

Questions Mindset

Introduction

- Strategy is far more about asking the right questions than about delivering the right answers.
- There are rarely “right” answers.

Great strategists use strategy frameworks to ask good questions

- Strategy frameworks encourage asking good questions, which will lead to strategic insights.
- Consider industry analysis:
 - At the highest level we could ask: what are the industry forces that affect overall profitability of an industry?
 - The framework tells us they are rivalry, threat of entrants, buyer power, supplier power, availability of viable substitutes and availability of attractive complements.
 - We then can ask a series of questions for each of these forces. For buyer power:
 - How many other viable options do our buyers have?
 - How costly is it for buyers to switch away from our products?
 - What percentage of our buyers’ total costs comes from our products?
 - These questions can help us identify the extent to which buyer power effectively threatens industry profits.
- For any strategy framework there is some high-level question, and then a host of nested questions that guide to strategic insights. This approach is important because:
 - Strategists aren’t always the most knowledgeable people in the room related to detailed business operations (marketing, finance, HR, etc.)
 - But if they are well equipped to ask the right questions, they can help these different functions work together to generate useful insights.
- The insights obtained can then guide big picture decisions.

Conclusion

- Great strategists invest in deeply understanding the right questions to ask.
- They are comfortable being experts of questions rather than experts of answer.
- If you hope to be a great strategist, work on mastering the art of asking great questions!