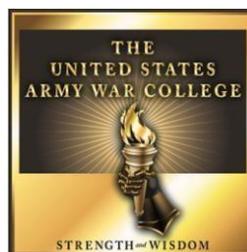


## The Army's Strategy in an Age of Uncertainty

by

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# The Army's Strategy in an Age of Uncertainty

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## Abstract

The United States (U.S.) Army is a large organization with more than a million soldiers. It is an expensive organization to sustain, and one that is constrained by resources. Uncertainty, complexity, declining resources, and increased demand define the Army's current strategy. The Army's strategic leaders are responsible for creating good strategy that solves complex problems and inspires organizational change. They are responsible for reducing uncertainty and complexity while balancing resources and demands. In short, they are responsible for creating good strategy. The Army has a strategy to adapt it towards the future; however, it is difficult to understand because it suffers from the pitfalls of bad strategy. As a result, the Army's strategy increases uncertainty and a resistance to organizational change. Good strategy provides direction and focus for the organization to follow. It reduces uncertainty, and is necessary for leading organizational change and creating competitive advantages. The purpose of this paper is to describe good and bad strategy, uncertainty and organizational change, and provide recommendations for improving the Army's current strategy to adapt the Army toward the future.

## **The Army's Strategy in an Age of Uncertainty**

The Army must change; this is a strategic and fiscal reality. We are facing unexpected challenges, and declining budgets. Consequently, we must find innovative ways to generate sustained landpower.

—Honorable John McHugh, Secretary of the Army<sup>1</sup>

The U.S. Army is a large organization with more than a million soldiers, Army civilians, and Army contractors that operates in a highly demanding and competitive market. It is an expensive organization to sustain, and one that is also constrained by resources (e.g., shrinking budgets and reductions in force structure). At the same time, it faces an increasingly unstable, complex global security environment that is constantly evolving. Army strategic leaders, such as the Secretary of the Army (SA), Chief of Staff of the Army (CSA), and their immediate subordinates are currently facing numerous problems and unexpected challenges as they attempt to provide strategic direction, and design an Army that can credibly compete and continue to protect the Nation's interests. However, the greatest problem facing these leaders is creating good strategy.

Strategic leaders are responsible for solving complex problems facing their organizations, creating competitive advantage, and exploiting opportunities; they are responsible for creating good strategy and leading organizational change. The purpose of this paper is to describe good and bad strategy, uncertainty and organizational change, and provide recommendations for improving the Army's current strategy to adapt the Army toward the future. There is no shortage of literature on the subjects of strategy-making and leadership, and most experts tend to agree on similar points about the value and need for both. So, I have identified a few leading experts and will use their models to support this research project. Although, their findings and observations are primarily focused on civilian organizations in the business world, they are highly

applicable to military organizations, like the U.S. Army. I will describe the requirements of good strategy and the pitfalls of bad strategy. Since good strategy is a plan to create change and solve complex problems, I will follow the strategy discussion with a description of the obstacles—time, uncertainty, and culture--that impede organizational change efforts because these topics often serve as the greatest obstacles to good strategy. With a foundation for the findings and observations of these select strategic experts, I will provide a description for how Army strategy is developed and recommendations to the reader for improving the Army's current strategy. Strategic leaders will benefit from this research because they are responsible for developing good strategy, leading organizational change, and reducing uncertainty.

### Good Strategy

Good strategy is a bridge that connects the objectives of an organization with the available resources and capabilities to achieve them; it is the connective tissue between objectives (ends) and resources (means). It is more than a general plan, rather it is a fully developed course of action (way) for solving complex problems and challenges with a coordinated set of coherent actions. Richard Rumelt, A.G. Lafley, and Roger Martin are expert strategy-makers and published authors on the subject of making strategy. Rumelt asserts, "The core of strategy work is always the same: discovering the critical factors in a situation and designing a way of coordinating and focusing actions to deal with those factors."<sup>2</sup> His descriptions of the "kernel" in good strategy and the three pitfalls of bad strategy, which I discuss shortly, are essential and useful concepts for strategic leaders to understand. Lafley and Martin provide an explanation regarding choice that supports Rumelt's third identified pitfall. Together, the descriptions of these experts enable strategic leaders to distinguish between good and bad strategy.

According to Richard Rumelt, the underlying structure of good strategy is found in the “kernel.”<sup>3</sup> The kernel consists of three elements: diagnosis, guiding policy, and a set of coherent actions. The diagnosis defines or explains the nature of the challenge by simplifying the “often overwhelming complexity of reality by identifying certain aspects of the situation as critical.”<sup>4</sup> The diagnosis is an educated guess about the future based upon one’s understanding and interpretation of facts; it requires leaders to make a choice or select the problem that must be fixed. The diagnosed problem must be understandable, vital, and acceptable to others in the organization; otherwise, they will resist efforts to fix the problem. Strategies to change an organization fail when the problem is not properly diagnosed or considered worthwhile to correct by the members of the organization. A properly diagnosed problem is necessary to focus efforts and initiate change because it describes what is wrong, what right looks like, and the ends (objectives) to be achieved. Most importantly, it provides the organization direction and focus, but diagnosing the problem is not enough to generate the required change. It is only the first element of the kernel and good strategy.

The second element of the kernel is the development of a guiding policy that coordinates actions of the people in the organization. A guiding policy links the first and third element of the kernel together and describes the approach for overcoming the diagnosed challenges, or problems. It creates focus and advantage, by reducing complexity, ambiguity, and wasteful efforts. It must minimize those things that tend to obscure, confuse, or distract the people of the organization. In developing a guiding policy, leaders must be aware of existing organizational policy, which may be formal, such as laws or policy directives, or informal, such as unwritten standard operating

procedures or habits of the organization. If policies conflict, they create confusion and cause change efforts to stall. The guiding policy must also anticipate the possible actions and reactions of competitors and partners, and focus efforts on the most critical factors of the situation.<sup>5</sup> Guiding policies are intended to empower and focus the organizations actions by clearly describing the purpose (what), motivation (why), and direction (how) for change. However, policy makers must ensure that the policies are not overly constraining or complicated, because this could stall the leader's change efforts.

The third element of the kernel is a set of coherent actions to carry out the approach. These actions "work together in accomplishing the guiding policy."<sup>6</sup> This step is vital in good strategy because it gets the organization moving in the same direction and working to resolve the identified challenge. Without a set of clear and coherent actions, the members of the organization are left to interpret, guess, and decide on the necessary actions to undertake in order to achieve the organizational objectives. More than likely, their actions will not be focused nor complementary. The set of actions must be understood by the members of the organization, directly linked to fixing the problem facing the organization, and measurable. Conceptual ideas, such as an agile, adaptable, innovative, flexible, or winning organization, are open to wide interpretation in large organizations and highly subjective forms of measurement. Both features, lack of common understanding and measurement, creates uncertainty, confusion, or doubt in the leader's strategy, which causes the change effort to stall.

The three elements of the kernel are vitally important to good strategy because they provide purpose, focus, and direction. The failure to fully develop each element

leads to bad strategy because these elements connect the organization's ends (solution to the problem, objective, or outcome), ways (guiding policy), and means (available resources and coherent actions). Strategic leaders must understand, develop, and communicate the three elements of the kernel because failure to do so leads to one, or more, of the three common strategy pitfalls, which ultimately creates uncertainty, confusion, or doubt within the organization and impedes organizational change. Now that I have described the role of good strategy, I will transition to the most common pitfalls of bad strategy.

### Pitfalls of Bad Strategy

Rumelt describes three common strategy pitfalls that characterize bad strategy-- the New Thought strategy, template-style strategy, and strategy of avoiding choice. These pitfalls may exist in isolation or concurrently, but they are important to recognize because they tend to obscure or overlook the obstacles that prevent successful outcomes. On the surface, bad strategy initially masquerades as good strategy by appealing to the emotions of the organization's members and overly relying on past successes, aspirational goals, and motivational phrases. Bad strategy does not appeal to their minds. Instead, it tends to ignore past failings, or fails to provide a clear connection between the need for change (why) and plan to change (how). Bad strategy fails to provide the bridge between the objectives and available resources of the organization.

The first pitfall is the New Thought strategy, which relies on the "belief that all you need to succeed is a positive mental attitude."<sup>7</sup> It is a form of wishful thinking and often mistakes goals for strategy. It is characterized by one of two central ideas: a positive mental attitude and the recycling of old ideas as new ideas. The first idea is the belief

that “force of thought alone” achieves victory and the second idea attempts to sell old innovations as new innovations.<sup>8</sup> Sporting events provide easily recognizable examples of both ideas. In the first example, Team A is down by several points to Team B, when the coach of Team A calls a time-out to make adjustments to the game plan. Instead of making adjustments, the coach tells his team to “try harder.” This strategy makes sense initially because it appeals to the emotions of the team members that have a lot of time and energy invested in the team, but quickly loses meaning when “trying harder” fails to produce results. In another scenario, teams assemble at the beginning of a sporting season and the coach instructs them that the strategy for the season is to be the best team in the conference by winning the final tournament of the season. This strategy makes sense initially because it also appeals to the emotions of the team members, but it only addresses the team’s goal and fails to offer a way to accomplish the goal or overcome the obstacles; the kernel is incomplete in this strategy. According to Rumelt, “The amazing thing about New Thought is that it is always presented as if it were new! And no matter how many times the same ideas are repeated, they are received by many listeners with fresh nods of affirmation.”<sup>9</sup>

The second pitfall is the template-style strategy, which as the name suggests, follows a basic template that normally includes the vision, mission, values, and strategies. Furthermore, this strategy mistakenly confuses leadership with strategy. Like the previous pitfall, it appeals to one’s emotions and not their minds. It relies on broad goals and statements that are non-controversial.<sup>10</sup> It relies on the nobility of the mission or vision statement to sell the strategy by manipulating one’s deeply rooted beliefs (e.g., loyalty, duty, continuous improvement) to sell the strategy, or relies on a list of lofty

goals in the hope that the members will figure out the actions to take. The National Security Strategy (NSS) includes numerous examples of this pitfall, here are a few examples, “The National Security Strategy provides a vision for strengthening and sustaining American leadership...it clarifies the purpose and promise of American power...a core element of our strength is our unity and certainty that American leadership...remains indispensable.”<sup>11</sup> The comments in the NSS appear meaningful, non-controversial, and appeal to the emotions and values of the American people; however, the average American citizen would struggle to identify his role in supporting this strategy. In this pitfall, the strategic leader provides direction, but fails to provide the actions to achieve the direction; therefore, fails to get the entire organization moving in the right direction.

The third, and most dangerous, pitfall is the strategy of avoiding choice because it is costly and potentially fatal for an organization. According to Lafley and Martin, “If your customer segment is ‘everyone’ or your geographic choice is ‘everywhere,’ you haven’t truly come to grips with the need to choose.”<sup>12</sup> Rumelt describes this pitfall as the “policy of resolving conflict by adopting all the options on the table.”<sup>13</sup> The U.S. Army is currently in this position, in the face of declining resources and increased demand, strategic leaders demand the Army “provide a broader range of capabilities in order to enable strategic outcomes across a complex and diverse panorama of global missions.”<sup>14</sup> The Army’s stated goal in the Army Capstone Concept (ACC) is to be “the preferred choice for combatant commanders to meet the demands of national strategy and defend America’s interests.”<sup>15</sup> These goals--a broader range of capabilities and the preferred choice--are impressive and inspiring, but they conflict with the Army’s

resource challenges. Strategic leaders recognize this conflict and argue that “we [Army] face an ‘ends’ and ‘means’ mismatch between requirements and resources available.”<sup>16</sup> Yet, to the members of the organization, they have not changed the strategy, which creates confusion for an organization in transition from “one focused on winning two wars, to an expeditionary Army that does many things well.”<sup>17</sup>

Strategic leaders that fully develop the three elements of the kernel increase their chances for organizational success, but strategic leaders that allow the pitfalls to consume their strategies increase their chances for failure. Good strategy provides direction and focus for the organization to follow, and is necessary for leading organizational change and creating competitive advantages. However, Rumelt suggests that good strategy is not common in large organizations. His suggestion is further supported by researchers at the Center for Strategic and Budgetary Assessments that completed a study and observed, “The ability of the US national security establishment to craft, implement, and adapt effective long-term strategies against intelligent adversaries at acceptable costs has been declining for some decades.”<sup>18</sup> Good strategy is required because it bridges the gap between objectives and actions. It balances ends, ways, and means by connecting problems, policy, and actions. Most importantly, it creates the environment for organizational change by providing focus and direction.

Organizational change is the object of all good strategies because solving problems in a competitive and evolving market requires adaptation and change. In order to be successful, good strategies require the members of the organization to support the strategy and change their behaviors. With an understanding for good and bad strategy, I will transition to the three principal obstacles of organizational change, which are time,

culture, and uncertainty. I will discuss these obstacles and offer a description of a useful model for addressing them. Strategic leaders must understand the magnitude and effects of these obstacles on their strategies because underestimating them causes their strategies to fail.

### Obstacles to Organizational Change

The first obstacle is time. The operating environment and competitive market of organizations continuously evolves, which complicates problem solving for strategic leaders. If the market remained static, successful organizations would not require organizational change; the status quo would be sufficient. However, environments and markets do not remain static because in competitive markets organizations compete for higher profits, credibility, and portions of the market. Therefore, these markets naturally evolve over time based on market demands and the realities of the operating environment. As a result, organizations must adapt and change in order to remain competitive in the market, or risk losing their competitive advantage by adhering to the status quo or wandering aimlessly in search of a strategic direction. The obstacle of time creates a reactive response from the members of the organization. They can respond by constantly changing their behaviors to keep pace with changes in their environment, but over time they will find their efforts meaningless or tiresome. Or, they can respond by resisting efforts to change in hopes that what worked in the past will continue to work in the future. This latter response links directly with the next obstacle of organizational culture.

The second obstacle is culture. Edgar Schein, an expert in organizational development, defines culture as “a pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal

integration.”<sup>19</sup> As the definition suggests, culture is a product of deeply entrenched beliefs and learned behaviors created over time; it fulfills a human need for “stability, consistency, and meaning.”<sup>20</sup> It is a source of pride, but more importantly, it is a source of protection for the members of the organization. An organization’s members use culture to resist change, and it is only changed when the underlying assumptions of the organization are invalidated, and the current protection or defense mechanisms of the organization are ineffective or no longer useful to its members. The examples of two different computer companies, International Business Machines Corporation (IBM) and Apple, provide useful understanding on the role of culture as an obstacle.

In the first example, Louis Gerstner, Chief Executive Officer of IBM, inherited a large, successful computer company that was in decline, and denial. International Business Machines Corporation’s successes spanned nearly three decades, and over that time, the organization’s culture, according to Gerstner, was “so deeply inbred and ingrown, so preoccupied with its own rules and conflicts...it had become extremely vulnerable to attack from the outside.”<sup>21</sup> The members of the organization lost visibility of their external competition and assumed that what worked over the past to make the company successful remained valid in the present, and the future. Their culture forced them to resist change, and Gerstner’s initial obstacle was to challenge their shared assumptions and learned behaviors. Once the assumptions were logically invalidated, the members accepted Gerstner’s strategy for change, which triggered a rebirth of IBM in the 1990s.

The second example is similar, but slightly different. Also in the 1990s, Apple computers was on the verge of bankruptcy when Steve Jobs returned as the Chief

Executive Officer. He quickly observed that, “The product lineup was too complicated and the company was bleeding cash.”<sup>22</sup> In response, he reduced operating expenses to the bare minimum to survive by reducing force structure and production. Job’s actions changed the culture of the organization and rendered their established defense mechanisms to resist change obsolete, and triggered a different response from the members of the organization. The utility of the organization’s existing culture, or defense and protection mechanisms, lacked value, and the organization began to change.

Culture is the product of deeply entrenched beliefs, human need for stability, and learned behaviors, but always subject to change if the right circumstances are present. It is difficult to change, but not impossible with good strategy. Andrew Hill, Professor of Organization Studies at the Army War College, summed up Schein’s definition, by stating, “Culture is a theory of what works,” based on things that have successfully worked in the past.<sup>23</sup> And he further explained that, “The normal human instinct to protect oneself, and, more especially, one’s way of life” is a natural defense against change efforts.<sup>24</sup> His descriptions support the definition of culture provided by Schein. Strategic leaders are able to change the organization’s culture, but must first understand the circumstances that reinforce the organization’s culture.

The third obstacle is uncertainty. Yakov Ben-Haim, an expert in decision-making, offers a useful definition for strategic uncertainty. He defines it as, “The disparity between what we do know and what we need to know in order to make a responsible decision.”<sup>25</sup> This definition is useful because it describes the knowledge gap between what is known and what is not known. Strategic leaders operate in challenging environments that are ambiguous and their decisions are time sensitive. Generally, they

do not have the luxury of waiting for the knowledge gap to completely close. It is impossible to completely remove uncertainty, but in the words of a former Secretary of Air Force, and later Secretary of Defense, Harold Brown, “It [uncertainty] can be compensated for, and to do so is a continuing responsibility of those who plan [strategic leaders].”<sup>26</sup>

According to Ben-Haim, there are two strategic approaches to address strategic uncertainty: outcome-optimization and robustly satisfying.<sup>27</sup> The first approach, outcome-optimization, relies on what is *known* (knowledge-based) about the organization, the competition, and the desired goals to make informed decisions for the future. It relies on inferred outcomes based on past experiences and probable outcomes. This approach seeks to produce the best possible outcome for the organization by focusing an organization’s efforts on the few things that will achieve its goals. This approach “chooses the option whose knowledge-based predicted outcome is best.”<sup>28</sup> The advantage of this approach is that it allows one to limit resources and focus efforts, but there is increased risk if the demand for the product fails to materialize.

The second approach, robustly-satisfying, relies on what is *unknown* about the future and the future demand signal. It embraces all aspects of uncertainty and relies on being prepared for everything. This approach seeks the outcome that will satisfy every possible demand and recognizes that in every challenge, there exists a range of acceptable outcomes, which can be “as modest or as ambitious as one wants.”<sup>29</sup> In this approach, winning decisively is replaced with satisfactory outcomes. Robustly satisfying seeks to make decisions “that will achieve those critical outcomes over the greatest

range of future surprises.”<sup>30</sup> The advantage of this option is that it ensures a demand signal by providing a broad range of services. It appears to reduce risk by being prepared for every eventuality. However, the cost of maintaining such capability, readiness, or supply is expensive and exhaustive, which are potential disadvantages.

The choice between outcome-optimization and robustly-satisfying pull against each other, create tension, and require trade-offs. They are choices intended to reduce strategic uncertainty for the organization. These approaches are not either-or choices, rather dependent upon the availability of resources and acceptance of risk, which are important factors that affect the choice of approach. Time and culture are also important factors that affect the choice of approach for addressing uncertainty because strategic leaders must get the support of their organization. Strategic leaders must reduce uncertainty; failure to reduce uncertainty creates stress and resistance to organizational change.

Time, culture, and uncertainty are obstacles to organizational change. Good strategy is a proactive approach to organizational change and competitive advantage. John Kotter, an expert in leadership, provides a useful model for reducing these obstacles and leading organizational change. He describes his eight-stage model as a “transformation process” consisting of three essential actions: defrost, new practices, and make them stick, which I refer to as unfreezing, changing, and refreezing.<sup>31</sup> These three actions are essential to organizational change because they quickly target the organization’s culture by providing direction and reducing uncertainty. The first action of the model is to unfreeze the organization, or “defrost a hardened status quo.”<sup>32</sup> In this action, strategic leaders must challenge the learned behaviors, beliefs, and

assumptions of the organization's culture. They do this by explaining the need for change and providing a good strategy. The unfreezing action creates space to implement the guiding policy and necessary actions to change the organization's behavior. Before this action occurs, strategic leaders must ensure that their strategy is not only known, but understood and supported by the organization. Once the changes have been implemented, strategic leaders must cement the behavior by refreezing the organization with the new behaviors. Kotter warns that leaders under pressure to show results may often try to skip stages, but this is dangerous because the members of the organization will resist the change efforts and the strategy will fail over time.<sup>33</sup> The key to Kotter's model is that strategic leaders must remove the obstacles of time, culture, and uncertainty when leading change efforts. Good strategy is a critical factor in leading change, but must be understood and supported by the members of the organization.

#### Development of Army Strategy

Up to this point in the paper, I have described the concept of the kernel in good strategy and the common pitfalls of bad strategy. I have also described three significant obstacles to good strategy, which are time, culture, and uncertainty. Lastly, I provided Kotter's model as a method to lead organizational change by reducing the obstacles to good strategy and organizational change. I will now describe how the Army strategy is developed, provide examples of pitfalls that define the Army's strategy for the future, and offer recommendations to the reader for improving the Army's current strategy.

Army strategic leaders rely on national level strategy to provide direction as they develop Army strategy that supports the nation's security strategy. At the national level, there are three basic documents that represent the military's strategy and supports the security strategy for the nation. They are the NSS, Quadrennial Defense Review (QDR),

and National Military Strategy (NMS). In terms of strategy, the NSS establishes the “ends,” the QDR establishes the “means,” and the NMS establishes the “ways.”<sup>34</sup> Strategic leaders at the Department of Defense (e.g., Secretary of Defense and Chairman of the Joint Chiefs of Staff) develop the QDR and NMS, which also includes assessments of risk. Combined, these documents provide strategic direction to each of the services, such as the Army, and Combatant Commanders; however, these documents only provide unclassified direction which is available to the public. There are also classified documents that provide specific detail and information for those leaders with a need to know. Members in the organization generally are unable to access the classified documents and the withholding of information from them creates knowledge gaps, which increases uncertainty and risk to successful execution of change.

The Army strategy follows a similar ends-ways-means model, but it is very difficult to find one central document, or set of documents, that coherently or comprehensively articulates the Army’s strategy for the future. The Army Plan (TAP) bears the closest resemblance to the Army’s central strategy for the future, but most parts of TAP are classified and not available to the public, or the Soldiers that serve in the Army. The mission and vision of the Army are the only parts of TAP that are unclassified and available; both have been widely distributed across the force, but as noted earlier in the pitfall known as template-style strategy, mission and vision are not sufficient for good strategy. Strategic leaders must determine the required amount of information to share, but in the discussion concerning the kernel, a central thread is the leader’s role to ensure the members of the organization understand the strategy.

The Army Vision (AV) articulates the SA's and CSA's "desired end state...over a 10-year time horizon...and serves as the central document from which all other strategic communication documents emanate."<sup>35</sup> But in researching the Army's strategy, one quickly realizes that the Army produces a variety of documents and strategies regarding the Army's future, such as the Army Equipping Strategy, Army Modernization Strategy, Army Training Strategy, and Combat Vehicle Modernization Strategy. All these documents are derived from the AV, but the sheer volume of strategies, assuming they are all read, overwhelm and confuse Soldiers that simply want to understand the Army's problem and how they contribute to solving the problem. So in many ways, the AV mistakenly serves as the Army's strategy for the future because it is a singular, unclassified, and readily available document that is described as the "lodestar for developing the Army's annual budget and making adjustments to Army doctrine, organization, training, materiel, logistics, personnel, facilities and policy in the years ahead."<sup>36</sup>

Another search for the Army's strategy resulted in a discovery that the Army's Training and Doctrine Command is responsible for documenting "its fundamental ideas about future joint operations" in the Army Concept Framework (ACF).<sup>37</sup> The ACF consists of three separate documents: the ACC, the Army Operating Concept (AOC), and the ten Army Functional Concepts (AFC); these documents serve as the ends (ACC), ways (AOC), and means (AFC) to define the "broad capabilities required by future Armed forces."<sup>38</sup> The ACC describes an end-state that "the Army must maintain a credible, robust capacity to win decisively and the depth and resilience to support combatant commanders across the range of military operations in the homeland and

abroad.”<sup>39</sup> However, if the ACF is the Army’s strategy for the future, it is not widely known by all Soldiers in the organization and the AOC clearly suggests that it is merely a “starting point for future force development under Force 2025 and Beyond” which implies the strategy is not yet fully developed.<sup>40</sup>

The Army’s strategic leaders realize the Army must adapt and change in order to remain relevant in the future due to the changes in the security environment and fiscal realities for the military. In the ACC, they recognize the need for good strategy and the Army’s requirement to “set strategy-based and fiscally prudent priorities, carefully balancing the readiness of its force with critical modernization and end strength investments.”<sup>41</sup> But in reading the AV and ACF, they fail to provide clear and coherent strategy for how the Army must, or how it will change. Instead, they offer a wide range of threats and numerous obstacles for the future, and idealistic characteristics for an Army to possess, such as agility, adaptability, or interoperability. Frankly speaking, they have allowed the uncertainty of the future to impede their responsibility to create good strategy that provides purpose and direction, and also aligns the declining means (resources) and ways (course of action) in support of the ends (objectives).

Their vision of the future is grounded in their assertions that “it is inevitable that there will be a next crisis at an unanticipated time, in an unforeseen place, unfolding in an unforeseen manner, requiring the rapid commitment of Army forces.”<sup>42</sup> In order to be successful, they appeal to our values as “trusted professionals” that must “build on our long history of success, adaptation, and strong leadership to change and evolve,” their solution is to robustly-satisfy by developing a “broader range of capabilities in order to enable strategic outcomes across a complex and diverse panorama of global

missions.”<sup>43</sup> Both, the vision and solution, appear to overlook the realities of the two lost wars in Iraq and Afghanistan, decreased budgets, and reduced force structure. They are examples of bad strategy pitfalls that fail to provide focus or move the Army forward in a common direction.

The Army is in a vulnerable position with respect to organizational change. It has spent the past fifteen years at war in places such as Iraq and Afghanistan, and failed to achieve the political objectives. It has wasted billions of dollars over the past two decades in failed equipment and vehicle modernization efforts. One strategic leader recently stated, “From I think, 1992 to 2002, a decade, some 30 major Army programs were canceled, \$30 billion in taxpayer monies essentially lost,” and another strategic leader recently stated, “Since 2011, the Army has ended 20 programs, delayed 125 and restructured 124.”<sup>44</sup> Failed wars and failed modernization efforts have chipped away at the credibility of the Army and its strategic leaders. They must provide the Army with a clear strategy that soldiers, and congress, understand and support; otherwise, organizational change will not occur.

Despite the recent failures in war and modernization, the demand for the Army to provide land-based forces across the globe is increasing, so too is instability throughout the world. This operational reality creates significant tension with the Army’s declining force structure, budget, and credibility. After reading the AV, ACF, and a few equipping and modernization strategies, it is clear to me that the Army’s strategy for the future is difficult to understand and a work in progress. It is difficult to decipher the problem facing the Army or the specific actions to address the problem. The Army’s strategies are obscured by pitfalls of bad strategy. Army strategic leaders must consolidate the

Army's strategy into a central document that clearly articulates the plan to adapt for the future, and eliminate the pitfalls of bad strategy.

### Recommendations and Conclusion

The good news is that the Army, as a large organization, is generally accustomed to change, and despite the trends that bad strategy is the new normal for large organizations, the trend is reversible. The role of the strategic leader is vitally important in creating successful organizations, by developing and communicating good strategy. I offer four recommendations to reverse the trend for the Army.

First, strategic leaders should fully develop the kernel to each identified problem that they want to solve and communicate this information to congress and their soldiers. Leaders must isolate the problems and the required actions to resolve them. This recommendation requires leaders to fully diagnose the Army's problems, create guiding policy, and coordinate measurable and meaningful actions.

Second, they should eliminate the jargon that is characteristic of bad strategy pitfalls. This recommendation requires leaders to delete those phrases intended to appeal to the emotions of soldiers in order to focus on the minds of soldiers and their rational thought-processes.

Third, they should reduce uncertainty. It is not feasible to eliminate uncertainty, but overly emphasizing uncertainty with phrases such as, "An environment that is not only unknown, but unknowable and constantly changing," or assertions that "whatever the problems tomorrow brings, the U.S. Army will be called upon to solve them..., so we prepare for everything" tend to increase uncertainty in the organization.<sup>45</sup> Last, they should consolidate the Army's strategy for the future in one central document that is available and understood by all soldiers. This last recommendation pulls the first three

recommendations together into one document; it provides an element of transparency while providing focus and direction. Good strategy provides direction, which leads to unified effort because every member of the organization believes in the strategy and understands their responsibility in supporting the strategy.

In conclusion, the U.S. Army is a large organization with more than a million soldiers and civilians, but it has bad strategy. The Army's strategy lists several problems: uncertainty, complexity, declining budget, and increased demands to name a few, but these are not the problems facing the Army. The problem facing the Army is creating good strategy that drives successful change in the organization. In order to create good strategy, the Army's strategic leaders should study the findings of Rumelt, Lafley, and Martin because they offer useful insights into developing strategy and recognizing bad strategy. Additionally, they should study Kotter's 8-stage model for leading organizational change and Schein's findings on culture since organizational change is primarily contingent on changing the organization's culture in order to get the members to support the strategy for change. And last, they should consider Ben-Haim's strategic responses to uncertainty.

Good strategy provides direction to the members of the organization; it is instrumental to successful organizational change efforts. It fully develops and describes the three elements of the "kernel"--diagnosed problem, guiding policy, and coherent actions. Conversely, bad strategy relies on "multiple goals and initiatives that symbolize progress, but no coherent approach...other than spend more and try harder."<sup>46</sup> The strategy for adapting the current Army seeks a broader range of capabilities with declining resources. It describes broad challenges and ambiguous goals, but avoids

choices and lacks clarity. It suffers from the three pitfalls of bad strategy--New Thought, template-style, and avoiding choice. These pitfalls prevent change because they fail to provide focus (a diagnosed problem to fix) and direction (guiding policy and coherent actions). Bad strategy creates more uncertainty and wastes resources, such as time, energy, and money. Worse, it creates resistance to organizational change which causes strategies to fail, but strategic leaders armed with the ideas in this paper are able to reverse the trend of bad strategy and reinvigorate the Army through the use of good strategy.

#### Endnotes

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<sup>3</sup> *Ibid.*, 77.

<sup>4</sup> *Ibid.*

<sup>5</sup> *Ibid.*

<sup>6</sup> *Ibid.*

<sup>7</sup> *Ibid.*, 58.

<sup>8</sup> *Ibid.*, 76.

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*, 67.

<sup>11</sup> Barack H. Obama, *National Security Strategy* (Washington, DC: The White House, February 2015), 29.

<sup>12</sup> A.G. Lafley and Roger L. Martin, *Playing to Win: How Strategy Really Works* (Boston, MA: Harvard Business Review Press, 2013), 61.

<sup>13</sup> Rumelt, *Good Strategy*, 60.

<sup>14</sup> John M. McHugh and Raymond T. Odierno, *The Army Vision: Strategic Advantage in a Complex World* (Washington, DC: U.S. Department of the Army, May 11, 2015), 2.

<sup>15</sup> U.S. Department of the Army, *The U.S. Army Capstone Concept*, Training and Doctrine Publication (TRADOC) Pamphlet 525-3-0 (Washington, DC: U.S. Department of the Army, December 19, 2012), 11.

<sup>16</sup> John M. McHugh and Raymond T. Odierno, *Army Posture Statement: A Statement on the Posture of the United States Army 2015*, Posture Statement presented to the 114<sup>th</sup> Cong., 1<sup>st</sup> sess. (Washington, DC: U.S. Department of the Army, March 2015), Executive Summary.

<sup>17</sup> U.S. Department of the Army, *Army Capstone Concept*, 5.

<sup>18</sup> Andrew F. Krepenivich and Barry D. Watts, *Regaining Strategic Competence* (Washington, DC: Center for Strategic and Budgetary Assessments, 2009), Executive Summary.

<sup>19</sup> Edgar H. Schein, *Organizational Culture and Leadership*, 3<sup>rd</sup> ed. (San Francisco, CA: Jossey-Bass, 2004), 17.

<sup>20</sup> Ibid.

<sup>21</sup> Louis V. Gerstner, Jr, *Who Says Elephants Can't Dance?* (New York: Harper Business, 2002), 189.

<sup>22</sup> Rumelt, *Good Strategy*, 13.

<sup>23</sup> Andrew Hill, "Military Innovation and Military Culture," *Parameters* 45, no. 1 (Spring 2015): 86.

<sup>24</sup> Ibid.

<sup>25</sup> Yakov Ben-Haim, "Thinking Strategically: Dealing with Uncertainty in Strategic Decision-making," *Parameters* 45, no. 3 (Autumn 2015): 64.

<sup>26</sup> Harold Brown, "Planning our Military Forces," *Foreign Affairs* 45, no. 2 (January 1967): 277.

<sup>27</sup> Ben-Haim, "Thinking Strategically," 65.

<sup>28</sup> Ibid.

<sup>29</sup> Ibid.

<sup>30</sup> Ibid.

<sup>31</sup> For more information regarding the eight steps of leading change, see John P. Kotter, *Leading Change* (Boston, MA: Harvard Business School Press, 1996), 22, 33-145.

<sup>32</sup> Ibid.

<sup>33</sup> Ibid.

<sup>34</sup> U.S. Joint Chiefs of Staff, *Doctrine for the Armed Forces of the United States*, Joint Publication 1-0 (Washington, DC: U.S. Joint Chiefs of Staff, March 25, 2013), II-5.

<sup>35</sup> U.S. Army War College, *How the Army Runs: A Senior Leader Reference Handbook, 2015-2016* (Carlisle Barracks, PA: U.S. Army War College, August 28, 2015), 2-23.

<sup>36</sup> McHugh and Odierno, *The Army Vision*, 13.

<sup>37</sup> U.S. Army War College, *How the Army Runs*, 3-12.

<sup>38</sup> Ibid.

<sup>39</sup> U.S. Department of the Army, *Army Capstone Concept*, 24.

<sup>40</sup> U.S. Department of the Army, *The U.S. Army Operating Concept: Win in a Complex World, 2020-2040*, Training and Doctrine Publication (TRADOC) 525-3-1 (Washington, DC: U.S. Department of the Army, October 31, 2014), 3.

<sup>41</sup> U.S. Department of the Army, *Army Capstone Concept*, 24.

<sup>42</sup> John M. McHugh and Raymond T. Odierno, *Army Strategic Planning Guidance: 2014* (Washington, DC: U.S. Department of the Army, 2014), 3.

<sup>43</sup> Ibid., 3; McHugh and Odierno, *The Army Vision*, 2.

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<sup>45</sup> U.S. Department of the Army, *Army Operating Concept*, iii; U.S. Department of the Army, "The Team that Makes a Difference TV Commercial: Versatility," September 21, 2015. Video file, linked from the *U.S. Department of the Army Home Page*, <http://www.goarmy.com> (accessed September 21, 2015).

<sup>46</sup> Rumelt, *Good Strategy*, 11.