



How to build a **Strategic frame** for the next

Seeking growth
in a dynamic
era marked
by rapid tech
advancement?
Focus on the
strength of
your strategic
frame—not your
AI strategy.

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Digital Age

For decades, executives have relied on strategic planning to achieve competitive advantages and spur organizational growth. Yet, as recent history has shown, the practice of setting long-term goals and determining the actions and resources needed to grow is largely ineffective, in today's rapidly changing, complex environments. This presents a challenge for many executives who are accustomed to creating detailed plans based on current benchmarks and market analysis. As a result, organizations can become inflexible and stagnate, unable to adapt to changes as markets shift.

Case in point, in the mid to late-2000's, long before Apple and Google cornered the mobile phone industry, the primary mode of business and personal communication was carried out on a Blackberry, with over 80 million users worldwide.

While considered cutting-edge tech at the time, the outward perception of Blackberry as an innovator did not reflect how the company operated internally. In 2007, as the iPhone began to attract mass appeal, largely based on the novel incorporation of touch-screen technology, Blackberry doubled down on its strategy to develop products with physical keyboards and controls.

In the years that followed, Apple increased its market share by focusing on the experience of the end-user, while Blackberry resisted change, signaling an inability to keep up with evolving consumer preferences.

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In a dynamically changing marketplace, companies need the flexibility to adjust their strategies as technologies and markets evolve.
By having a strategic frame, they can make informed decisions about when and how to adapt.

By 2012, BlackBerry's market share had dropped to just 7.3%, with Google and Apple claiming 53.7% and 35%, respectively. In 2016, the company—once unrivaled in its segment—completely exited the smartphone market, choosing to focus on enterprise technology.

Blackberry's downfall serves as a cautionary tale in the annals of business history, highlighting the perils of failing to adapt swiftly to shifting market dynamics. Despite initially pioneering the smartphone revolution and boasting a substantial user base, the company essentially painted itself into a corner by remaining steadfast to its original business model, failing to recognize the changing preferences of consumers.

Much like Blackberry, companies that lack a clear strategic direction risk becoming entrenched in outdated business models, unable to navigate the complexities of rapidly changing industries.

To overcome the shortfalls of strategic planning, a different approach is needed; one that prioritizes the flexibility and market agility in the form of strategic frames—flexible methodologies used for guiding an organization towards its long-term goals while adapting to complex and changing environments. In essence, they are an organization's "North Star" used to guide all decisions and actions.

Understanding Strategic Frames

A strategic frame is a structured approach to business strategy that focuses on the broader vision and goals of an organization. It helps businesses set and accomplish ambitious goals while making informed decisions and remaining agile in a rapidly changing environment.

Strategic frames are built around four key components: Purpose and Ambition, Guiding Beliefs, Competitive Weapons, and Stakeholder Commitments, and are defined as follows:

Purpose and Ambition: Defining the Playing Field The purpose of a business is its reason for existence, which is why

Aligning emerging technologies with a company's strategic frame ensures that technology investments support long-term goals.



it's crucial for companies to have (or start with) a clear and compelling purpose. This purpose can be poetic or pragmatic. For example, Sam Walton aimed to make quality products available to ordinary folks, while George Merck wanted to bring the best medicine to everyone. Apple's purpose is to disrupt the status quo. These companies achieved their success by understanding and being true to their core purpose.

Ambition is about defining what success looks like for your business over a set period of time—perhaps five to 10 years. This involves setting measurable outcomes, such as financial targets, market reach, or customer impact. For instance, a food company might set a goal based on the number of times consumers eat their products daily. By calculating their target market size and frequency of consumption, they can set a clear revenue goal.

2 Guiding Beliefs: Navigating the External Environment

Guiding beliefs are carefully selected

A significant responsibility of CEOs is to ensure clear communication and alignment throughout the organization. The strategic frame can help mobilize an entire company towards a common goal.

assumptions and hypotheses on which the business bets its future success. These beliefs are not about predicting the future but about preparing for it. Companies must scan the external environment for trends and developments that could impact their industry. This involves looking at factors like industry trends, geographical markets, and customer behaviors.

For instance, a guiding belief might be “Industry consolidation will accelerate, and being the first to seize these opportunities will be key to our success,” or “the demand for advanced materials requiring high-temperature processing will continue to rise.” These guiding beliefs need regular monitoring and adjustment as the business landscape changes over time.

3 Competitive Weapons: What You Have Today vs. What Needs to be Developed

Competitive weapons are unique assets that set a company apart from its competitors. These can include anything from talent and intellectual property to

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strategic partnerships. It's important to ask both, “What differentiates us from our competitors?,” as well as “Which assets are most valuable to our customers?” Once these assets are identified, companies should invest in and nurture them. For example, one Insigniam client—a global fast-moving consumer goods company—recognized its ability to “act locally” as a competitive weapon, allowing it to outperform competitors in global markets. Another client leveraged its “iconic smallness” to be more agile than larger competitors. These unique assets are crucial for responding to market disruptions.

4 Stakeholder Commitments: How to Win in the Market of The Future

To succeed, companies must satisfy their key stakeholders, who can include employees, shareholders, and the communities they operate in. Identifying and understanding these stakeholders is crucial. It's important to ask, “Who are our primary stakeholders besides customers?” and “What promises are we unwilling to compromise?” At Insigniam, this is our signature for how we do business. Stakeholder commitments are promises that a company will keep, no matter what. These commitments might include ensuring employee well-being, maintaining shareholder value, or supporting community initiatives. For example, a firm might commit to “our grandchildren,” emphasizing long-term environmental sustainability. These commitments help companies stay true to their purpose, even if they have to adjust their ambitions.

Building Strategic Frames for a Tech-Enabled Future

In an era marked by rapid technological advancements, companies need the flexibility to adjust their strategies as technologies and markets evolve. For example, data centers now face the challenge of adapting to AI technology, requiring vast resources and space. By having a strategic frame, companies can make informed decisions about when and how to adapt.

Aligning emerging technologies with

a company's strategic frame ensures that technology investments support long-term goals. For example, another Insigniam client in the global healthcare industry aims to be a leading AI-enabled science company. Their strategic frame, centered on improving people's lives through science, guides their AI integration efforts. This approach ensures that technology serves their broader purpose rather than being an end in itself.

For example, several years ago, Insigniam worked with a bottled water company facing market decline, which used a strategic frame to turn perceived liabilities into assets. Initially, they viewed their immovable spring and factory as limitations. However, by looking newly at the consumers' expectations, they realized these could be strengths, allowing for stability and innovation. This new perspective led to a turnaround and unprecedented growth.


Likewise, in the pharmaceutical industry, a Nordic cluster of countries used a strategic frame to navigate a challenging restructuring edict. Despite significant changes imposed by the group, they maintained their strategic frame, focusing on their ambition to be strong together. This approach allowed them to support each other and stay aligned with their long-term goals. Conversely, without a strategic frame, enterprises risk constantly revising their plans in response to market changes, leading to a lack of focus and wasted resources. They may also miss out on opportunities for innovation, especially when they focus solely on current market trends rather than exploring new possibilities. This reactive approach can leave businesses perpetually behind the curve.

The Executive Role: Managing Cultural Evolution

Strategic frames also play a vital role in managing cultural evolution within a company. As businesses adopt new technologies, their cultures must adapt to embrace these changes while maintaining their core values. Executives must lead this cultural transformation, ensuring that the introduction of new technologies does not disrupt the essence of the company's identity.

It has long been established that a company's culture is a strategic asset, essential for attaining and sustaining a

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competitive advantage. Executives need to identify which elements of the culture are critical to maintain and which need to evolve. This process involves balancing tradition with innovation, ensuring that the organization remains true to its DNA while embracing new ways of working.

A significant responsibility of executives is to ensure clear communication and alignment throughout the organization. The strategic frame provides a narrative that is easy to communicate and understand, helping to mobilize the entire company towards a common goal. This alignment is crucial for maintaining focus and cohesion, especially in times of rapid change.

Start Building Now

As evidenced, strategic frames are essential for navigating the complexities of the modern enterprise and marketplace—especially as we race toward the horizon of our tech-enabled future where AI and machine learning integrations will be critical to the longevity and growth of an organization.

Strategic frames also provide a clear direction and the flexibility needed to adapt to rapid technological advancements. By focusing on purpose and ambition, stakeholder commitments, guiding beliefs, and competitive weapons, companies can make informed decisions and stay ahead of the curve.

Lastly, having a strategic frame is not just beneficial—it's essential. It helps executives and enterprises align their daily actions with their long-term goals, ensuring they remain competitive and innovative, especially if they aim to lead their companies successfully through an era of rapid change. **IQ**

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