

The Importance of Strategy – Week 4

Developing Strategic Capability



Last Week – Recap



Understand how environment shapes strategy



Learned about different strategy levels



Discovered competitive advantage



Applied concepts to real companies

**Refer to the slides
that are in Moodle >
Week 3**

Learning Objectives

Understand Strategy Importance

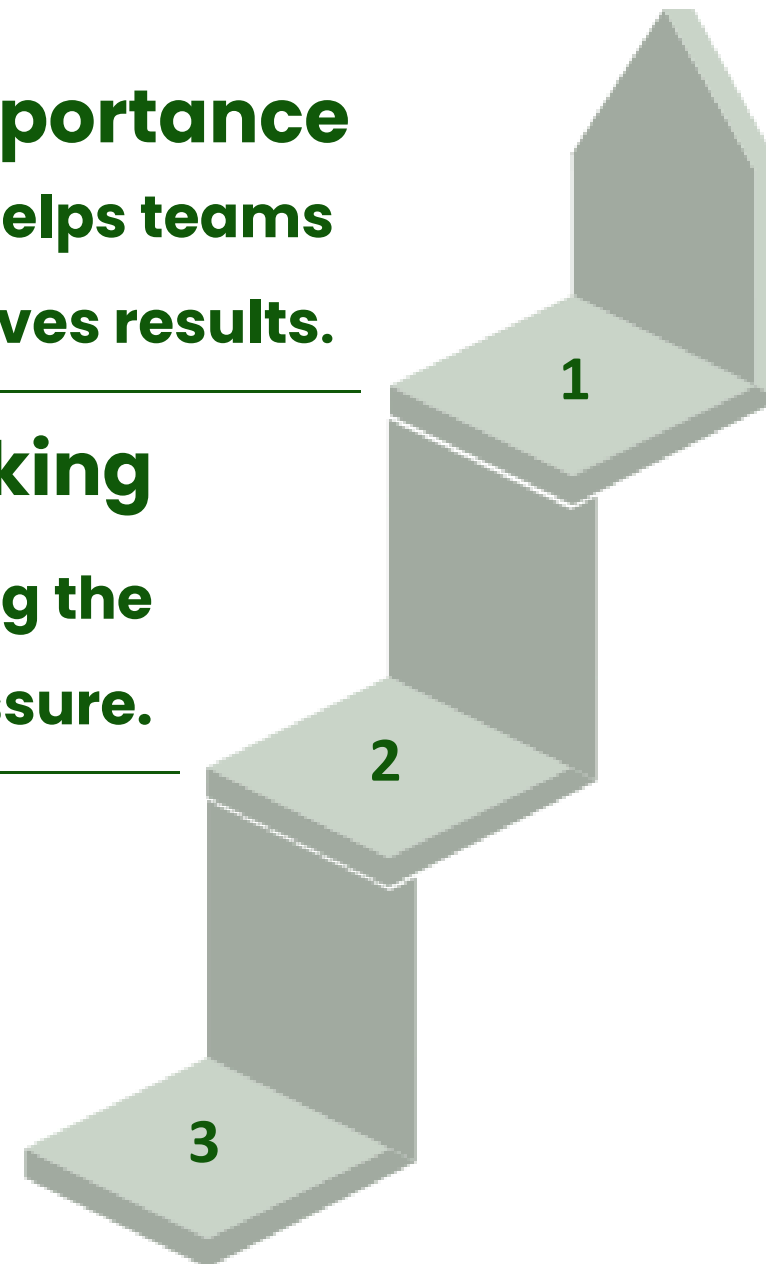
Learn why strategy matters. See how it gives direction, helps teams work together, and improves results.

Apply Strategic Thinking

Practice strategic planning and execution using the Marshmallow Challenge under time pressure.

Master Reflection and Adaptation

Learn to reflect on what happened, adapt your plan based on feedback, and make better decisions.



Why does strategy matter?



Provides Direction

Know where you're going and what success looks like. Strategy gives everyone a clear target to work toward.



Enables Coordination

Get the whole team on the same page. When everyone knows the plan, you work together instead of pulling in different directions.



Reduces Wasted Effort

Work smarter. Focus on what really matters and avoid doing things twice or working on tasks that don't help.



Improves Outcomes

Achieve better results. Good strategy helps teams think clearly, make smarter choices, and do more with their resources.

Key Elements of Effective Strategy

Planning

Strategic planning involves testing assumptions, allocating roles, managing time, and designing solutions.

Alignment

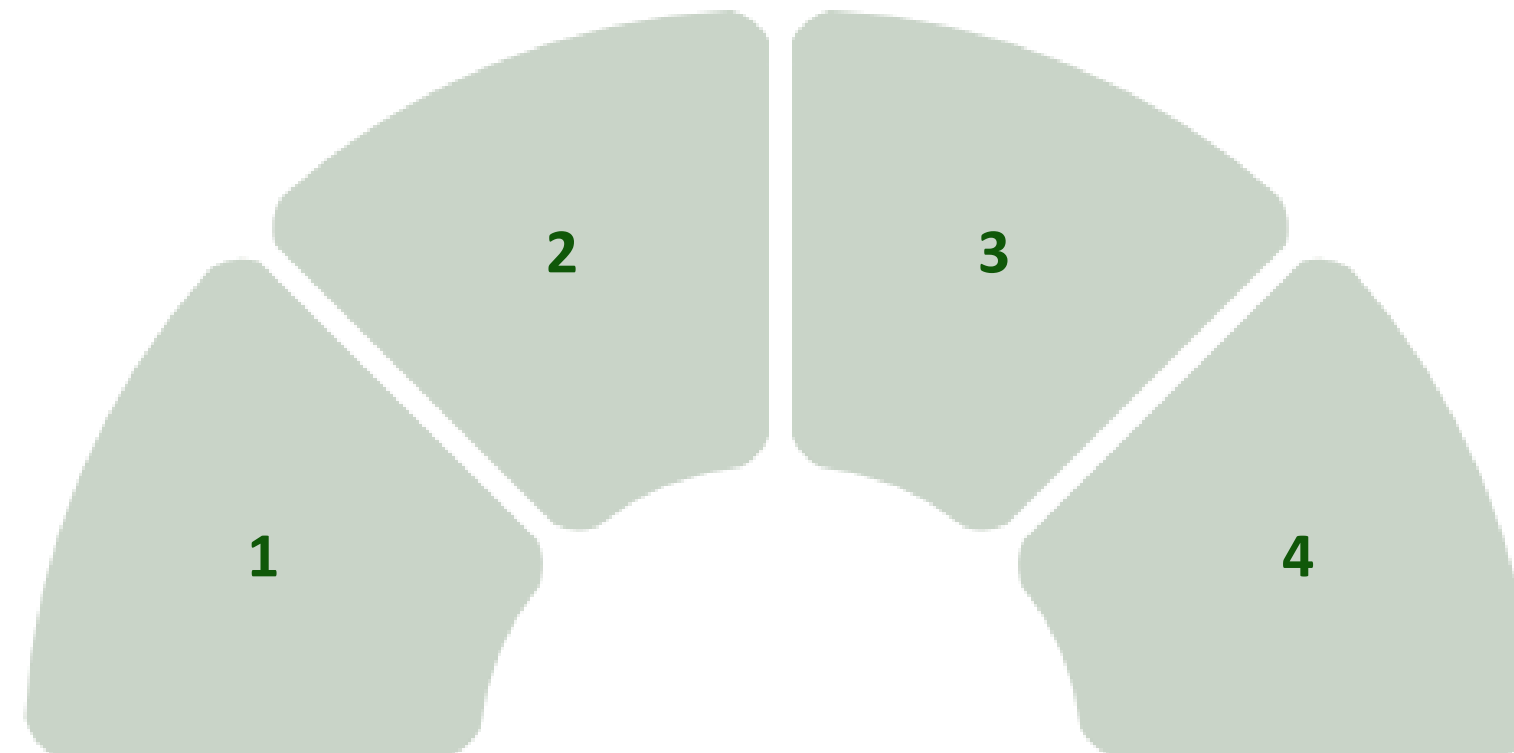
Ensures all team members and departments work toward the same objectives and priorities.

Communication

Clear and consistent messaging helps everyone understand the strategy and their role in executing it.

Adaptability

Strategies should always be flexible. They need to be tested, improved through feedback, and adjusted as situations change.



Consequences of Poor or Absent Strategy



Wasted Effort

Without strategy, resources are spent on activities that don't contribute to organisational goals, leading to inefficiency.



Conflicting Priorities

Lack of strategic clarity causes competing objectives and internal conflicts as teams pursue different directions.



Reactive Decision-Making

Organisations without strategy respond to immediate problems rather than proactively planning, always playing catch-up.

How does strategy change when you're under time pressure, and what does that teach us about planning and adaptation?

Reflect on a time you planned under pressure. What worked? What didn't?

Share your insights with the person next to you.

How Strategy Changes Under Time Pressure

1

Prioritisation Becomes Critical

Under pressure, you focus on what matters most. Strategy helps you spot the key goals and ignore anything that wastes time.

2

Planning Shifts from Perfect to Practical

Under pressure, you shift from long planning to quick decisions. Instead of aiming for a perfect plan, you create a good-enough one and adjust as you go.

3

Testing and Feedback Loop Accelerate

Under time pressure, testing assumptions becomes essential. Quick feedback helps you adapt faster and learn from mistakes before they come costly.

4

Communication Becomes Simplified and Direct

Under pressure, communication must be clear and fast. Everyone needs to understand the plan immediately, without confusion.

Introduction to the Marshmallow Challenge

1

Challenge Overview

The Marshmallow Challenge is a hands-on team activity where you apply real strategic thinking principles in a time-pressured, competitive environment.

2

The Core Objective

Build the tallest freestanding structure that can support a marshmallow on top. Success is measured by height, creativity, and structural integrity.

3

Team Composition and Roles

Work as a strategic unit with defined roles and responsibilities. Each team member contributes different skills and perspectives to planning and execution.

This activity will be broken down into three phases: 1. Planning Phase, 2. Building Phase, and 3. Debrief

1. Planning Phase (15 minutes)

1

Ask Strategic Questions

Teams pause to ask: What does success look like? How will we allocate roles? How will we test assumptions? How will we manage time? These questions clarify thinking before building.

2

Organise Your Team

Assign roles based on team member strengths. Designate a leader, builders, materials manager, and timekeeper. Clear roles prevent confusion and improve coordination.

3

Design Your Strategy

Develop a quick plan for the structure. Sketch ideas, discuss materials needed, and decide your approach. Plan for testing early with the actual marshmallow.

2. Building Phase (30 minutes)

Execute Your Plan

Follow the strategy your team developed during planning. Use your allocated roles and begin constructing your structure with the materials provided.

Test Early and Often

Don't wait until the end to test. Place the marshmallow on your structure early to see if it works. Early testing reveals problems before you waste time.

Adapt Quickly

If something doesn't work, adjust your approach immediately. Be flexible and willing to change your plan based on what you learn from testing.

Communicate Constantly

Keep your team talking. Share what's working, what's not, and what you're learning. Good communication keeps everyone aligned and working effectively.

Manage Your Time Wisely

Stay aware of time remaining. Allocate time for building, testing, and final refinements. Don't spend too long on one part and run out of time at the end.

3. Results & Immediate Reactions (10 minutes)



Showcase Your Structure

Each team displays their completed structure with the marshmallow. Compare heights, designs, and creativity. Celebrate what worked and what didn't.



Share First Impressions

- Teams share immediate reactions and observations.
- What surprised you?
 - What was harder or easier than expected?
 - What did you learn about your team?



Quick Debrief

Discuss successes and challenges.

- What strategies worked?
- What would you do differently?

Connect observations to strategic principles.

Strategic Debrief & Linking to Theory (20 minutes)

1

Examine Your Assumptions

What assumptions did you make at the start? How did they affect your strategy during the build? Did your assumptions prove correct or were they challenged by reality?

2

Assess Plan Changes

How did your plan change during the building phase? What forced you to adapt? What did those changes teach you about the importance of flexibility in strategy?

3

Evaluate Leadership Impact

What role did leadership play in your team performance? How did leaders make decisions, communicate priorities, and handle challenges? What leadership qualities proved most valuable?

4

Analyse Communication

How did communication affect your team performance? What happened when communication was clear? What challenges arose when it broke down? How did this mirror real organisational dynamics?

**The best strategies are adaptable,
communicated clearly, and understood
by everyone involved.**

**Great strategy needs three things: flexibility to adapt when things change,
clear communication so everyone knows their role, and team buy-in so
everyone feels ownership. When all three come together, teams succeed.**

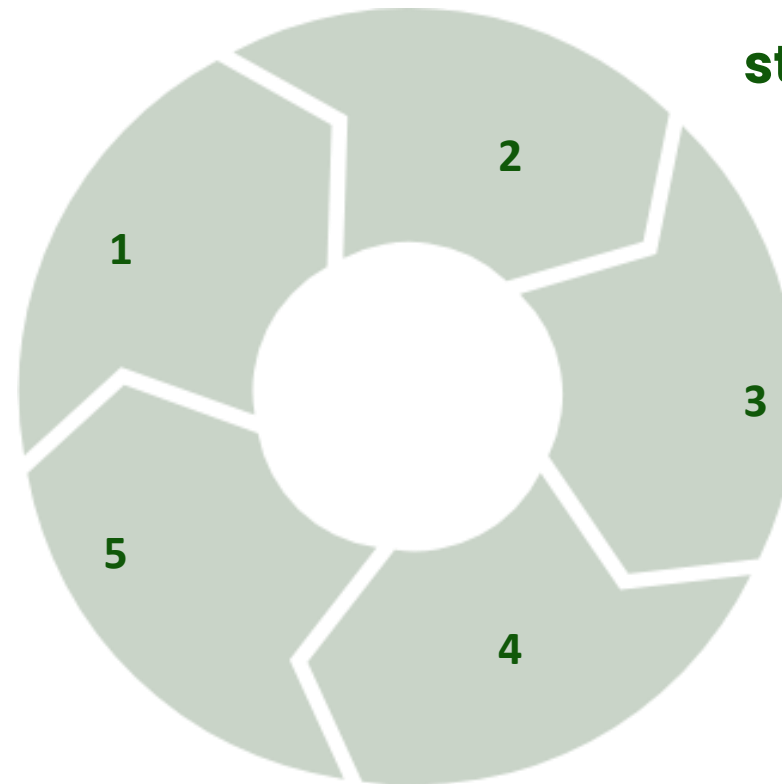
Consolidation: Why Strategy Matters

Strategy Provides Direction

Without strategy, teams can lose direction and struggle to stay focused. A clear strategy helps everyone understand the goal and work together toward it..

Strategy Creates Results

When direction, coordination, adaptation, and engagement come together, teams achieve superior outcomes and accomplish their goals.



Strategy Enables Coordination

When strategy is clear and shared with everyone, teams work together more effectively. It helps organisation use resources wisely and stay focused on the same goals.

Strategy Drives Adaptation

The best strategies are flexible. Teams that test early, gather feedback, and adapt quickly outperform rigid plans that don't evolve.

Strategy Requires Everyone

Strategy isn't just for leaders. Every team member plays a role in understanding, executing, and improving strategy. Success requires full team buy-in.

If this exercise represented a real organisation, what would you do differently next time?

Reflect individually, then discuss with your team. How would you adapt your approach if you had more time, resources, and stakeholders to involve?

Suggestions include...



Plan More Thoroughly

Real organisations need longer planning phases. You would invest more time defining objectives, understanding constraints, and building detailed strategies before execution begins.



Involve All Stakeholders

In real organisations, strategy affects many people. You would involve all relevant stakeholders early—not just your immediate team—to ensure buy-in and diverse perspectives.



Communicate More Frequently

Strategic communication can't stop after planning. You would maintain constant communication with teams at all levels, ensuring everyone understands the strategy and their role.



Test and Learn Systematically

Real organisations need structured testing. You would establish systematic feedback mechanisms, regular check-ins, and data-driven learning to inform strategy adjustments.



Celebrate and Sustain

Long-term success requires sustaining momentum. You would celebrate milestones, recognise contributions, and build a culture that values continuous improvement and strategic thinking.

Session Recap & Final Discussion

Key Learnings

Strategy provides direction, enables coordination, and drives superior results. It's not just for leaders—everyone plays a role.

Takeaway Message

The best strategies are adaptable, clearly communicated, and understood by everyone. This is true in challenges and real organisations.



Practical Insights

Early testing, rapid feedback, and flexibility are critical. The teams that adapted quickly outperformed those with rigid plans.



Week 5

Strategic Frameworks and Models

Further Reading

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- Sull, D. (2009) *How to thrive in turbulent markets*. Harvard Business Press.
- Wujec, T. (2010) *Build a tower, build a team*. Available at: https://www.ted.com/talks/tom_wujec_build_a_tower_build_a_team (Accessed 3 January 2026).

**If you have any questions, please do
not hesitate to get in touch.**

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