CHAPTER EIGHTEEN

SOAR

Building Strategic Capacity

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Strategy should be more fluid, generative, and dynamic to make a positive impact. This suggests a perspective of strategy that requires organizations to build strategic capacity. Strategic capacity is “the ability of an organization to obtain its vision, mission, and goals, ultimately leading to its sustainability. In short, strategic capacity is a deeply embedded ability that enables an organization to bridge the gap between its current performance and its potential” (Malone 2010, 8). Malone researched strategic capacity and the impact of the SOAR framework on building strategic capacity.

SOAR is “a profoundly positive approach that allows an organization to construct its future through collaboration, shared understanding, and a commitment to action” (Stavros and Hinrichs 2009, 3). The SOAR acronym stands for strengths, opportunities, aspirations, and results. SOAR is best understood as a strengths-based framework with a participatory approach to strategic thinking, planning, and leading “that allows an organization’s stakeholders to co-construct and execute its future through collaboration, shared understanding, and a commitment to action” (3). SOAR is a generative framework that supports and accelerates building strategic capacity, ultimately transforming individuals and organizations (Malone 2010; Stavros 2013).

This chapter starts with a brief historical perspective of strategy and highlights the connection between organization development (OD) and strategy. Next, we present what SOAR is, examples of SOAR applications, and how to apply SOAR. Then, we share an illustration of SOAR at a global consumer products organization that resulted in a positive transformation with impactful
results. SOAR has been used by hundreds of small and large organizations throughout the world to support strategy generation, strategic planning, and implementation.

**STRATEGY—A HISTORICAL PERSPECTIVE**

Over time, strategy research evolved from studying strategic planning and implementation processes to the configurations and strategic positioning of organizations. By thinking about organizations as configurations, strategy researchers began to explore the structuring of mutually supporting and interrelated practices in an organization that enable it to achieve internal harmony and adapt to the external environment (Miller and Mintzberg 1984). As the configuration perspective of strategic management matured, other strategy researchers began to focus more on the content of strategy and how organizations use strategy for positioning within an industry. Michael Porter’s classic 1980 book, *Competitive Strategy*, became the focal point for this positioning perspective by looking at how industry forces shape an organization’s strategy. From this viewpoint, the market structure and the desire to find a niche within an industry dictates the positioning of strategy and structure, and this determines an organization’s performance (Hofer and Schendel 1978).

Embedded in these various schools of strategy research is the idea that strategy is a rational, leadership-driven process that should be comprehensive and analytical, involving tasks such as market research, competitor analysis, and the alignment of internal resources with an organization’s external environment. Moreover, these classical perspectives of strategy created an artificial dichotomy that segments strategy formulation from strategy implementation by separating the planners from the doers (Barrett, Cooperrider, and Fry 2005). Yet, researchers acknowledge that, in practice, strategy formulation and implementation are an intertwined dynamic process that involves the entire organization (Hart 1992). Furthermore, the involvement of organizational members beyond the leadership ranks is critical to the success of the strategy because these are the people responsible for co-creating and executing the strategy (Hauden 2008; Stavros and Wooten 2012).

**LINKING STRATEGY AND ORGANIZATION DEVELOPMENT**

As the strategy field evolved, OD researchers became interested in integrating the two fields. OD emerged from research on group dynamics, behavioral sciences, and experiential learning by the National Training Lab (Cummings and Worley 2005). Research on OD emphasizes system change in the character and
performance of an organization (Cummings and Feyerherm 2010). The character of an organization reflects the pattern of exchanges between the organization and its environment through the design of internal practices and structures that produce the organization’s desired service or product. An organization’s character directly influences its performance and is measured by outcomes, such as productivity, return on investment, customer satisfaction, and employee engagement.

OD scholars contend that the blend of their research and practices offers the field of strategic management a lens for exploring processes associated with formulating, planning, and implementing strategy from a whole system perspective. Integrating this perspective provides a dynamic view of strategy-making by emphasizing both the content and process of strategy-making that enables an organization to engage its relevant stakeholders in rapidly changing environments (Greiner and Cummings 2009; Stavros and Hinrichs 2009). From this blended lens, strategy-making processes can be designed so that strategic behaviors are institutionalized throughout the organization by members assessing the environment, sharing knowledge, identifying strengths and opportunities, and choosing the right direction. This is a by-product of a learning organization that values the process of strategy-making by listening to different voices, engaging in reflection, and creating systems to synergistically combine personal and team mastery for collective strategic action (Barrett et al. 2005).

The foundations of historical perspectives of strategy and OD open the doors to explore strategy from a positive perspective and provide us with an alternative way of thinking about framing strategy and strategic conversations by using SOAR. A SOAR-based perspective takes into account emergent and planned strategies that capitalize on the full human potential within an organization by engaging the hearts, hands, and minds of its members (Malone 2010).

SOAR

What Is SOAR?
The Appreciative Inquiry (AI) paradigm led to shifting to a new framework to support strategic analysis, formulation, and planning, leveraging the “S” and “O” from SWOT into SOAR. The traditional SWOT approach begins with a scan of internal strengths and weaknesses and an external scan of opportunities and threats. From the recent advances in OD theory, we realized that any consideration of strengths implicitly considers weaknesses and, similarly, opportunities are developed in consideration of threats. There is also an intentional shift in language from problems to possibilities that is subtle yet powerful when engaging in strategic conversations. Rather than focusing attention on weaknesses and threats directly, organizations can reframe their perspective to optimize
their path toward their highest possible achievements. SOAR does not ignore an organization’s challenges; it reframes them into possibilities, thus creating a strengths-based opportunity approach to the strategic plan.

SOAR places the focus on finding a strategic fit between positive aspects of internal environment (strengths) and external environment (opportunities) that invites a dialogue to continue into aspirations and results. Thus, SOAR was created to help organizations generate innovations and design strategy around strengths (S) and opportunities (O). The “A” in SOAR inspires teams to explore their values, vision, and mission statements, and sets of strategic goals and objectives through discovering their aspirations for their most desirable future and what is valued from the organization’s stakeholders. The “R” element in SOAR connects strategy formulation and implementation through a focus on measurable and meaningful results.

The SOAR framework provides a flexible approach to strategic thinking, planning, and leading that invites the whole system (i.e., stakeholders beyond the senior management) into a strategic planning or strategy process by including relevant stakeholders with a stake in the success of the organization’s future. These stakeholders can be internal (i.e., employees) or external (i.e., customers, suppliers, and communities). Utilizing a whole system perspective provides a more complete picture of how an organization best serves its customers and what its future can become by considering many different stakeholders’ perspectives.

Who Is Using SOAR?

Since 1999, the application of SOAR has offered a wide-range of options to each organization that has adopted it to help them meet their strategic needs. Organizations’ use of SOAR varies from strategy, strategic planning, coaching, leadership development, team-building, and other areas. The broad categories of organizations (Types of Organizations) and locations (Continents) where SOAR has been applied are listed in Table 18.1. This demonstrates robust nature, flexibility, and the global growth of applications that the SOAR framework has gained since 1999. Furthermore, organizations are adopting the SOAR framework to be used at different levels of strategy or strategic conversations including industry-wide, organization-wide, group, and individual.

<table>
<thead>
<tr>
<th>Types of Organizations</th>
<th>Continents</th>
</tr>
</thead>
<tbody>
<tr>
<td>For-profit organizations, at every level</td>
<td>Africa</td>
</tr>
<tr>
<td>Non-profit organizations</td>
<td>Asia</td>
</tr>
<tr>
<td>Governments</td>
<td>Australia, New Zealand</td>
</tr>
<tr>
<td>Nongovernmental organizations (NGOs)</td>
<td>Europe</td>
</tr>
<tr>
<td>Education: primary, secondary, and higher education</td>
<td>North America, South America</td>
</tr>
</tbody>
</table>
SOAR helps organizations create dialogue about how best to build and deliver their unique value through creating a positive strategy that is now supported by hundreds of case studies on the benefits of employing the SOAR framework.

How to Use SOAR
SOAR features a disciplined 5-I approach that starts with *initiate* to helping an organization *inquire* into strengths, opportunities, aspirations, and results; *imagine* its best possible future; *innovate* strategies, strategic initiatives, plans, systems, designs, and structures; and *inspire* the strategic plan and strategies to create positive results. SOAR uses a whole system (stakeholder) approach to strategic thinking, planning, and leading (see Figure 18.1).

SOAR asks the questions:

**Strengths**: What can we build on? What makes us unique?

**Opportunities**: What are our stakeholders asking for? What are the top three to five opportunities on which we should focus our efforts?

**Aspirations**: What do we care deeply about? What are our most compelling aspirations?

**Results**: How do we know we are succeeding? What are meaningful, measurable results?

These SOAR-based questions and their collective responses can start the journey to understand the past and present strategic situation and imagine the best
future for the organization’s stakeholders. The questions are designed to create positive conversations about strategic direction and strategy. The key is to make sure stakeholders’ voices are represented, and that there is space and time to inquire, imagine, innovate, and make decisions in the strategic planning process and its implementation. It has been our experience that a SOAR workshop can be designed with 10 to hundreds of participants, with sessions that range from a half day to three days. The differences in these ranges depend on what the organization wants to achieve as determined in the initiate phase.

A 5-I approach guides the SOAR process: Initiate, Inquire, Imagine, Innovate, and Implement, which can be used to guide the delivery of the questions highlighted above. Some organizations use the AI 4-D or 5-D cycle when applying the SOAR framework. The phases are briefly defined next.

**Initiate.** *How shall we work together?* The organization’s leadership team or a core strategic planning team meets to determine how to use SOAR. They identify the relevant stakeholders to invite and discuss ways to engage stakeholders in and throughout the process.

**Inquire.** This is a strategic inquiry into values, mission, vision, internal strengths, and external environment to identify opportunities, and conversations of aspirations and results. This phase explores the “as is” state of the organization and “might be” of future states of the organization.

**Imagine.** A dialogue takes place that considers the combination of strengths and opportunities to create a shared vision that aligns with aspirations. Participants use the power of positive images of the future as a basis for envisioning actions and results. These images and supporting dialogue create the inspiration and excitement to fuel strategy, strategic initiatives, plans, and aligned action.

**Innovate.** Strategic initiatives are identified and prioritized that may result in new or changed processes, systems, structures, and culture as required to support the new goals. These changes are designed by taking advantage of the identified strengths and opportunities to achieve the aspiration and results.

**Implement.** Energy, commitment, and tactical plans emerge to implement the new strategic plan. Implementation involves many people, with different skills and competencies aligned and working on linked projects. Because the original inquiry and strategic dialogue connects each person to what to do, why to do it, and how to do it, all participants are more likely to be motivated to contribute. The rewards can be tangible in terms of a successful result in the marketplace or in financial returns and also in knowing the work served others in a positive and meaningful way.

Since SOAR is a framework, it provides the flexibility of application in many different situations and levels of change. A goal of this section has been to provide you with a new way of thinking, crafting, planning, and implementing strategy. We have found that creating strategy from a strengths-based, whole
system perspective builds confidence and momentum to move people forward in an uncertain environment. The following story brings this concept to life.

**SOAR: A POSITIVE TRANSFORMATION**

**Overview**

This story is set within the operations finance function of a division of a large Midwestern global consumer products manufacturer with $4 billion in sales. This division is responsible for the manufacture of five different personal product categories across four different brands representing over $1 billion in sales and 2,000 employees in seven countries.

The operations finance team was experiencing a crisis in performance and leadership in delivering core financial services such as budgeting, forecasting, reporting, and strategic analytics to their operations team. A new finance director was brought in to provide strong leadership in driving an operations finance team transformation. Over a period of 18 months, the director applied positive organization approaches, including SOAR, Appreciative Inquiry (AI), lean management, and business process management techniques to build and develop a team of finance professionals who became strategic business partners and leaders across the greater consumer products organization.

**The Personal Care Division Story**

At first, the director concentrated on just getting up to speed on the annual budgeting process (ABP), which culminates in the setting of new standards. This process was very complex, involving many people across the division and taking several months to complete. In general, the ABP appeared to be a free-for-all with few defined responsibilities. Not only were roles unclear, but the team was experiencing a crisis in both leadership and performance. The director conducted a requirements gathering exercise that attempted to define the key issues for the personal care division (PCD) team. She interviewed a number of key operations leaders to determine what they thought the issues were and their vision of a high-performing finance team.

The feedback was not good regarding performance to date. Key operations leaders wanted (1) improved business partnering, (2) ability to meet deadlines, (3) greater speed and accuracy in standards and forecasting, (4) stronger analytics, (5) effective new product development (NPD) process, (6) greater consistency, (7) proactive reporting and analysis, (8) deeper understanding of cost drivers, (9) improved capital budgeting process, (10) greater visibility, (11) opportunities to improve, and finally, (12) a better understanding of the business and ability to make a meaningful contribution to its strategic competitiveness.
In summary, every finance process was broken, and the stakeholders were unhappy with the finance team’s performance. In addition, the team lacked effective tools for insightful reporting and analysis. Given this situation, the finance team was unable to successfully serve as a strategic business partner to the operations team. As a result, the finance team was frustrated and demoralized.

Whole System Strategic Planning—Learning to SOAR

After the annual ABP was completed, the new director launched a week-long Hoshin (strategic) planning meeting where she included the entire team (i.e., engaging the whole system). A key event on the agenda was a quick SOAR using the 5-I approach. A quick SOAR is basically a half-day to full-day session allowing teams 60 minutes of dialogue for each of the four SOAR elements (Stavros and Hinrichs 2009). Some quick wins emerged from this session around the ABP process to build momentum and the finance vision and key strategic initiatives for the following year. Overall, a great deal of energy, alignment, and trust were created around what the team wanted to achieve together in the coming year.

SOAR was chosen to build strategic capacity and create whole system engagement in transforming the finance organization to achieve its ideal future in support of the organization and its stakeholders. As a result, the team discovered that SOAR:

• Builds trust
• Promotes relationships
• Provides a safe environment
• Empowers
• Develops efficacy
• Enables innovative thinking
• Creates alignment
• Evokes action and accountability
• Fosters engagement and energy
• Promotes learning
• Is versatile and simple to use
• Is flexible in working with other tools and frameworks
• Creates alignment
• Evokes action and accountability
• Fosters engagement and energy
• Promotes learning
• Is versatile and simple to use
• Is flexible in working with other tools and frameworks

The SOAR journey unfolded through 5-I phases: Initiate, Inquire, Imagine, Innovate, and Implement.

Initiate. Interviews of key operational leaders (stakeholders) were completed to gain feedback regarding performance. This feedback was presented at the planning event as part of the planning process. SOAR was used with 12 colleagues representing the entire finance core team who traveled to the Hoshin meeting to participate in the one-and-a-half-day quick SOAR. An agenda outlining the planning process utilizing SOAR is in Exhibit 18.1.

Inquire. The 12 colleagues were divided into teams of two who interviewed each other using the AI and SOAR-based questions in Exhibit 18.2. Small groups
## Exhibit 18.1. PCD Planning Process Agenda

<table>
<thead>
<tr>
<th>Phase</th>
<th>Conversation</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SOAR Introduction</strong></td>
<td>(90 min)</td>
<td><strong>Strengths</strong>&lt;br&gt;What are we most proud of as an organization? How does that reflect our greatest strength?&lt;br&gt;What makes us unique? What can we be best at in our world?&lt;br&gt;What is our proudest achievement in the last year or two?&lt;br&gt;What do we do or provide that is world class for our customers, our industry, and other potential stakeholders?</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Opportunities</strong>&lt;br&gt;Stakeholder needs reviewed&lt;br&gt;What are our potential opportunities/innovations?&lt;br&gt;What are the top three opportunities on which we should focus our efforts?&lt;br&gt;Are there any challenges that can be reframed into opportunities?&lt;br&gt;What new skills do we need to move forward?</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Aspirations</strong>&lt;br&gt;When we explore our values and aspirations, what are we deeply passionate about?&lt;br&gt;Reflecting on our strengths and opportunities conversations, who are we, who should we become, and where should we go in the future?&lt;br&gt;What strategic initiatives would support our aspirations?</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Results</strong>&lt;br&gt;Considering our strengths, opportunities, and aspirations, what meaningful measures would indicate that we are on track to achieving our goals?&lt;br&gt;What are three to five indicators that would create a scorecard?&lt;br&gt;What resources are needed to implement our most vital projects?&lt;br&gt;What are the best rewards to support those who achieve our goals?</td>
</tr>
</tbody>
</table>

Exhibit 18.2. Discovering the Best of Our PCD Team (Interview Questions)

<table>
<thead>
<tr>
<th>What Attracted You?</th>
<th>Think back to when you first got involved with PCD—what attracted you? What were your initial excitement and impressions?</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Point Experience</td>
<td>During your relationship with our team, I'm sure you've had some ups and downs, some peaks and valleys, some high points and low points. I'd like you to reflect for a moment on a high point experience, a time when you felt most alive, most engaged, most proud of your involvement with our team... tell the story. What happened? What made the experience exceptional?</td>
</tr>
<tr>
<td>Root Causes of Success</td>
<td>As you reflect on your high point, I'd like you to identify some of the &quot;root causes&quot; that contributed to making it a peak experience. First, what was it about you that made it a great experience? If we had a conversation with the people who know you best and asked them, &quot;What are the three best leadership qualities they value in you, qualities or capabilities that you bring to our team and the building of its future—what would they say? Second, who were significant others and what was it about them that made it a high point? Third, what was it about the nature of your work...the things you most value...that made it a great experience? Finally, what was it about our team as a group (e.g., culture, values, relationships, leadership, systems, ways of working, etc.) that made it a high point for you?</td>
</tr>
<tr>
<td>Strategic Core Factor</td>
<td>Based on the last three questions, if you could boil it down to one thing, what would you say is the strategic core factor (a distinctive competency) that gives life, health, and vitality to our team—our strengths?</td>
</tr>
<tr>
<td>Exploring the Best Qualities and Hopes for the Future</td>
<td>Organizations work best when team spirit and enthusiasm are high and everyone is a valued member of a group where his or her ideas are heard. To be effective over time, organizations need cooperation within groups as well as between groups that cross department lines, jobs, and levels in the hierarchy. Teamwork requires trust, open channels of communication, appropriate business information, responsiveness to others' needs, good training, and interpersonal skills. Think of an example for</td>
</tr>
</tbody>
</table>
Exhibit 18.2. (Continued)

the most effective team or group effort you have been part of at some point during your career or elsewhere. Tell the story of what happened. Who was involved? What made the teamwork effective? What were the important lessons?

Leadership in Finance

As you think today about the larger context and purpose of our team, there are many trends, events, and developments that will call on our group (like any high-purpose organization) to change, develop, and play an even more significant role in the future. In your view, what are the two or three most important opportunities affecting our finance group today (e.g., opportunities to better serve our customers in the finance realm)?

Images of the Future

Imagine five years have gone by, major changes have taken place, and our team has become everything you hoped it could be. You can truly say, without reservation, that this is the team of your dreams. What do you see? What does it look like? What's going on in finance? What's happening that's new and different? What is our team's culture and distinguishing characteristics? What is our reputation in the broader organization? In what ways are we leading in the field of finance? What do you see in terms of purpose, values, systems, people, ways of working, fiscal performance, others—aspirations?

How Do We Get from Here to There?

If you could develop or transform our team in any way, what three wishes, in order of priority, would you make to heighten our team's overall health and vitality? What results would define our success?

were formed combining two teams for debriefing. Each colleague presented what each partner had relayed during the interview process within the small group using the SOAR framework. Wonderful stories were shared around past successes, and a feeling of deep engagement and energy permeated the sessions. One colleague per team captured the emerging themes and ideas. At the end of the conversations, several key themes emerged: (1) standardized processes and reporting, (2) better tools and capacity building, (3) strong communication within our team and externally with our business partners, (4) restored trust and credibility, (5) a lean culture was created, and (6) partnership with operations.
Imagine. The small groups reconvened within the large group and shared stories and key themes. The large group continued the conversation to imagine the future through using the interviews as a core foundation for exploration. The large group identified key strengths, opportunities, aspirations, and results (see Exhibit 18.3) as part of this phase utilizing the SOAR framework questions.

The team’s core values emerged from the dialogue based on the interview questions (Exhibit 18.2 and SOAR factors summarized in Exhibit 18.3) as (1) passion, (2) respect, (3) integrity, (4) trust, and (5) appreciation. The team developed a shared vision: “To become a highly credible finance team who is a trusted partner in making a difference for our company. Together we will grow, care, share credit, and become a smoothly functioning team that is able

<table>
<thead>
<tr>
<th>Strategic Inquiry</th>
<th><strong>Strengths</strong></th>
<th><strong>Opportunities</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>People</strong></td>
<td>Experience</td>
<td>Better tools</td>
</tr>
<tr>
<td><strong>Experience</strong></td>
<td>Tenacity and dependability</td>
<td>Clear roles and responsibilities</td>
</tr>
<tr>
<td><strong>We deliver/make our deadlines</strong></td>
<td>Standardized processes</td>
<td></td>
</tr>
<tr>
<td><strong>Relationships—internal/external and with our customers</strong></td>
<td>Communication</td>
<td></td>
</tr>
<tr>
<td><strong>Flexibility—we seek new challenges</strong></td>
<td>Proactive reporting</td>
<td></td>
</tr>
<tr>
<td><strong>Hunger for learning</strong></td>
<td>Capacity building</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Appreciative Intent</th>
<th><strong>Aspirations</strong></th>
<th><strong>Results</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Being winners</strong></td>
<td>Make a difference</td>
<td>Close the books in three days</td>
</tr>
<tr>
<td><strong>Make a difference</strong></td>
<td>Finance is the go-to person on all projects</td>
<td>Improve forecast accuracy by 90 percent</td>
</tr>
<tr>
<td><strong>Finance is the go-to person on all projects</strong></td>
<td>High credibility</td>
<td>100 percent of finance core value streams are streamlined and standardized using best practices</td>
</tr>
<tr>
<td><strong>High credibility</strong></td>
<td>Trusted partner</td>
<td>Standards delivered on time and with high accuracy</td>
</tr>
<tr>
<td><strong>We all care about each other</strong></td>
<td>Everyone has grown and achieved personal career dreams</td>
<td>Controllable variances = $0</td>
</tr>
<tr>
<td><strong>Everyone has grown and achieved personal career dreams</strong></td>
<td>Smoothly functioning team</td>
<td>Communication plan and team established</td>
</tr>
<tr>
<td><strong>Smoothly functioning team</strong></td>
<td>Good data and the right tools</td>
<td>Team 100 percent cross-trained</td>
</tr>
<tr>
<td><strong>Good data and the right tools</strong></td>
<td>Save the company millions!</td>
<td>SAP and EXCEL training</td>
</tr>
<tr>
<td><strong>Save the company millions!</strong></td>
<td>Agile and fluid</td>
<td>delivered</td>
</tr>
<tr>
<td><strong>Agile and fluid</strong></td>
<td>Premier team within PCD</td>
<td></td>
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</tbody>
</table>

Exhibit 18.3. SOAR: Strengths, Opportunities, Aspirations, and Results
Innovate. Based on the identification of strengths, opportunities, aspirations—image of the future, core values, and understanding the mission, the team identified the following strategic initiatives:

- Implement lean management techniques to streamline, standardize, innovate, and define the future state for all key finance processes
- Create a new division-wide strategic planning process using tools for business process management such as the inputs, guides, outputs, and enablers (IGOE) and stakeholder analysis
- Develop a business partner scorecard to promote better freight management
- Adopt lean leadership practices to enhance communication and coordination among the team
- Host Lunch & Learns and Power Hours to build the team’s strategic capacity

The team also discussed necessary changes to structure, processes, systems, and resources to support the strategic initiatives. These strategic initiatives drove the action plans.

Implement. Moving from identification of strategic initiatives to implementation of the plan, the team showed high energy and commitment to their findings. Many team members joined together to work on projects to obtain positive results. Focusing on newly identified individual strengths, the finance team was reorganized around product value streams to promote better support of their operations business partners. This support by value stream was aligned with how operations were organized. The reorganization provided clear roles and responsibilities and customers for each finance colleague and key financial process. A change management plan was developed and implemented utilizing the ADKAR® framework along with a robust communication plan. ADKAR® is a change management tool used to diagnose and improve the people side of a change management initiative. Developed by Prosci, ADKAR stands for Awareness, Desire, Knowledge, Ability, and Reinforcement, which represent critical stages in an individual’s adoption of change (Hiatt 2006).

A whole system, collaborative approach was utilized to implement the reorganization. Each team member met with individuals they were giving duties to and getting duties from. These meetings resulted in specific project plans to accomplish the new organization. As part of this effort, core processes and procedures were documented to promote team learning. Each individual was accountable to carry out the action plan accomplishing their transition. During implementation, each major initiative identified in the Innovate phase was
assigned a lead person from the finance team. Then, individuals self-selected into projects supporting each initiative based upon interest and ownership of the topic under the new organization structure.

Lean project management templates were utilized (A3s) as a tool to manage each initiative. These A3 templates were living documents posted on an intranet site so that the entire team could access and review progress. In addition, monthly half-day Hoshin reviews were established for each team to report to the larger team progress on their projects in order to receive help and advice. Individual performance scorecards were created to measure actual results against individual key performance indicators. These scorecards were reviewed with the colleague by their manager each month to assess progress and provide coaching/help. These scorecards were utilized as part of the annual review process to establish overall scores for each colleague. This performance tool promoted high communication, coaching, and strategic focus.

Results

Through the project management structure and activities specified in the implementation phase, including monthly Hoshin reviews, daily stand-up meetings, and regular management reviews of individual performance scorecards, the strategic initiatives were accomplished within 12 months.

The team was successfully reorganized with no disruption in service levels. New tools were implemented and training provided to the finance team to build their capability. Standardized reports focusing on stakeholder requirements were created and refined. Every core finance process (value stream) was redesigned, streamlined, stabilized, and standardized. Because operations had been involved in many of the process redesign efforts, there was greater accountability on the part of the operations team for achieving the targeted financial results of the division. In addition, these processes became highly focused on stakeholder requirements, which were much more valuable to accomplishing the operations team objectives. Forecast accuracy improved dramatically, and the division met their budgeted targets. As a result of these efforts, the finance team improved in their ability to become a trusted strategic business partner.

A Finance Customer Scorecard was created and completed by every operations leader at the end of the fiscal year. The scorecard showed dramatic customer satisfaction improvement in the areas of providing basic financial services, reporting, and overall customer service levels to the organization. However, scores for analytical services showed low satisfaction. This instrument served as the starting point for another SOAR cycle that occurred at the annual Hoshin planning event in the new year.

The finance team experienced a positive transformation from demoralization and disrespect to highly functioning, positive financial leadership of the
division. SOAR enabled the team to bridge the gap between its current performance and its potential, by building the team’s capacity to identify and meet its strategic goals. Some of the results realized:

- A kaizen session (a Japanese philosophy for continuous improvement) was held for closing the books, which resulted in the ability to close the books in three days (this process was formerly taking seven days to accomplish).
- All major finance value streams were streamlined, standardized, measured, and managed.
- A new financial model and process was developed to bring greater visibility, accountability, and transparency to divisional strategic planning targets.
- A new process was designed for new product development costing, resulting in improved analytics and greater functional coordination.
- Best practices for financial modeling and EXCEL techniques were developed and shared among the team. This built the team’s capacity and offered a vehicle for recognition.
- Cross training and standardized work (documented work processes) were completed for all major processes to enhance team scale and scope.
- The team created a peer recognition award: the Yeoman Award for great and noble service.

The results were celebrated each month at Hoshin reviews in order to build and leverage momentum. A communication committee was established to ensure high communication, collaboration, sharing of best practices, and fun celebrations among the team. The team eventually became recognized as the highest achieving finance team in the organization. The team built strategic capacity through this experience and subsequently was able to leverage this capacity in a second major transformation 18 months later as the entire finance team was reorganized into centers of excellence.

**SUMMARY**

SOAR engages the entire system (or representatives of key stakeholders) to build upon strengths, engage in possibility thinking, and expand participation in the development of goals and objectives for strategizing in developing and implementing strategic plans. SOAR creates positive energy that informs action. The SOAR framework is very versatile and can be utilized for many applications such as individual coaching, leadership development, brand management, problem-solving, continuous improvement, and conflict management. SOAR
also fosters learning and engagement, allowing for a shared learning system in its different applications. SOAR functions as a sense-managing tool that enables individuals across the organization and multorganizations to better understand the values, mission, vision, and strategies of the organization and relate them back to individual actions. Finally, SOAR can be utilized throughout an organization to foster trust and build relational generativity. Generativity refers to the ability to create something new and unique as the offspring from an initial condition. Ultimately, SOAR builds strategic capacity enabling individuals and organizations to achieve their latent potential.

In a *McKinsey Quarterly* survey of 1,200 global executives, it was found that organizations with the highest performance had a clear purpose, an understanding of strengths, shared aspirations, and leaders who know how to unleash ideas (opportunities) with a results-driven process (Isern and Pung 2007). As a result, those responsible for strategy formulation and execution are placing a new emphasis on positive strategy and the SOAR framework. SOAR is gaining attention and actively emerging as an effective and flexible strategic framework that releases an organization’s energy, creativity, and engagement to build strategic capacity that achieves positive results. SOAR builds strategic capacity that creates an environment where strategy is fluid, generative, and dynamic.

**Discussion Questions**

1. How can SOAR be combined with other change management techniques to bring about transformation within your organization?
2. How can SOAR be utilized to build strategic capacity within the teams that you work with?
3. How can SOAR and lean management methodologies create culture change in back office processes?
4. How does SOAR support holistic transformation?
5. How can SOAR be used at your organization to release energy, creativity and engagement?

**Resources**

ADKAR: Awareness, Desire, Knowledge, Ability, and Reinforcement: www.change-management.com/

Lean Enterprise Institutes (includes Hoshin and project management): www.lean.org/

Kaizen Institute: www.kaizen.com

Project Management: www.pmi.org/default.aspx

SOAR website: www.soar-strategy.com/

SOAR Facebook: www.facebook.com/SOAR.Strategy

References


