Strategic Thinking Skills for Port Leaders

AAPA Executive Management Seminar

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Tampa, FL
Leadership Nightmares...

Shoppers Short-Circuit Retailer Over Firings

By Amy Joyce
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When Carole Fisher read the news in March that Circuit City fired 3,400 employees so it could replace them with lower-paid work shop there again.

"They weren't going after the big guys, they were going after the little guys again," said Fisher, 71, of Elicott City. "It seems to me th when a company is having trouble."

Although she needs to replace her kitchen television, she'll shop elsewhere. It will be her little way of trying to fix what she thinks is w

From the company's point of view, that's what it was trying to do: fix a problem. Circuit City had been in a holiday price war with W televisions. Its bottom line was suffering.

Bill Cimino, Circuit City spokesman, said the company was simply trying to be candid. Such firings are not uncommon in retail, he sa about what we did. And we were that way with our employees and felt it was appropriate to be that way with everyone else."

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Agenda

- Introductions
- Leadership & management
- Strategic thinking defined
- What about strategic planning?
- Case study: Gentrification
- Strategic thinking model
- Defining the Challenge
- Scanning the Periphery
- Wrap-up and Summary
First, The Bottom Line

- Industry challenges = leadership challenges
- Leaders differ from managers
- Strategic thinking distinguishes leaders & managers
- Strategic thinking differs from strategic planning
- Personal thinking styles are a blessing and a curse
- How we frame an issue or problem is crucial
- Scanning the periphery is a useful tool for anticipating threats and opportunities
Video Introduction 1: Allen Domaas

- Leadership and Management
  - Skill orientation
  - Power orientation
  - Time frame orientation
  - Results vs. relationships
Leadership & Management (Pages 3-4)
Video Introduction 2: Allen Domaas

- Strategic Thinking
  - Case for strategic thinking
  - Role of leaders in empowering staff
  - Strategic thinking vs. strategic planning
  - Leadership practices
  - Examples of strategic leadership and strategic thinking
Key Definitions (Page 6-7)

- **Strategy**
  - “An integrated set of actions designed to create a sustainable advantage over competitors”
  - “Strategy is a pattern of activities that seek to achieve the objective of an organization, and adapt its scope, resources and operations to environmental changes in the long term”
  - “A strategy is adaptable where a plan is not....a strategy is designed to account for environmental variables that would otherwise render a plan invalid.”
Key Definitions (Page 6-7)

- Strategic Thinking is...
  - Entrepreneurial
  - Starts with the end in mind
  - Customer-focused
  - Rational and creative
  - Not tactically focused
Key Definitions (Pg 6-7)

- Critical Thinking
- Creative Thinking
- Systems Thinking
- Customers

American Association of Port Authorities
Strategic Thinking Context (Page 8)
Strategic Thinking vs. Strategic Planning (Pg 10-11)

- Market Awareness
- Major Trends
- Competitor Analysis
- Strategic Thinking
- Strategic Planning
- Strategic Decision Making
- Strategy
Strategic Thinking Situations (Pg 13)

- Recurrent problems
- Make or break decisions
- New opportunities
- Difficult and complex issues
Strategic Thinking Situations

“In our case, it was the bankruptcy proceedings of a major terminal operator, one that generated over 20% of the port’s gross revenue”

~ Frasier River Port Authority
Case Study: Gentrification

- Introduction to case
- Review case facts
- What is the issue?
- How would you frame the problem?
- Relevance to your port?
Define the Challenge

Systems Thinking
- Map the Territory
- Identify the Patterns

Creative Thinking
- Generate Ideas
- Identify Strategic Opportunities
- Craft a Strategic Vision

Critical Thinking
- Develop Scenarios
- Uncover & Test Assumptions

Understand Organizational Ecosystem

Decisions – Plans - Actions

Reflect on Lessons Learned
Strategic Thinking Model (Pg 16-20)

- Understand organizational ecosystem
- Define the challenge
- Systems thinking tools
- Creative thinking tools
- Critical thinking tools
- Decisions/Plans/Actions
- Reflection/Lessons Learned
Organizational Ecosystem (Pg 21)
Leadership Practices (Pg 14-15)

- Review the list on page 14
- Reflect on a strategic issue you faced in your port
- Circle the practices used
- Check the practices could have used
- Partner and discuss; find commonalities
- If you were identify one practice you would personally like to improve, which would it be?
Defining the Challenge (Pg 22-23)

- Problem or issue
- Frame
- Impact on solutions
- “How can we...?”
Define the Challenge (Pg 22-23)

- Review case facts
- Identify the issue or challenge
- Brainstorm 5 problem frames based on the case
- Capture on a flipchart
- Be prepared to share with the larger group
Define the Challenge

Understand Organizational Ecosystem

Map the Territory
Identify the Patterns
Craft a Strategic Vision
Identify Strategic Opportunities
Generate Ideas

Creative Thinking

Develop Scenarios
Uncover & Test Assumptions

Critical Thinking

Systems Thinking

Identify the Patterns

Decisions – Plans - Actions

Reflect on Lessons Learned

Share
Identifying Strategic Opportunities: Peripheral Vision (HBR Article)

- Anticipating trends, threats, and opportunities
- Integrates creative, critical and systems thinking
- “97% of respondents said their companies lacked an early warning system”
- Need for peripheral vision
- Capability for peripheral vision
### Identifying Strategic Opportunities: Peripheral Vision (HBR Article)

<table>
<thead>
<tr>
<th>Need for peripheral vision</th>
<th>Capability for peripheral vision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vulnerable</td>
<td>Vigilant</td>
</tr>
<tr>
<td>Focused</td>
<td>Neurotic</td>
</tr>
</tbody>
</table>
Identifying Strategic Opportunities: Peripheral Vision (HBR Article)

- Complete the assessment on 4-7
- Compute your total score for each section
- Transfer and plot scores on page 8
- Create a flipchart and plot the ports represented at each table
- Explore the implications of this with your table
- What action could you take to raise awareness?
Where do we go from here?

- Create a force field analysis for your port (Pg 25)
- Forces supporting a strategic thinking (individual, group, culture)
- Forces resisting a strategic thinking mindset
- Discuss commonalities
- Which resisting force could you have impact on?
In Summary

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