

How to Create A Strategic Plan That People Really Care About

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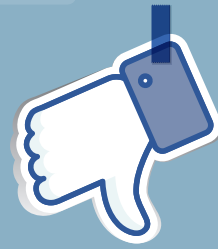
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Article abstract

In today's rapidly evolving business environment, a clear, strategic plan is paramount. Without one, organizations risk being overtaken by market, technological, and geopolitical changes. Unfortunately, most strategic plans fail to deliver their full potential, which can be attributed to overlooking a key factor in human decision-making: emotions. After all, humans will make the decisions about strategy adoption, implementation, and execution. This paper proposes an emotionally-based, purpose-driven method to create strategic plans that maximize motivation.

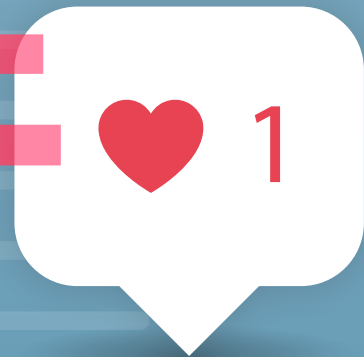
EMOTIONS AND PURPOSE:



HOW TO CREATE A STRATEGIC PLAN

THAT PEOPLE
REALLY

CARE
ABOUT



BY TIM KELLEY

In today's rapidly evolving business environment, a clear, strategic plan is paramount. Without one, organizations risk being overtaken by market, technological, and geopolitical changes. Unfortunately, most strategic plans fail to deliver their full potential (Butler, 2022), which can be attributed to overlooking a key factor in human decision-making: emotions (Damasio, 1994). After all, humans will make the decisions about strategy adoption, implementation, and execution. This paper proposes an emotionally-based, purpose-driven method to create strategic plans that maximize motivation.

A HIGHER PURPOSE TO MAXIMIZE EMOTIONS

Traditional strategic plans include a vision, mission, goals and objectives, a SWOT analysis, KPIs, and an action plan. A vision is a description of a desired future state; usually a bigger, more successful version of the company. The mission expresses what the company does, but not the purpose, more commonly known as the "why."

A well-articulated purpose describes why the company exists. A higher purpose transcends functionality and taps into emotion and motivation, helping employees find value in their work. Research shows that 73% of employees in purpose-driven companies are engaged (Vaccaro, 2018), in contrast to the global average of 23% (Gallup, 2023). This is the tangible impact of a higher purpose.

According to the somatic marker hypothesis (Damasio, 2003), emotions start as physical sensations before being interpreted by the emotional, or limbic, brain. While thoughts occur in the cerebral cortex, emotions involve the body, limbic brain, and cerebral cortex. This leads to defining "emotion" as "a physical sensation plus context" (Barrett, 2017). The process of decision-making starts in the emotional brain and moves to the rational brain, or the prefrontal cortex (Damasio, 1994; De Martino, 2008; Lim, 2011). Therefore, emotions have a much greater impact on decision-making than thoughts. People often make decisions driven

by emotions first and then use logic to justify them. Hence the importance of emotion in strategy.

Employees constantly make *emotionally-based* decisions about how to spend their time and effort. In a rational, emotionless strategic plan, emotions will be ignored. Weaving a higher purpose into the process creates a strategic plan that captures emotions and increases commitment.

EMOTIONALLY-BASED PURPOSE-DRIVEN METHOD

The emotionally-based, purpose-driven strategy method we propose encompasses three phases, and a total of 10 steps, to maximize motivation by engaging emotions. The following paragraphs detail the steps in each of the phases and focus on creating a purpose and vision.

Phase I: Create a Compelling Purpose

The objective of the first phase is to create a purpose that evokes strong emotions, which requires establishing an objective that transcends profit and business success. The phase comprises five steps.

The first step, *Engage Employees*, starts with the CEO announcing the purpose-finding process. All employees should be invited to participate voluntarily. This gives the strategy team a broad cross-section of the company to help develop the purpose and who will become emotionally connected through their work on the purpose. It is important for the CEO to communicate to the team and the organization the value of having a purpose. The organization should not be surprised by the eventual announcement of the purpose.



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In the second step, *Gather Purpose Data*, participants generate a large amount of draft purpose information. Quantity is more important than quality. Brainstorming or creative writing techniques to generate purpose statements does not work. The brain simply does not handle "why" questions well. We rather propose two effective

techniques for gathering purpose data. The first poses questions to the participants that *almost* ask about the purpose, such as, "What is the greatest contribution this organization could make to the world?" A lesser-known technique is to seek unconscious purpose information using guided visualization, a form of meditation. This method produces more powerful purpose statements, but it requires much more skill to facilitate. Using either technique yields many responses, most of them uninspiring and useless.

In the third step, *Create Purpose Statements*, the strategy team analyzes the draft purpose data to extract relevant information. This entails searching the data to identify two key elements: objectives and repeatable activities. An objective, or mission, has an endpoint, such as, "end climate change" or "eliminate poverty in Washington DC." Once achieved, it cannot be repeated. A repeatable activity, in turn, has no endpoint, e.g., "help people live fulfilling lives" or "show people a better version of themselves." Repeatable activities are used to create purpose statements.

An objective is written:
"Our mission is to..."

A repeatable activity is written:
"Our purpose is to..."

The strategy team's task is to put *all* objectives and activities into these formats. Deleting ANY data at this stage can ruin the entire process.

During the fourth step, *Test Purpose Statements*, the participants rate the purpose and mission statements solely for *emotional impact*, not realism

or potential use. The scale presented in Table 1 should be used.

If the group meets in person, each statement should be read aloud in unison. If the group meets via videoconference, mute everyone and have them read a statement aloud. Then each person scores their emotional reaction to that statement from -5 to +5.

Use a spreadsheet to capture individual votes and calculate and record scores. Use the mean of the absolute value of the individual votes to calculate the score. In other words, eliminate the sign (+ or -), then average the numbers. A score of at least 4.0 indicates a strong purpose and/or mission statement. You can try different wording to see what produces stronger reactions, but editing statements to remove objections will weaken them. Test ALL edits. If one of the best statements is a repeatable activity and another is an objective, both can be used as a purpose statement and a mission statement. Otherwise, simply use the strongest scoring statement, regardless of type.

In the fifth and last step of the first phase, *Publish the Purpose*, the CEO communicates the new purpose and/or mission to the employees, ideally eliciting emotional reactions through voting. It's essential to aim for a score of at least 4.0, as the emotions generated by the purpose will power the remainder of the process.

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Phase II: Create Purpose-Centric Visions

The objective of the second phase, *Create Purpose-centric Visions*, is to create visions that mirror the emotional power of the purpose and/or mission. This phase comprises three steps. During the first step, *Create Visions Based on the Purpose*, two visions are generated from the purpose. Typically, visions are about the company's success or its impact on its customers and lack emotional resonance. Employees aren't inspired to "grow profits by 20%." A purpose-centric vision rather focuses on how the industry, country, or world will be changed by the company successfully manifesting its purpose and/or mission. People care about this in the same way they do about non-profit causes.

This phase uses the strategy team for most of the activities. Have them

STRENGTH OF REACTION	EMOTIONAL REACTION TYPE	EXAMPLE EMOTIONS
+5	Strong positive reaction	Passion, joy, awe
+4		
+3	Moderate positive reaction	Happiness, strong interest
+2		
+1	Mild positive reaction	Mild interest
0	No reaction	
-1	Mild negative reaction	Irritation, dislike
-2		
-3	Moderate negative reaction	Strong distaste, discomfort
-4		
-5	Strong negative reaction	Fear, hatred, disgust

TABLE 1: THE SCALE USED TO RATE THE EMOTIONAL REACTION TO PURPOSE STATEMENTS

brainstorm in response to the question, "If the purpose and/or mission were manifested successfully, what would be the best possible outcomes for society and the world?" Encourage them to be aggressive and unreasonable, writing down their ideas and reading them aloud to each other. Keep everything that

During the second step, *Test for Emotions*, take the two visions to the participants in phase one. Using the scale presented in Table 1, measure their reactions to the visions. Again, an average reaction score of at least 4.0 is best. Removing sentences that score poorly will raise the average. In the third step, *Publish the Visions*, publish the new visions to the entire company. Ideally, ask for and measure reactions.

Phase III: Create a Strategic Plan

The objective of the third and last phase, *Create a Strategic Plan*, is to use the visions and purpose to create an emotionally-based plan. This phase comprises three steps. During the first step, *Create Strategic Goals*, choose key features of both visions and frame them as goals and objectives. Emotions are generated primarily by the impact of the company on others. In the second step, *Test for Emotions*, the strategy team tests the goals and objectives using the emotional reaction scale. Articulate the context first: these goals must be achieved for the company to manifest its visions and purpose. Avoid goals not connected to the visions and purpose unless they are needed for the company's health and survival. During the third step, *Finalize the Strategic Plan*, create a complete strategic plan (SWOT, KPIs, action plan, etc.) Have the strategy team members rate their emotional reactions to the completed plan. Plan elements unrelated to the visions and purpose will lower the

ACTIVITY	SPECIFIC COMPANY EXAMPLE
Phase 1: Create a Compelling Purpose	
Step 1.1: Engage employees	2/3 of the employees found their personal higher purpose
Step 1.2: Gather purpose data	100% of employees participated in a series of in-person meetings
Step 1.3: Create purpose statements	"Our purpose is to inspire people to walk their true path"
Step 1.4: Publish the purpose	
Phase 2: Create Purpose-centric Visions	
Step 2.1: Create visions based on the purpose	World: Create a critical mass in a shift of consciousness in the population. Company: Focus on inspiration in collaboration with top mentors using meditation as the means
Step 2.2: Test for emotions	
Step 2.3: Publish the visions	
Phase 3: Create a Strategic Plan	
Step 3.1: Create strategic goals	Positive cash flow 1M customers by the end of the following year
Step 3.2: Test for emotions	
Step 3.3: Finalize the strategic plan	Focus on the US market Partner with leading mentors Abandon existing product lines CEO to spend one week per month in the US

TABLE 2: STEPS OF THE PROCESS

score. Depending on the planning methodology used, it may be necessary to alter or combine these last two steps.

Following these steps with care and ensuring that rationality does not dilute the outputs will result in a plan in which people are emotionally invested. Leaders should periodically remind employees of the purpose and visions; don't expect them to remember why they were excited a year ago.

To illustrate the use of the proposed method, we can use the example of an Israeli high-tech company that sells software to therapists, counselors, and coaches. With eight years of flat revenue and negative cash flow, the employees were close to giving up. The CEO, however, had found his purpose and wanted to use purpose techniques to jump-start the company's performance. About half of the employees found their purpose before the strategy process began. Once the emotionally-based purpose-driven method was followed (see main findings in Table 2), the CEO reported that the new product line took off, cash flow turned positive, and revenue grew

1226% over the next four years. Clients grew from 4500 to 2.5 million.

Table 2 summarizes the process described above with key points from the example high-tech company.

CONCLUSION

Strategic plans that ignore emotions often yield diminished motivation and are less likely to be implemented successfully. Leaders must consider the critical role of emotions in decision-making. Furthermore, many consumers and employees, particularly Millennials and Gen Z, prioritize companies with a higher purpose. Neglecting this evolving trend can pose challenges in attracting and retaining young talent and customers. Consequently, future strategic plans should be centered around an inspiring, audacious purpose.

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Tim Kelley works with leaders, companies and countries to create inspiring higher purposes and visions. He has trained over 1000 consultants, coaches and therapists in his methods and works with such clients as Oracle, Deloitte & Touche, Price Waterhouse Coopers, three presidential candidates, and the State of California.
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