



# Appreciative Inquiry ● A Powerful Strategic Planning Tool

By Joanne L. Smikle

Strategic planning helps the organization get from where it is to where it wants to be. Certainly it should reflect mission, vision, and core values. In fact, it should more than reflect these three elements; it should reinforce and be thoroughly integrated with them. The plan that is developed should be one that can be implemented. It must have methods for on-going evaluation and measurement. The planning process itself must be concise and outcome oriented with decision-making as the primary objective. The outcomes should strengthen the strategic position of the organization.

Absent a sharp focus on implementation and outcomes, a “strategy-to-performance gap” will emerge.<sup>1</sup> This gap is evident when organizations fail to track performance relative to strategic goals over the long haul, or when they fail to build in methods for monitoring progress towards those projected goals. The gap may be glaring to line staff, but many managers, even the most experienced, can fail to detect performance and productivity blocks. These bottlenecks diminish the potential outcomes for the entire organization.

A poorly designed strategic plan is often the root of this gap. However, plan design is not the only issue that impacts overall outcomes of strategic planning. Often, the methodology itself is an impediment. Traditional models may explore strengths, weaknesses, opportunities and threats. That

does little to inspire excellence in the future. Other accepted models may be rooted in the problems of the day and anticipating ways to avoid them in the future. A distinctly different model will yield distinctly different results. This article proposes such a model.

## Appreciative Inquiry by Definition

Appreciative Inquiry is the organizational effectiveness approach developed by David Cooperrider, PhD. It can be used as a strategic positioning tool for organizations of all sizes. Before moving to its application for strategic planning, it is important to provide a brief descriptor of the concept. It is a process rooted in the assumption that every organization has something that works right and gives it life, for engaging people at any or all levels to produce positive change that endures.<sup>2</sup>

The philosophical foundation is rooted in two theories. The first is Social Constructionism, which teaches us that language is our most powerful tool of creation. It is not simply how we describe our conditions, surroundings, or circumstances. Instead, it is how we continually recreate our existence. If we habitually ask questions about how the organization can function at peak performance, we will create the conditions that foster peak performance. The second theoretical foundation is Heliotropism. This is borrowed from the natural sciences. It instructs us that all living or-

ganisms gravitate towards that which gives them life. Organizations are vibrant, living things, and they, too, seek life-giving forces.

With these two theoretical foundations in place, it is obvious that Appreciative Inquiry is a tool for revealing what is possible for an organization. Hence, its applicability as a strategic planning tool. According to Cooperrider, it is based on the assumption that every organization has elements that are working well and those strengths should be the starting point for creating positive change.<sup>3</sup> He suggests leveraging past successes to create sustainable victories in the future. Appreciative Inquiry can be used to address strategic shifts in any area, the way that work is accomplished or changes in leadership, performance and business outcomes.<sup>4</sup>

Cooperrider provides a comprehensive model that lends itself well to strategic planning. It is the 4-D Cycle of Appreciative Inquiry. The model begins with an affirmative topic choice. In other words, the positive frame of inquiry must be determined. The frame of inquiry is not rooted in problems; it is rooted in possibilities for the organization and its people. The 4-D Cycle is as follows:

1. Discovery
2. Dream
3. Design
4. Destiny

Each step of the cycle is activity oriented. The beginning Discovery asks the organization to define the best of what is. It calls on everyone involved to actually appreciate who they are as an organization, to appreciate their successes. The Dream asks participants to imagine what could be for the organization, its members and its stakeholders. This is not idle fantasizing; it is purposeful envisioning of where the organization can be. The next step is determining how to make the ideal real. This is Design. It is where participants collaboratively construct how the organization can be its best self. The fourth step of the cycle is Destiny. It is at this stage that tools to sustain the newly crafted organization are implemented. Participants continue learning, adjusting, innovating, and improvising.

### **Appreciative Inquiry as a Strategic Planning Tool**

Opting to use this method for strategic planning can be a leap of faith for autocratic organizations. It involves integrating the insights of multiple stakeholders throughout the entire process. All voices are heard and leadership is more collaborative than in traditional, hierarchical organizations. The practitioner who opts for this approach should be prepared for a healthy bit of skepticism. Many may initially think it to be too soft an approach to deal with pressing imperatives facing the public sector today. The truth is quite the opposite. Because it relies on collective intelligence and is rooted in best practices, it is ideal for difficult dilemmas.

Launching an Appreciative Inquiry for strategic planning requires a champion in the executive suite. Someone senior who can garner resources must determine that this

approach is a viable one for the organization. Once that champion is in place, the rest of the team can be composed. The team should be drawn from across functions and levels. This enables the inquiry to capitalize on the competitive intelligence that exists throughout the enterprise. It is helpful for all participants to become familiar with the basic concepts that will drive the endeavor. The *Essentials of Appreciative Inquiry: A Roadmap for Creating Positive Futures*, by Bernard J. Mohr and Jane Magruder Watkins, is an excellent primer for participants. It encapsulates the key concepts in a few short pages.

Once participants grasp the concepts, the cycle can begin. While it is certainly acceptable to jump right into Discovery of the organization's best, there is tremendous value in having multiple levels of Discovery. The first step is a series of interviews that examine Moments of Excellence for individuals. Participants are charged with interviewing each other and possibly other stakeholders to discover any number of aspects about how they feel about the organization and their role in it. The board of directors of a national trade association began their strategic planning with a Discovery process designed to cement their commitment not just to the planning process, but to the association they were charged with guiding. Their initial question was as follows: When was our Board at its best? They then, in their interviews, described that time in detail. The results illustrated shared, though previously unspoken, awareness of when the body functioned best. They were able to identify distinct moments when they were able to accomplish their aims. The conditions that led to that success were culled from the discussion. This gave them important information for the future of their work together.

Interview questions can measure when people felt connected to each other or to the organization. The questions can probe into when people produced outcomes they were proud of. These inquiries can probe into when people felt the organization fulfilled its mission most appropriately. Whichever questions you design, they should begin to raise awareness to the fact that this effort is designed to focus on the positive and build from there. This initial level of inquiry begins to connect people to the process in a way not often found in traditional strategic planning methods. It is one of the first steps in creating the engagement characteristic of this process.

Discovery progresses with formulating the questions that will guide the planning. Those questions should enable discovery of who the organization is when it is at its very best. They should reveal a positive image which will lead to purposeful, positive action. The question or questions used in Discovery should elicit information about the best of the past. They should also enable people to envision limitless possibilities for the future of the organization. A not-for-profit housing agency unwittingly began their discovery by asking the following: What are we responsible for doing to prevent homelessness for families in our county? The question gets to the heart of the reason that they are embarking on strategic planning. The organization needs clarity on

activity that will further its mission of housing stability for at-risk families and homelessness prevention for the same population. The effort is characterized as unwitting because they did not intentionally employ appreciative processes. It just happened that the communal, reflective character of the organization spawned an appreciative approach to many aspects of planning.

The Dream phase of the process reveals the limitless possibilities for the organization. Participants are asked to articulate their dreams for the future of the enterprise. This allows latent creativity to emerge. It also reveals who and what people wish for themselves, the organization and possibly the profession they represent. The aforementioned board of directors revealed, through its Dream phase, that it had a hidden competitive bent and really wanted to exceed other associations representing that profession. In their planning retreat the facilitator asked them to creatively illustrate dreams for the association. The drawings, constructed in small workgroups, revealed a competitive nature that had previously gone unspoken. Once it surfaced, they were able to begin serious planning to emerge as the best of the associations serving their branch of healthcare. They had not been best-in-class in a very long time so their planning had to draw on strengths many had forgotten they had.

There are as many ways to conduct the Dream phase as there are practitioners using Appreciative Inquiry. The act of creative illustration, through art or some other form, provides a visual representation of who and what stakeholders

envision themselves being. A small regional psychiatric hospital opted not to draw their dreams for greatly increased admissions. Instead they wrote a lyrical description of their dream and shared it throughout the facility. This collaborative effort encapsulated the intended outcomes of their strategic plan. The unwitting appreciative efforts of the homelessness prevention organization continued. They used their open house to gather insights from everyone—donors, staff, politicians, regulators, volunteers, consumers of their services—on what else needed to be done to prevent homelessness. They hung huge sheets of paper on the walls and invited anyone and everyone to jot down their thoughts on homelessness prevention. They got such rich insights that they kept the paper up, and at all of their fundraisers and other public meetings they invite people to contribute to the dream of ending homelessness. Those contributions, which reflected the dreams of their stakeholders, informed their strategic direction.

It is obvious that this process calls for more participation and creativity than traditional processes. Participants interview each other, and they draw with markers and crayons while discussing the best possibilities. They are actively engaged in listening to one another and melding their collective aspirations for the good of the organization. Dreams need feet, legs, hands, and arms. And that is the reason for the next phase of the process.

Now that the Dream is constructed and conveyed to stakeholders, the process moves on to Design. During this phase

## We Value Your Values...



Community Trust Bank has been serving our friends and neighbors since 1903. Throughout this time, we have come to understand that finances shouldn't overshadow what's important in your life. That's why Community Trust Bank offers the communities we serve both competitive and innovative products and services.

1.800.422.1090

 **Community Trust<sup>®</sup> Bank**  
building communities...built on trust<sup>®</sup>

[www.ctbi.com](http://www.ctbi.com)

Member FDIC 

participants identify the processes, practices, services, and systems that need to be developed or overhauled to make the outcomes articulated in the Dream phase reality. They ask themselves, “What will we look like?” “Who do we intend to become to best serve our clients?,” and “How will we operate?” Those questions are not rhetorical. They are the heart of the design work. It is here that they can begin redefining priorities.

A long term care organization used this phase to completely overhaul its human resource focus. They determined the need to invest more heavily in staff if they were to deliver the care outcomes required for service success. They examined and refined bonus and incentive structures to tie them more closely to their dream of being the most highly rated provider of elder care services. Compensation was aligned with that goal. They also renewed their emphasis on education and training. The rationale was that people delivering care needed to be knowledgeable. They also viewed continuous education as a tool for distinguishing them from their competitors. They offered more and better learning which kept employees interested in the work and the workplace thereby enabling the company to fulfill an important component of its dream to be both a provider of choice and an employer of choice.

Design does not just mean devising new systems and services to support the strategic intent of the organization. It also entails devising measurement methodologies. The strategy-to-performance gap mentioned earlier can be eliminated when the strategic planning process intentionally incorporates measures into the design. Use this phase to identify key metrics that will be regularly reviewed. Paying attention to metrics keeps attention focused on reaching the objectives of the strategic plan. Common metrics include retention, staff satisfaction, customer satisfaction and decreases in complaints.

The metrics devised are unique to each plan. The psychiatric hospital used the number of new monthly admissions, physician referrals, and patient comments to keep track of their progress on the goals developed in their Dream phase. Their public relations and marketing team members were involved in every stage of the planning process, including on-going measurement. Prior to using Appreciative Inquiry, the hospital had only attempted top-down approaches to planning. Senior leadership dictated their expectations to the marketing and public relations teams and expected compliance. This new approach gave voice to the people responsible for the outcomes. It also tied them closely to monitoring and measurement.

The final phase of the process is Destiny. This involves implementation, evaluation, and fulfillment. By this phase, structures and systems have been put in place. New products or processes have been launched. Metrics are being routinely used. Planning process participants can see progress towards the future that they have envisioned for the

organization. Recalibration based on results of measurement, stakeholder feedback, and what is learned during implementation is an important part of this iterative process. This increases the likelihood that the destiny reached is one that is desirable.

## Conclusion

At first blush it may appear that this process is too simplified to work. In fact, it works because of its simplicity. It requires that multiple stakeholders, representing the entire organization, take ownership for divining strategic intent and the systems that will make that intent come to life. The facilitation can be conducted by a skilled internal organization development or human resource practitioner. It does not require a high-priced external consultant. There are troves of literature available on applications of Appreciative Inquiry to this type of planning work. These freely available resources enable an organization to build the expertise required to be successful with this process without incurring the expense of external consultations.

The outcomes of strategic planning that utilizes an appreciative methodology have greater likelihood of sustainability because of the collaborative nature of the process. Because stakeholders are actively involved from Discovery to Destiny, there are higher levels of ownership and interest in the strategic direction of the organization. Stakeholder involvement also brings higher levels of accountability. The results of the plan cannot be ignored because there have been too many people invested and involved. Traditional processes often occur in closed settings. No one holds leaders accountable for implementation or evaluation; hence the emergence of the strategy-to-performance gap. This process is different in that it reflects a genuine commitment to involvement beyond planning. The participation extends to implementation, evaluation, and the inevitable recalibrations indicative of fluid, responsive processes. 

Joanne L. Smikle provides insightful consulting and leadership education to public and private sector organizations across the country. She specializes in leadership development, collaboration, and customer satisfaction. Visit [www.smiklespeaks.com](http://www.smiklespeaks.com) for articles and resources. She can be reached at [joanne@smiklespeaks.com](mailto:joanne@smiklespeaks.com) or 301.596.3140.

1 Michael C. Mankins and Richard Steele advanced the concept of a gap between strategy and performance in their Harvard Business Review article “Closing the Strategy-to-Performance Gap: Techniques for Turning Great Strategy into Great Performance,” published in the July/August 2005 issue.

2 Adapted from Appreciative Inquiry Handbook: For Leaders of Change, by David L. Cooperrider et al.

3 Adapted from Appreciative Inquiry Handbook: For Leaders of Change, by David L. Cooperrider et al.

4 Adapted from Appreciative Inquiry: Change at the Speed of Imagination, by Jane Magruder Watkins and Bernard J. Mohr.