

## The Pitfalls of Strategic Planning

### Henry Mintzberg

**G**eorge Bernard Shaw once claimed that “To be in hell is to drift; to be in heaven is to steer.” This might be designated the conventional planner’s motto.

Perhaps the clearest theme in the planning literature is its obsession with control—of decisions and strategies, of the present and the future, of thoughts and actions, of workers and managers, of markets and customers. Thus Dror wrote (citing Friedman) that “Planning is an activity by which man in society endeavors to gain mastery over himself and to shape his collective future by power of his reason.”<sup>1</sup>

Most indicative of this, perhaps, are the comments of a chief of planning for AT&T, who asked himself, “if corporate planning is so important,” why did it “not surface anywhere in the Bible?” He concluded that “the elements of good planning” did, in fact, appear there because Moses “was so well acquainted with the environment that he could predict it with ease and change it on command (Exodus 7-14, 14:2).”<sup>2</sup> Is it any wonder that Kets de Vries and Miller, in their analysis of “the neurotic organization,” characterized what they called the “compulsive firm” as having a “substantial planning department,” which ensures that “every move is very carefully planned.”<sup>3</sup> An obsession with control generally seems to reflect a fear of uncertainty. Of course, planners are not basically different from anyone else in this regard.<sup>4</sup> We all fear uncertainty to some degree, and one way to deal with a felt lack of control, to ensure no surprises, is to flip it over—to seek control over anything that might surprise us. At the limit, of course, that means everything—behaviors as well as events—and some planners at least give the impression of wanting to approach that limit. In a sense,

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reducing uncertainty is (or at least has become) *their* profession. Thus, C. West Churchman noted that “planning enthusiasts,” when asked the reason for planning, “point out the absolute need to prepare for all contingencies,” to “minimize surprise, because for the planners surprise is an unsatisfactory state of affairs.”<sup>5</sup> Or to quote Wildavsky’s (as usual) more emphatic words:

Planning concerns man’s efforts to make the future in his own image. If he loses control of his own destiny, he fears being cast into the abyss. Alone and afraid, man is at the mercy of strange and unpredictable forces, so he takes whatever comfort he can by challenging the fates. He shouts his plans into the storm of life. Even if all he hears is the echo of his own voice, he is no longer alone. To abandon his faith in planning would unleash the terror locked in him.<sup>6</sup>

An obsession with control leads to all kinds of behaviors, as we have seen throughout our discussion. One is aversion to risk, which means a reluctance to consider truly creative ideas and truly quantum changes, both of whose effects are unpredictable and so beyond formal planning. Another is conflict with the subjects of the planning, who don’t appreciate their own loss of control. Planners may see their procedures as merely bringing order and rationality—in effect, coordination—to decision making. But coordination is control, as Worthy noted:

The obsession for control springs from the failure to recognize or appreciate the value of spontaneity, either in everyday work or in economic processes. Hence the need for planning. Hence the machine as the idea for human organization. For the machine has no will of its own. Its parts have no urge to independent action. Thinking, direction—even purpose—must be provided from outside or above.<sup>7</sup>

### **“Our age is turbulent, Chicken Little”**

An obsession with control can also lead to some curious behaviors, none more so than planning’s attitude toward so-called “turbulence” in the environment. The planning literature has long made a terrible fuss about such turbulence; it is almost as if every writer in the field had to pay lip service to the idea at some time or other. “The Age of Discontinuity had just dawned when General Electric started its strategic planning process in 1970,” wrote its chief planner, Michael Allen.<sup>8</sup> In the mid-1980s, two consultants wrote about “today’s turbulent business environment.”<sup>9</sup> And toward the end of that decade, an academic introduced his book on planning with a comment about the “increasingly turbulent” environments of public and nonprofit organizations.<sup>10</sup> It was, of course, Alvin Toffler, in his 1970 book *Future Shock*,<sup>11</sup> and Igor Ansoff, in his host of writings during the 1970s and 1980s, who popularized this notion of turbulence. But the initial idea really stemmed from two articles of the 1960s, one by Emery and Trist in 1965 and the other by Terreberry in 1968.<sup>12</sup>

Reading this literature one decade at a time may give the impression that the world of planning has always been turbulent. Of course, the question

naturally arises: How could we ever have survived so much turbulence? But reading all of this literature in retrospect provides an answer. For much as planning writers have been inclined to describe *their* own age as turbulent, so too have they been equally inclined to dismiss the previous one as stable (the same one their predecessors found turbulent). “Gone are the ‘good old days,’” wrote Freeman in 1984 of the business and service organizations “experiencing turbulence”;<sup>13</sup> “times have changed,” wrote Leff in the same year.<sup>14</sup> Schon and Nutt, who tracked “consensuality and turbulence in American public planning” in 1974,<sup>15</sup> showed consensuality up to 1963 and “a zone of turbulence” from that year to the time of their publication (ironically, just as the energy crisis was hitting—how then to characterize the following years?).

Why is it always our own age that is so turbulent? In the 1960s, organizations were implored to plan because the stable 1950s were gone; in the 1970s they were told how comparatively stable were the 1960s; in the 1980s there were writers who claimed that techniques such as the Boston Consulting Group’s growth share matrix worked in the 1970s because, unlike the 1980s, these were stable years.

Ansoff was part of this too. Remember his comments on “the new conditions of turbulence” when he wrote, “Today, c. 1977, this problem is significantly different from ten years ago, when my first book on [the strategic problem] made its appearance.”<sup>16</sup> But in that first book, published in 1965, Ansoff referred to strategic change as being “so rapid that firms must continually survey the product-market environment in search for investment opportunities,” and he contrasted “highly dynamic” industries with “the remaining ones which have enjoyed relative stability in the past.”<sup>17</sup>

Of course, there was a way out, and Ansoff recognized it. “During the twentieth century the level of turbulence has progressively escalated in most industries.”<sup>18</sup> In other words, the curve of change has been exponential (a condition presumably akin to what Schon and Nutt termed “endemic turbulence”).<sup>19</sup> But then again, if true, the first differential of that curve would be a straight line, would it not, and the second exponential flat? That means turbulence would have become stability, steady state, normalcy. “Plus ça change, plus c’est la même chose, non?” We quote from *Scientific American* without comment:

Few phenomena are more remarkable yet few have been less remarked than the degree in which material civilization, the progress of mankind in all those contrivances which oil the wheels and promote the comforts of daily life have been concentrated in the last half century. It is not too much to say that in these respects more has been done, richer and more prolific discoveries have been made, grander achievements have been realized in the course of the 50 years of our own lifetime than in the previous lifetime of the race. (This appeared in the issue of September 1868.)

In fact, the argument about escalating or endemic turbulence is as silly as are all the claims about today’s turbulence. Toffler was writing *Future*

*Shock* in the 1960s, when Terreberry and Emery and Trist were also publishing their articles on turbulence. With regard to this period, Makridakis, a leading authority on forecasting, commented “it is not an exaggeration to say that the 1960s was *the most* stable period in the history of Western Industrialized countries.”<sup>20</sup> He pointed out that America experienced “the longest period of uninterrupted growth—i.e., 105 months—of any country since historical records have been kept.”<sup>21</sup>

Go tell the tales of the turbulence of the 1960s or even those of the 1970s (when oil price increases caused certain disruptions) to the people who experienced the Great Depression of the 1930s or the ones who lived through the siege of Leningrad during World War II, or even those soldiers subjected to that planning at Passchendaele. (Perhaps the most astounding comment in this regard was that of Katz and Kahn: “Even before turbulence characterized many environmental sectors, organizations frequently faced new problems, for example, those created by war or economic depression.”<sup>22</sup>) In 1986, when Toffler spoke at The Planning Forum Conference about “third wave planning” being “marked by rapid, dramatic, and often erratic discontinuity,”<sup>23</sup> we wondered how everyone had been able to cope with the sixteen years of turbulence since the publication of his initial book, indeed with the “hyperturbulence” that suddenly appeared in 1984 (at least in the title of an article by McCann and Selsky).<sup>24</sup> How in the world did Toffler ever fly to Montreal under such conditions? And how did McCann and Selsky ever get to publish their article?

In fact, few of us have known anything resembling real turbulence (whatever that means) in our lifetimes. After all, the day after the oil prices increased in 1973, and every day thereafter, planners rose at more or less the same time, got into more or less the same cars with more or less the same four-cycle engines they had driven for half a century (perhaps occasionally having to line up to fill them with gasoline), turned on their radios to more or less the same stations, and took themselves to work in more or less the same kinds of places (unless, of course, they were fired by managers who felt planning would be of less help rather than more under such “turbulent” conditions).

The fact is that “environments” vary, across sectors and over time. Some organizations may occasionally experience severe disruption. But at the same time, many others are experiencing relative stability. (When did the Harvard Business School last change its strategic perspective? Indeed, Toffler himself has been pursuing the same theme for decades.) Toffler published his book about the shock of the future in 1970 much as books have been published for years, indeed centuries. And Ansoff lived comfortably in the 1970s with little bother from that turbulence all around.

Thus, to call the entire context of organizations turbulent, and especially to claim that we have been experiencing much turbulence at any time since World War II, is ridiculous. Such conditions would have undermined all

organizational activity, dissolving every bureaucracy and rendering every strategy (which by any definition imposes a stability on an organization) useless. To pronounce any environment permanently turbulent is as silly as to call it permanently stable: environments are always changing in some dimensions and always remaining stable in others; rarely do they change all at once, let alone continuously (and, in any event, rarely are those who experience them the best judges of the degree of their change).

More important for our purposes here, planning has generally garnered its greatest support when conditions have been relatively stable. The process gained popularity initially during those 1960s that Makridakis described as years of such steady economic growth. And it had its greatest setbacks when conditions changed unpredictably (notably after the energy price increases of the 1970s). But this should come as no surprise, because planning works best when it extrapolates the present or deals with incremental change within the existing strategic perspective; it deals less well with unstable, unpredictable situations or quantum change in the organization. Thus when conditions became unpredictable (a word that Emery and Trist themselves used for their "turbulent fields," due to "gross increase" in "relevant uncertainty"),<sup>25</sup> planning departments tended to be the first to go.

Why, then, does the planning school make such a fuss about turbulence, the very thing it cannot handle? Let us try some explanations. One might be that it believes it *can* handle it, or at least can convince management that it can. When the environment goes "turbulent," "plan or else" becomes its prescription. And this may be a compelling argument. For if the sky is really falling, as Chicken Little warned, then someone had better do something about it. And who better than the planners?

In one restricted sense, this argument may have been right. If all firms in an industry accept the prescription and thus plan diligently, then all strategies will be stable and no one will get any nasty surprises. "Turbulence" will magically disappear, thanks to planning. That, in fact, is the point underlying Galbraith's (1967) "new industrial states," giant oligopolies that controlled their markets (and each other) by planning.<sup>26</sup> For a time, it seemed to work marvelously in certain situations, such as the American automobile industry. But only so long as no competitor appeared that refused to play by the same rules. When some did—ones that, for example, preferred rapid response to stable planning—we all know full well from the experiences of the automobile and other industries what happened. The magic of planning disappeared. And again Chicken Little began to brood.

Let us try another explanation for all those claims of turbulence, this one more cynical. It is simply that we glorify ourselves by describing our own age as turbulent. We live where it's at, as the saying goes, or at least we like to think we do (because that makes us feel important). One is reminded here of those people who, in categorizing periods of history, always reserve one for their own time (say, the total quality management movement of the

1990s alongside the eras of the dinosaurs and the Ming dynasty). In other words, what we really face are not turbulent times but overinflated egos.

In the final analysis, however, while we do believe in the above explanation, we prefer a third one, which contradicts the first. Planning is so oriented to stability, so obsessed with having everything under control, that any perturbation at all sets off a wave of panic and perceptions of turbulence. Thus when American industry was faced with some serious competition from abroad (much like Chicken Little getting hit on the head by an acorn), likely due in good part to all those years spent with its collective head buried in the sands of “rational” planning, its planners ran around like Chicken Little, crying, “The environment’s turbulent! The environment’s turbulent!”

And what was that turbulence? Nothing more than change that planning could not handle—conditions beyond the comprehension of its procedures.<sup>27</sup> And ones that played havoc with its carefully designed plans. The world was imposing “discontinuities” which planning has no formal means to predict. But what was the source of these discontinuities? Not some malevolent deity, but other organizations, themselves in control, thank you, and with no thanks to strategic planning. That turbulence in America was simply opportunity in Japan.

One might conclude, therefore, that the Western planners were spoiled by the munificent conditions of the 1960s, when planning first cut its teeth. Every time the sheiks raised the price of oil or the Japanese introduced a better product at a lower price, the planners ran around crying “turbulence.” Ironically, though, while it was *planning* that experienced the turbulence, it was the *environment* that got labeled turbulent! In other words, while the world of some other people was unfolding according to their wishes, the planners’ sky really was falling, Chicken Little!

### Strategic Vision and Strategic Learning

There are ways to create strategy other than by formal planning. For our purposes here, we can focus on two approaches in particular, one labeled *visionary*, the other *learning*, the former dependent on a single creative strategist, the latter on a variety of actors capable of experimenting and then integrating.

While, in our view, all three processes can, and in fact must, work in concert for any organization to be effective, an overemphasis on planning—in fact, a belief that strategies can be created through formal procedures—tends to drive out the other two. And with the disappearance of the visionary approach goes vision itself, as broad, integrated strategic perspectives get reduced to narrow, decomposed strategic positions.

The visionary approach is a more flexible way to deal with an uncertain world. Vision sets the broad outlines of a strategy, while leaving the specific

details to be worked out. In other words, the broad perspective may be deliberate but the specific positions can emerge. So when the unexpected happens, assuming the vision is sufficiently robust, the organization can adapt—it learns. Certain change is thus easily accommodated. Of course, when even vision cannot cope, then the organization may have to revert to a pure learning approach—to experiment in the hope of capturing some basic messages and converging behaviors on them. With a specified plan, in contrast, serious adaptation becomes much more difficult.

Thus, changes that appear turbulent to organizations that rely heavily on planning may appear normal to, even welcomed by, those that prefer more of a visionary or learning approach. Put more boldly, if you have no vision but only formal plans, then every unpredicted change in the environment makes you feel like your sky is falling. It comes as a fitting lesson, therefore, that the Japanese have been able to impose so much of that “turbulence” on American business in good part because they have been informal strategic learners more than formal strategic planners.<sup>28</sup>

### Illusion of Control?

In Saint-Exupery's *The Little Prince*, the King claims that he has the power to order the sun to rise and set.<sup>29</sup> But only at a certain time of the day. Is the power of planning equivalent? Does the *obsession with* control merely reflect an *illusion of* control?

An ironic side of this obsession with control is that planning manifests it collectively, not individually. In other words, planners prefer to gain control, not by struggling for it individually (as does the entrepreneur), but through the collective will of the organization. (Thus Koch has referred to planning as “collective voluntarism”: People “want to shape their destiny . . . yet they also want to avoid the Darwinian consequences of individual competition.”<sup>30</sup> And this they seek to do not through the tangible actions of the organization so much as through the abstractions of its plans, its statements of intention. Is this just an illusion of control?

In their paper titled “Forecasting and Planning: An Evaluation,” Hogarth and Makridakis found an “uncanny similarity between the history of [forecasting and planning] and formal psychological experiments concerning the ‘illusion of control’.”<sup>31</sup> In one set of these, for example:

Langer . . . has documented how even in chance determined situations (e.g., lotteries), observing an early sequence of “successes” can lead people to believe they have some control over outcomes. Similarly, if people are allowed to engage in cognitive activity about the outcome prior to its occurrence (e.g., by choosing a ticket number), they are also inclined to believe they gain some control. These findings are entirely consistent with the need to *master and control the environment*.<sup>32</sup>

These authors saw such illusions of control in the success of planning in the 1960s: when things went well, and there was a good deal of formal

planning, that is what must have done it. “people have a tendency to attribute success to their own efforts and failure to external factors,”<sup>33</sup> which is, in fact, exactly what the conventional “pitfalls” of planning are all about.

Gimpl and Dakin pursued this point to its logical conclusion in a paper they titled “Management and Magic.” “Experts in the techniques of forecasting and planning perform the function of magicians in primitive society. They provide a basis for a decision when there is no rational method.”<sup>34</sup> These techniques are “not far removed from the ancient techniques” that we now scoff at, such as reading the entrails of slaughtered animals or gazing into crystal balls.<sup>35</sup> The point seems terribly overstated, until one considers the comments of an individual in a leading forecasting position (Vice-President of Economic Research at the Conference Board): “The history of forecasters is that we’ve always been wrong. But a wrong forecast is better than none.” To plan, “you need some kind of a forecast, whether you’re preparing the federal government’s budget or a civic association’s.”<sup>36</sup>

Why? Maybe only for the same reason magical rites were practiced by so-called primitive societies. As discussed by Gimpl and Dakin, ritualized forecasting might encourage necessary random action.

O.K. Moore tells of the use of caribou bones among the Labrador Indians. When food is short because of poor hunting, the Indians consult an oracle to determine the direction the hunt should take. The shoulder blade of a caribou is put over the hot coals of a fire; cracks in the bones caused by the heat are then interpreted as a map. The directions indicated by this oracle are basically random. Moore points out that this is a highly efficacious method because if the Indians did not use a random number generator they would fall prey to their previous biases and tend to over-hunt certain areas. Furthermore, any regular pattern of the hunt would give the animals a chance to develop avoidance techniques. By randomizing their hunting patterns the Indians’ chances of reaching game are enhanced.<sup>37</sup>

Competitors can, of course, be similarly fooled when companies so randomize their actions, perhaps a part of what is becoming known in strategic management as “signaling.” The point, however, may be stretched when it is realized that much of business forecasting is based on extrapolation, in other words, on smoothing established trends rather than randomizing arbitrary ones.

But Gimpl and Dakin offered another reason for such planning, which may be closer to the thinking of that person at the Conference Board. It “boost[s] confidence,” “reduces anxiety,” affirms managerial action, makes the “managerial group . . . more cohesive.”<sup>38</sup> “When people feel out of control there is a tendency toward inactivity”; when they have even the illusion of control, they can act. In the words of Hofstede, having a planning system “allows the managers to sleep more peacefully, even if it does not really work.”<sup>39</sup> Likewise, Huff attributes the popularity of the “rational model” to the “lure of simplifying structures that make our diverse world more understandable.”<sup>40</sup>

This may help to explain some of the planning in the very largest organizations, especially highly diversified ones that at times seem to have little idea of how to manage themselves. But at what price? "Don't expect the plans to be accurate," warned Gimpl and Dakin. But what happens when they are not?

Furthermore, while plans can stimulate action, they can also paralyze it, investing so much energy in concocting the future on paper (or simply playing the numbers game), and draining so much commitment from those who are supposed to act, that necessary actions just do not get taken (leading to the popular phrase, "paralysis by analysis"). Then, problems are assumed to be solved, not because viable solutions to them have been implemented, but simply because they have been approached in systematic ways. In other words, to have it on paper is to have it under control. "Reality itself doesn't matter . . . Problems are removed from consciousness, by putting other people and money to work on them (Slater calls this the Toilet Assumption)."<sup>41</sup> Thus we have a possible explanation for the claim that "it's the process that counts": "Since he can only create the future he desires on paper, [man] transfers his loyalties to the plan. Since the end is never in sight he sanctifies the journey; the process of planning becomes holy."<sup>42</sup> Planning thus becomes the end, and "a lot of planning activities consist of making the world safe for planning."<sup>43</sup>

Planning can likewise serve influencers outside the organization who share the same obsession with, and illusion of, control. If only the organization plans formally, then all will be well. Governments often behave this way, imposing planning processes on their own agencies as well as on other organizations to which they give money (such as schools and hospitals). Nothing much ever happens, except that the plans are duly deposited, and so the planners and the technocrats in government are duly satisfied. But the problem is hardly restricted to the public sector. All kinds of influencers around businesses—shareholders, bankers, stock market analysts, directors, even headquarters executives with respect to the business divisions they oversee alleviate their anxieties about lack of knowledge by ensuring that the managers engage in formal planning. The businesses must be properly managed if their managers plan formally.

Security analysts say that they place a relatively high value on a company's strategic planning, both the soundness of strategic plans as well as the soundness of a strategic planning system. . . . If the survey responses are a reliable indicator, one would conclude that not only security analysts consider corporate strategy to be important in rating stocks, but even more important than quarterly performance.<sup>44</sup>

We saw this kind of behavior in our study of the Steinberg supermarket chain.<sup>45</sup> The first time the company went to capital markets, it had to issue long-range plans. As we noted earlier, the founding president of the company could hardly say, "Listen, I'm Sam Steinberg and I've done awfully well. So kindly give me \$5,000,000." No, he had to issue plans for the

money, to show that he managed systematically, even though the company had achieved all of its success to that date by managing entrepreneurially—and with hardly any of that planning at all!<sup>46</sup> And so it goes in board meetings, annual reports, statements to the press, dealings with financial houses, government regulators, and on and on. No plans, no support.

In fact, the more distant are external influencers from the specifics of the organization's operations, the more they seem to believe that planning will provide that necessary but elusive control. Of course, in this regard, they are not different from those chiefs of giant corporations perched atop remote hierarchies, detached from the real world of making and selling products, who believe that planning will somehow produce the strategies that they themselves cannot. Such beliefs may be illusory, yet they drive a great deal of behavior, giving rise to one particular role played by planning.

### **Planning as Public Relations**

Some organizations take advantage of these demands, turning them around to use planning as a tool, not because anyone necessarily believes in the value of the process per se but because influential outsiders do. Once again, planning becomes a game. This time it's called "public relations."

This view of planning as a facade to impress outsiders is supported by no shortage of evidence. As an example of what he called planning as a "gesture process" to suggest the "trappings of objectivity," Nutt cited those "city governments [that] hire consultants to do 'strategic planning' to impress bond rating agencies," and "firms [that] posture with each other and the marketplace with their claims of long-range planning."<sup>47</sup> In universities, Cohen and March described plans that "become symbols": for example, "an organization that is failing can announce a plan to succeed," one that lacks a piece of equipment can announce a plan to get it. They also discussed plans that "become advertisements," noting that "what is frequently called a 'plan' by a university is really an investment brochure," one "characterized by pictures, by ex cathedra pronouncements of excellence, and by the absence of most relevant information."<sup>48</sup> Langley found this to be true of the public sector in general, where public relations was "probably a very common motivation for 'strategic planning,'" although "the same kind of role is played by subsidiaries and/or autonomous divisions who have to produce 'strategic plans' for their parent firms."<sup>49</sup>

Wildavsky has pointed out that national leaders who "wish to be thought modern . . . have a document with which to dazzle their visitors," one that "no one who matters attends to." In fact, it "need not be a means of surmounting the nation's difficulties, but rather may become a mode of covering them up."<sup>50</sup> And why shouldn't they do this? After all, "capitalist America insisted upon a plan" in return for its foreign aid to poor countries: "It did not matter whether the plan worked; what did count was the ability

to produce a document which looked like a plan.”<sup>51</sup> Presumably to be able to plan is tantamount to being able to spend money responsibly. As Lorange and Vancil noted:

Announcing that his organization would undertake a formal program of strategic planning was almost like a public announcement that he was going to quit smoking. It forced the Chief Executive to attempt to change his own behavior in a way that he knew was desirable.<sup>52</sup>

But did he? Maybe Henry Kissinger put it more accurately when he referred to planning as “a sop to administrative theory.”<sup>53</sup>

To continue with Wildavsky’s metaphor about “A mode of covering up,” if planning is fashionable, then it appears that every well-dressed organization must wear it. But then again, as Norburn and Grinyer pointed out, “the fable of ‘the king who wore no clothes’ . . . seems remarkably pertinent to the adaption of planning systems.”<sup>54</sup>

In a narrow sense, of course, some planning for the purposes of public relations seems to be justified. After all, supermarkets need their capital, the developing nations their aid, universities their support. In the poorer nations, national planning “may be justified on a strictly cash basis: planners may bring in more money from abroad than it costs to support them at home.”<sup>55</sup>

But in a broader sense, is this kind of planning justified at all? Leaving aside the obvious waste of resources on a collective basis—the money that could be saved if everyone stopped playing the game—public relations planning probably distorts priorities in the organization itself. In poor nations, for example, it misallocates skills that are in very short supply, capabilities that could be devoted to solving real problems (or doing useful planning!). Even in more developed countries, think of how much time and talent has been wasted over the years. Especially if Dirsmith et al’s claim is true that “PPB, MBO and ZBB may have been used more as political strategies and ritualistic symbols for controlling and directing controversy . . . [than] as management tools for improving decision making within the U.S. Federal bureaucracy.”<sup>56</sup> Worse, what is intended as public relations can be taken seriously when it should not be. That may have happened at the Steinberg supermarket chain, where the formal planning began to displace the entrepreneurial initiative of its leader, which had been the very basis of its success.

Organizations that are forced to articulate strategies that are not really there—because their managements lack the necessary vision, or because they are still engaged in a complex learning process in order to create their strategies—get caught up in all kinds of wasteful behaviors. One is the pronouncement of platitudes—ostensible strategies that no one has any intention of implementing, even if that were possible. As Taylor found in one study of four small organizations, “if the organization was in the

process of changing its strategy, these [public] announcements were so general, or incomplete, as to be next to useless in understanding what the organization was actually doing.”<sup>57</sup> Another wasteful behavior is to reiterate existing strategies, perhaps in revised language, even though new strategies may be emerging. To return to Taylor’s study, “A second point is that when specific public announcements of intended strategy were made, they were made well after the fact, when the announced changes were well on the way to being implemented.”<sup>58</sup> Indeed, in reading Colonel Summers’s account of the articulation of U.S. military strategy since World War II, one gets the impression of pronouncements racing like mad to keep up with the emerging reality. For example, after the Korean War, the Field Service Regulations acknowledged “wars of limited objective” and removed “victory” as a necessary aim of war; by 1962, cold war was acknowledged!<sup>59</sup>

Some of the more dysfunctional side effects of public relations planning are suggested in Benveniste’s discussion of what he called “trivial planning.”

1. There is a tendency to use past trends to predict future developments, i.e., predict “more of the same.” . . . the experts are not asking any difficult questions. They take the status quo for granted. They raise no policy options. . . .
2. Trivial planning exercises are well-publicized. . . . Everyone is encouraged to participate and have his or her say. The plan is published and widely distributed. The document is beautifully printed, and the less content it has, the longer it becomes.
3. Trivial planning is sequential. . . . No sooner has one set of experts made its bland recommendations than another set is studying the same problem or some appropriate variant. . . . Most trivial planning is undertaken by ephemeral bodies: task forces, presidential commissions, and the like. These bodies have the dual advantage of relying on prestigious outsiders, thus adding to the body’s visibility, and providing these experts with insufficient time to find out how they might effect changes. . . .
4. Trivial planning tends to be used by conservatives. . . . Since the planning movements espouse a mild reformist ideology, and since planning is perceived as an attempt to bring about change, providing technocratic legitimacy is more useful to policies that preserve a conservative stance.<sup>60</sup>

In his book on the French national planning experience, Cohen concluded that “planning is either political or it is decorative.”<sup>61</sup> But decorative (i.e., public relations) planning can easily become political, pitting outsiders in search of control against insiders seeking protection. The same can happen internally when planning becomes a device to impress the senior management, which Cohen and March referred to as “an administrative test of will”:

If a department wants a new program badly enough, it will spend a substantial amount of effort in “justifying” the expenditure by fitting it into a “plan.” If an administrator wishes to avoid saying “yes” to everything, but has no basis for saying “no” to anything, he tests the commitment of the department by asking for a plan.<sup>62</sup>

Add all this together, and public relations planning becomes a device by which almost everyone, no matter how obsessed with gaining control, loses

it. Outsiders get useless pronouncements, and junior managers waste time filling out forms while senior managers get distracted from the more important issues. Only the planners come out on top in some perverse way, not for how they benefit the organization so much as themselves. And that makes such planning for them fundamentally political. Thus, in the final analysis, much as in the experiences of the Communist states, planning that is used artificially, for image instead of substance, does not help managers or outside influencers to control organizations or even the environments of those organizations. Nor does it enable planners to do so. Rather, that inanimate system called planning ties everyone in knots and so ends up controlling everybody!

### Conclusion

To conclude this discussion of the pitfalls of planning, we find the conventional planners' most common explanations for the failures of planning wanting. Managers sometimes do not support planning for very good reasons, and climates conducive to effective planning are sometimes not conducive to effective strategy formation, and vice versa. The face validity of these pitfalls conceals the fact that they are only skin-deep. What these pitfalls really reveal is a number of dysfunctions of planning itself—its discouragement of commitment in organizations, its essentially conservative nature, its own biases and capacities to breed political activity, its obsession with and illusion of control.

But in our opinion even these characteristics do not get to the root of the problem. They are based on the pitfalls, which reflect only difficulties of planning that are closer to its surface. To find out why strategic planning in particular really has gone wrong, and why reasonable people have devoted so much effort to a process that never produced the desired results, we need to look beyond the pitfalls—beyond the symptoms.

### References

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28. Which is not meant to imply that the Japanese are not good operational planners. (See R.T. Pascale ["Perspectives on Strategy: The Real Story Behind Honda's Success,"

*California Management Review*, 26/3 (Spring 1984): 47-72], for a particularly striking example of this, in the case of Honda's initial success in the American motorcycle market.) Some informal evidence of the Japanese propensity to favor strategic learning over strategic planning comes from my own coding of all the articles I collect on strategy making into one or more of the ten schools (based on a reading of their abstracts, or else a scanning of their contents). In sorting recently the piles I had collected over several years, I realized that I had coded almost every single one by a Japanese author in the learning school!

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