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Strategic Thinking in the Interpretation of Knowledge Management

The need for strategic thinking in the turbulent times of the 21st century, an environment full of political pressure, economic challenges and social disorder, has never been greater. Moreover, the ability to think strategically has become indispensable for performance at the highest levels of any organization.

To be able to perform their role on a strategic level and to survive in today’s unstable rapidly changing environment, organizations, leaders and managers must be able to be strategists in their use of knowledge. This is to be able to conduct research and to monitor the environment to receive the feedback from the organization publics. It also requires working from a plan that deals with issues and crises in a proactive manner rather than a reactive one. Strategic thinking entails being involved in the decision making process with the top management of the organization, and dealing heavily with the process of adjusting organizations to their environments, and to adjusting environments to the organizations.

The concept of strategic thinking is a difficult abstraction as it is acknowledged and perceived in different ways. Several models, recognized by organizations that are proactive and future-oriented include: issues management, strategic issues management, integrated strategic planning systems, issues life cycles and planning issues life cycles, all of which deal with detecting and analyzing issues, selecting courses of actions and evaluating outcomes (Brom, 2001).

The way people think about strategy and make sense of their organizational worlds is a result of organizational learning and adaptation and the part played in this is by leadership (Henry et al., 1993). Since business practices and the marketplace are always changing, the need to think strategically never ends. As situations change, it becomes increasingly more important to think strategically while keeping two factors in mind: problem solving and creating the future.

This is why the concept of strategic thinking has attained some status and is a special interest in the “learning organization”. Strategic thinking is now recognized as a prerequisite for planning activities within an organization and is an important characteristic of effective managers. Other scholars also believe that strategic thinking must be a core competency of an organization. Leaders and managers must develop strategic insights to guide their companies (Prahalad and Hamel, 1990).

“Strategic thinking is not acquired by magic nor is it something possessed by a select few or an elite group of seers. Insight is a talent and an ability that can be nurtured in all of us (Gable, 2000)”. Everyone has the capacity to think about actions and events of the past and to hypothesize about possible future outcomes. The three aspects most critical to cultivating strategic thinking are: