and basic functionality at competitive costs, further market share would have to be won through the capability to differentiate the product for specialist requirements and innovate to meet the needs of new applications. The challenge of taking this next step forward into differentiation, without adding unnecessary costs involved 'Efficient Production Orientated Choice Specification', a system designed to make Komatsu capable of broadening its product line while maintaining production efficiencies.

Having matched and sometimes bettered Caterpillar's capabilities, coming a close second on worldwide market share during the early 1980s, Komatsu re-examined its mission. It defined a new set of capabilities required to carry it into the 1990s and with it, a new staircase based on sequenced development of the resources and skills necessary to make it competitive in the manufacture and supply of robotics.

The Strategic Staircase in Practice

Extrapolating from the past and projecting observed trends into the future makes good intuitive sense; working forward from the present to the future feels natural. Working backwards, from the future to the present, extrapolating the implications of our future aim back to the here and now feels unnatural; it is counter intuitive. Applying the strategic staircase framework successfully however entails breaking down this inhibition, encouraging—indeed forcing—managers to step outside the present and to view it as if from the vantage point of an albeit hypothetical future. Achieving this perceptual shift is a pre-requisite of developing a genuine strategic staircase—one that identifies the precise sequence of steps required to attain a defined goal. Expressed in these terms our advice may seem somewhat abstract. What does the experience of using the framework in over 50 executive workshops and seminars tell us about how best to maximize its effectiveness? We have distilled five key principles:

☆ *The Mission.* The hook from which the staircase is hung has to be defined clearly, concisely and in terms that are motivating. Aims that embody a wish—'to be the best'—rather than a tangible ambition—'to be the least cost producer'—are rhetorically appealing but provide no tangible focus. Time should be devoted therefore to distilling a statement of aim that provides a clear context within which to evolve an appropriate sequence of strategic initiatives. Komatsu's mission, Maru C—to encircle Caterpillar—is immediately intelligible and compelling; it gives meaning to everything that Komatsu subsequently does.

☆ *The Sequence.* This supply side approach to strategy rejects simultaniety (that is the pursuit of numerous different objectives and initiatives at the same time), in favour of the deliberate, *sequential* development of capabilities, skills and resources. Specifying the precise order or sequence of steps is therefore critical. This in turn entails being clear about two things. First, why step 1, e.g. quality improvement, takes precedence over step 2, e.g. cost reduction. What, in other words, is the rationale behind this particular sequence, rather than another? Secondly, the link between adjacent steps must be explicit. Moving from step 1 to 2 is precisely that: a step, not a leap. We need to be clear therefore as to exactly how one set of strategic initiatives prepares the way for undertaking a second set of such initiatives.

☆ *The Tradeoffs.* Choosing one step in preference to another necessarily entails making choices and tradeoffs. Saying 'no' to one thing in favour of another, at least for the moment. Too often the action plans to which strategic planning exercises give rise entails a little bit of x, a little bit of y, a little bit of z; cut cost, improve quality and, at the same time, launch new products. Developing strategy from the supply side, and embodying this in a strategic staircase, is incompatible with such an approach; choices and tradeoffs are forced out into the open. The question becomes one of either x or y, not x plus y. Again the Komatsu experience graphically illustrates this. In the words of a senior manager,

> 'Our mission was made quite clear by our President. There was no question that the rapid upgrading of quality was the priority task that had to be promoted. This was the only way for us to survive.'

That takes care of step 1: quality. But what of cost? Surely this must also be tackled as well.

> 'The President commanded the staff to ignore costs and produce world standard products.'

It is not that cost does not matter—of course it does. But in Komatsu's case the choice was clear: quality *before* cost. Once world standard products were available then the cost issue could be addressed. In developing a strategic staircase one of the recurrent failings is a tendency to elide or fudge the tradeoffs. Where no hard choices are called for, something is clearly wrong.

☆ *The Timetable.* Although the final aim itself may have no firm date attached to its accomplishment, timetables must be agreed for the building of the initial steps and, specifically, the putting in place of each particular step. Beware however of the fact that the time that each step is expected to take and the amount of time the company can afford in taking each step may be two quite different things. Working backwards from the perceived time available is often a 'necessary adjunct to the exercise.

☆ *The Measures.* 'Step 1 is to improve the quality of our products.' Of itself, this is not particularly helpful. Quality improvement may indeed be the necessary first step, but the framework will have been of no value at all if this is the type of general statement to which it gives rise. Let us assume that quality upgrade is defined as the necessary first step. Two things need to happen. First, the specific initiatives to be taken to improve quality must be spelled out in detail. Secondly, there needs to be a definition of the measures by which progress on these initiatives will be judged. Measures that answer the question, how do we know that we are making good progress in relation to our choosen targets?

Responding to the Unexpected

Perhaps somewhat paradoxically, a tightly defined supply-side strategy based on the strategic staircase can open up more options for flexible response to unexpected market developments than the more traditional planning dominated by demand-side estimates of market growth and sales.

Rather than trying to 'second-guess' the twists and turns in the market from quarter to quarter or year to year, supply-side strategy emphasizes a planned approach to the capabilities which will be required to succeed long-term. The responsiveness to uncertain conditions comes, instead, from how these capabilities are applied to the market during any short-term period. Here opportunism and unplanned, bottom-up strategy is to be encouraged as a route to increased market responsiveness. In a nutshell, what we propose is a very systematic development of the mission an individual must achieve to build each step in the staircase, combined with considerable flexibility and individual responsibility as to the 'how' that step is taken.

The plan supports investment in key capabilities. It should not attempt, however, to over determine the actions of each individual. Armed with a mission and a clear perspective as to the sequence of priorities and corresponding capabilities the firm is developing, each member of staff must become the proverbial 'gardener'. Observing day-to-day developments in the market in their area of responsibility, no matter how narrow, individuals must be able to identify 'weeds' (unexpected occurrences which divert the company from its strategic course), and make the necessary corrections to arrest growth of the undesirables. Likewise, recognizing a 'flower' (an unexpected development which, nevertheless, fits well with the firm's strategy) staff should take the initiative to use the company's capabilities to promote it. In this way the organization responds flexibly to market conditions at the level of each individual.

Consider Henry Mintzberg's famous illustration of an emergent strategy:

> *'Out in the field a salesman visits a customer. The product isn't quite right, and together they work out some modifications. The salesman returns to his company and puts the changes through; after 2 or 3 more rounds they finally get it right. A new product emerges, which eventually opens up a new market. The company has changed its strategic course.'*[3]

In the quotation above numerous people are making strategic decisions from the salesman, through to the R & D and marketing staff, manufacturing and top management. Strategy is working well when they are not simply responding to every suggestion any customer makes. Rather, when their decision to expend their scarce resources on a new project reflects the fact that, although not planned, it fits well with the staircase the company is trying to build.

Communicating Supply Side Strategy

The deliberate, sequential, internal development of capabilities and skills, combined with enhanced awareness throughout the organization of market driven opportunities to deploy these capabilities, is the essence of what we have called supply side strategy. The instrument that we use to bridge the gap between the present and the hypothetical aim in the future, and the framework that directs the choice of what skills are developed and when, is the strategic staircase. At one level therefore this framework is a powerful organizing idea around which the strategy development process can be undertaken. But in our experience, and that of the many managers who have worked with this idea, the strategic staircase has another, vital function. As a device for presenting, communicating and, indeed, selling strategy within an organization.

In identifying the causes of the failure of so many strategies as a failure of implementation many managers are alluding to another difficulty: communication. That is, the problem of bridging the gap between what people do every day, what they deem to be important, how they see their function and job fitting in and the strategy itself. 'What does this mean for me and how I do my job'? is a frequently heard reaction from those lower down an organization to a strategy presentation. In the absence of a clear answer the tendency is to carry on as before.

Using the strategic staircase provides a way of giving a clear answer to that perennial question. It does so for three very good reasons.

(1) In defining an aim, and working *backwards* from that aim to the present, it provides a clear context within which a strategy can be elaborated. The intuitive simplicty and accessibility of the framework, the way in which it graphically represents the sequence of initiatives required to accomplish an aim, enables people to visualize and to see the point of the whole strategy exercise, believing it to be realistically achievable.

(2) The staircase, with its emphasis upon the deliberate, sequential acquisition of skills and resources, breaks that overall aim down into more readily digestible pieces. In place of the overload and indigestion so often associated with strategy documents, the staircase provides a simple—but not simplistic—method of representing in manageable stages an organization's priorities, the choice between competing priorities and the specific initiatives required to accomplish each of these.

(3) This representation of an organization's strategic agenda (and its associated action plan), provides a basis for developing other, lower level staircases pertaining, for example, to a particular function or unit within the firm. Developing what we call functional level staircases, for example in production or marketing, has invariably proved a powerful exercise. Again, in undertaking this exactly the same rules apply, the only difference being that the chosen aim of a particular function is, in a sense, a sub-set of the overall aim guiding the organization as a whole.

The strategic staircase provides therefore a framework for structuring at least part of any strategy development exercise and, beyond this, it provides an instrument for translating the outcome of that exercise into terms that people find both readily intelligible and convincing. Properly used, the strategic staircase allows us to translate strategy at the general level into a set of more discrete, functional level strategies. It provides a way of linking strategy to the everyday reality of an individual's job. It acts as a spur to the translation of strategy into action. As a means of representing and communicating strategy—and its consequences—it is both powerful and motivating.

Conclusions

'During each of the past few years our sales have increased by ten per cent; margins have held up and profits have been in line with expectations. Even allowing for continuing inflationary pressure and current high interest rates it seems reasonable to assume that the pattern for the next couple of years will be broadly similar to the past few years.'

Reasonable? Yes. But is it valid? Not necessarily. Reasoning such as this lies at the heart of many strategies that we have encountered. Forecasting or predicting one's way to the future, extrapolating from the past and projecting the status quo forward is, in our experience, a favoured way of resolving the conundrum of what the future holds. Much of strategy represents the future as a slightly modified version of the past, a representation which justifies the continued reliance on procedures, policies, and practices that have worked before. But now, more than ever, the past is an unreliable guide. Companies can no longer forecast their way into the future.

But what they can do is something else: start the strategy process by facing the other way. That is, start with the mission, concretely defined, and—working backwards from this—derive the milestones, strategies and specific initiatives required to accomplish that mission. This about face is not simply a gimmick. It constitutes a fundamentally different approach to strategy development in which forecasting still has a role to play, but where what we are forecasting is not demand or sales, but rather the skills, capabilities and resources required to compete successfully in the future.

The strategic challenge then becomes the generation and creation of an adequate *supply* of these essential skills and capabilities. The task of strategy is to guide the specification, selection and supply of those capabilities. Once created, and understood by all employees, these capabilities can be opportunistically exploited in a changing market, the precise twists and turns of which no one can accurately predict.

In designing a strategy to develop capabilities in the right sequence, step by step, the strategic staircase is a useful tool. It provides a framework that enables managers to break down the strategic agenda into manageable, bite-sized pieces; to guide the selection of priorities and the necessary order of their acomplishment; to recognize choices and trade offs—saying 'yes' to some things and 'no' to others—that is integral to successful strategy. It also helps to bridge the gap between strategy as seen from above and below, from the point of view of the CEO and that of the junior, functional manager; to communicate strategy and its specific requirements in terms that are both credible and challenging to all staff. Above all, it helps managers to answer the perennial question: 'what does this mean for me and how should I put it into practice'. Observing managers working with the strategic staircase is to see strategy in action. To see strategy, not as something that some people (senior managers) do to others (hapless middle managers), but rather as a creative process that leaves a company properly supplied with the skills and resources essential to continuing its competitive success.

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