

THE NEXT STEP

Today's accountants are expected to be strategists as well as finance specialists, but not all are comfortable in this role. Strategy consultant Tony Grundy offers some advice



Stepping outside your comfort zone is always a challenge – it goes with the territory. However, some accountants will feel more challenged than others by the increasing pressure for them to be more 'strategic'. 'Sometimes, you can see accountants stiffen when you start talking about strategic thinking,' says Tony Grundy, who used to be one, before he morphed into an independent strategy consultant. 'The world of strategy seems remote from the more cut and dried world of figures,' he says, and many accountants are unsure what their role in strategy formulation might be.

Should they wait until the strategy is sufficiently well formed that they can put some numbers on it, or should they be getting stuck into the actual forming and shaping of the raw ideas? Does strategy formulation require special tools or concepts? How much time should be spent on it? Does it add value and, if so, how can you measure this? If these and other unanswered questions and uncertainties aren't enough to make you 'stiffen', there's always the mystery surrounding what 'being strategic' or 'thinking strategically' actually involves.

In Grundy's latest book, *Demystifying Strategic Thinking*, the born-again strategy guru attempts to provide some much-needed clarification on what it entails, when one should do it, and on which topics. He says: 'When you Google "strategic thinking" it brings up lots of general material on strategic management. But this tends to be thick with concepts and theory and thin on cognitive processes.'

Instead, Grundy takes you inside the heads of some strategic thinkers, by sharing the thoughts, words and deeds of selected chief executives (CEOs) – and then analysing them.

This could be an interesting place for finance chiefs who want to 'think strategically' so that they can better support the CEO – or take a few steps in the direction of their shoes. Grundy provides illumination through a series of case studies with high-profile CEOs of commercial organisations and non-profits.

DEFINING STRATEGY AND STRATEGIC THINKING

There are lots of definitions out there. However, Grundy defines strategy as:

'How you get from where you are now to where you want to be – and with real competitive advantage.'

This is something he expands on, with real-life examples from the workplace and everyday life, in his earlier book *Demystifying strategy*, before going on to explore the more mysterious concept of

'strategic thinking', which he defines as:

'The thinking process that looks at any complex situation from a variety of angles, and seeks out options and evaluates them and their implications from differing perspectives in a novel way.'

This is less enlightening in isolation than it is when supported by all of the CEO input and Grundy's analysis of this in *Demystifying Strategic Thinking*.

At 300-plus pages it's not a short book, but reading it could give you some genuine insight into the thought processes, feelings, motivations and preoccupations of these particular CEOs – and Grundy – despite them all having a different take on strategic thinking. One CEO describes it as 'an everyday event' and something they do '24-hours a day' (even while sleeping, presumably); a second says 'it is not something that just happens – strategic thinking is something that you must consciously do'; while a third sees it as 'a long-winded way of expressing common sense'.

They all seem to agree on its value, even if none of them can put a figure on it, which shouldn't diminish the appeal of strategic thinking among finance chiefs. 'The trouble with being just an accountant is that it is very much like having one eye, rather than two – the second being strategic,'

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says Grundy. 'Not only does this mean you don't get high definition, you don't get to see things in 3D either. To act as the strategic foil to the CEO, you need this just to get started,' he explains, urging accountants to take a helicopter view, rather than cling to the more linear approach.

Strategic mindfulness

Grundy suggests various ways to develop the softer skills such as 'intuition, imagination and visioning' that this brave new view of the world requires. Options range from hurtling to the top of the Burj Khalifa in Dubai – with the determination of Tom Cruise and the music from the *Mission: Impossible* film playing in your head – to practising yoga (you'll need to read the book), to more mundane activities, such as visiting a shopping mall. 'One should look at all everyday life experiences as opportunities to practice strategic mindfulness,' says Grundy, alluding to Zen.

If you don't fancy extreme yoga or extreme shopping you'll be relieved to find there are less drastic ways to broaden your horizons. 'Accountants could read books on management which deal with successes and failures,' says Grundy. 'They can study "scenario story telling" and learn a bit about how the human brain works and different thinking styles. Studying a little about Dr Meredith Belbin's team role theory would be useful,' he adds. If that seems too much like hard work, there are more 'playful' activities to pursue.

By way of example, Grundy suggests practising the art of mindset dumping. Perceptions, expectations and assumptions all help to shape the ways in which an individual, team or company views their strategy and what they are trying to achieve; mindset dumping is a way of

waving farewell to those preconceptions – if only temporarily. 'Imagine you are a strategy consultant,' he quips, 'and if this is beyond you, try imagining that you are an alien, or a competitor, or a customer, or a CFO who wants to be a CEO'.

Another way to become a more strategic thinker is specialist education. 'In an ideal world you would do an MBA or mini-MBA in strategic finance of the kind that I do,' says Grundy. Training courses such as this can help to transform your thinking and justifiably boost your self-confidence: armed with an understanding of the principles of strategy and leadership and the tools and techniques used by other members of a management team, you can better influence their thinking and proposals, and better articulate your own.

You could change the demands to be more strategic – and look beyond the finance function to the rest of the business and the environment around it. Although automation is diminishing the need for the traditional skills and mindset of accountants, CFOs are in pole position to take the next step and transition from compliance CFO, via strategic CFO, to strategic CEO. 'The more exposure you can get to strategic thinking the better,' says Grundy, even

if you do this by reading, imagining and visioning. 'It'll help you to understand how CEOs are thinking,' he says. 'Just open your second eye and get inside their heads.' ■

Lesley Meall, journalist



Dr Tony Grundy is a professional accountant, MBA and has a PhD in strategy. He worked with EY, KPMG, ICI, BP and PA Strategy Consultants before becoming an independent strategy consultant, business school academic and writer. He also lectures in strategy and corporate finance at Henley Business School. Over

the past 20 years, he has had 19 books published, including *Demystifying Strategy* (published by Kogan Page in 2012) and his recent follow-up *Demystifying strategic thinking – lessons from leading CEOs*. Grundy works with clients of all industries and globally. He also runs 'mini MBA' courses with Euromoney and is a regular contributor to *Accounting and Business*. tony.grundy1@virginmedia.com

