Effect X

Strategic Wayfinding
Strategic paradigm for foundations

Goals and Context

The broad goal of this document is to outline a new strategic paradigm specifically suited to the dynamic and complex needs of philanthropic foundations. As context, several factors have motivated this outline, including:

- Traditional strategic planning is heavily influenced by a machine paradigm; different approaches are needed to serve organizations that are more organically adaptive and responsive to their environment. (See primary organizational metaphors below.) Adaptive management, Agile, and others have grown to address a similar need and could also be relevant to our needs.
- Within a complex environment, the primary need for a strategic process is less about process and outcomes (i.e., are we doing a good job, what results are we seeing) and more about navigation (i.e., what course corrections should we take to best reach our destination). Most existing strategic processes focus on process and outcomes (e.g., defining and then achieving SMART goals and quantitative performance metrics).
- Unique to foundations, the primary constraints to organizational impact are more related to staff capacity (especially time, but also engagement, relationships, and energy) and less related to money and market response. Most existing strategic processes were developed for business so operate from paradigms around maximizing money and market response.

Table 1: Sample Organizational Metaphors[1]

Organization Metaphor	Overview
Machine	Machines and related organization structures have been dominant since Newton. These approaches are well suited to most manufacturing where variables are limited, and organizations can be divided into functional departments and people can be assigned precisely defined jobs.
Organismic	Organizations can be conceptualized as living organisms; one strength of this view is an emphasis on the relationship between organizations and the environment, which encourages thinking along the lines of open systems.
Self Organizing	Building on the organism metaphor is an emphasis on learning and adaptation over time. Key to this adaptation is questioning prevailing beliefs and assumptions and shifting intentionality toward limits or constraints and not just intended outcomes.
Organizations as Cultures	Organizations can be understood as cultures with three dimensions: artifacts, espoused values, and beliefs (or mental programs).

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[1] Source: Hanne. (2013). Gareth Morgan's Organizational Metaphors. Retrieved 4/24/23 from: https://hannekemli.files.wordpress.com/2013/11/garethmorgan.pdf. Based on the book: Morgan, G. (2006). Images of organization. Thousand Oaks, CA.

Strategic Wayfinding Overview

<u>Broadening the Frame for Goals: SMART and WISER</u>

Traditional strategic processes are built around SMART goals. While these can be important and useful, in a wider view, SMART goals (e.g., increase output by 15% next month) are essentially like the visible part of the iceberg – they are supported by a much larger set of important contributions that are invisible and intangible (e.g., team trust, motivation, etc.) Strategic Wayfinding therefore seeks to identify a small number of SMART goals that are paired with relevant WISER[2] goals to direct intentionality to the full system. WISER goals are:

> W – Written (intentional, describable)
> I – Intangible (the human qualities needed to support quantitative goals)
> S – Synergistic (with SMART goals and/or broader team objectives)
> E – Emotionally relevant (resonate with the needs and culture of the team)
> R – Relational (contributing to the health of both relationships both internal within the team and external between the team and community or other stakeholders).

<u>Practical Process: Three Iterative Steps</u>

Wayfinding is a practical approach toward the complexity of navigating the unknown based on an iterative three step process that can be expressed around three guiding questions and an approach based on inspiration from ancient wayfinding techniques:

1. Where are we now?

Knowing our current position - the 'blue dot' on Google Maps – is the first step. While navigation is focused on geographic position, for strategic wayfinding this step asks a broader question – seeking a clear and realistic assessment about not just the distance from the goal, but also the current status of the organization itself (ship, crew and supplies, to extend the metaphor) and current context (e.g., relationships with key stakeholders, shifting needs and opportunities, etc.). Answering this question requires sensing: Intentional gathering of information, perspectives and/or other factors that can inform guidance decisions.

<u>Inspiration</u>: One aspect of the ancient Polynesian approach to wayfinding is navigation utilizing waves reflecting off nearby islands. These wave reflections are subtle and can't be seen but are instead felt in the gut by mariners laying down in their canoe. Based on this, the sensing at this stage shouldn't be limited to visible or logical factors – rather should be open to more fine-tuned and visceral inputs from the team.

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[2] Inspired by Jay, J (2010). SMART Goals vs. WISE goals. Retrieved 4/24/23 from: https://www.joellekjay.com/smart-goals-vs-wise-goals/

2. Where are we going?

This is about being clear about the ultimate goal. Note that the Boettcher BHAG already defines this well – but it should be noted, that this BHAG (like most nonprofit organization mission statements) is well 'over the horizon' and not something that can be broken down into component parts and achieved in a series of known steps. Answering this question requires interpreting: Filtering the signal from the noise gathered in the sensing process.

Inspiration: Thoughtful study and apprenticeship over time is required by Polynesian way finders to train their body to be a sensitive instrument of navigation. Similarly, thoughtful facilitation, psychological safety between team members, and a history of trust is required to help a full team harness the strength of multiple perspectives to become an effective filter of signal from noise.

3. What is the next best step?

This key step is about providing practical and near-term guidance to coordinate team efforts in a way that avoids obstacles and maximizes emerging opportunities. Answering this question involves deciding: The clarity about the signal established in step 2 is necessary but not sufficient for navigation - the final step is to decide what to do next based on the signal.

Inspiration: "Some people say that a navigator makes six thousand decisions every day. What direction, speed, how many miles? Open the sail, close the sail? Is a crew member sick?[3]" Clarity about the current position and ultimate destination provides the needed broad framework, but this needs to be implemented with wise decision making in the smaller framework appropriate to guide team activity (e.g., next month, quarter, year).

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[3] Quoted in O'Connor, M. R. (2019). Wayfinding: The science and mystery of how humans navigate the world. St. Martin's Press, Pg. 236. Original from Naalehu Anthony (2016). Presentation at "The Hokule'a: Indigenous Resurgence from Hawai'i to Mannahatta," New York University, March 31, 2016.