

B L A C K F O X S T R A T E G Y

THE STRATEGY STRESS TEST

A CEO's Guide to Finding the Gaps — Without Starting Over

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Something Feels Off with the Plan

You've been in this role long enough to know the difference between execution noise and something more structural. Execution noise sounds like missed deadlines, a difficult quarter, a team that needs reorienting. You know how to handle that. You've handled it before.

What you're sensing now is different. The plan is sound — or at least it was when you built it. The team is capable. The goals are reasonable. And yet something isn't landing the way it should. Progress feels harder than it ought to be at this stage. The energy around certain priorities has gone flat. You find yourself in the same conversations, moving around the same obstacles, getting the same partial results.

This isn't a motivation problem. It isn't a talent problem. In most cases, it isn't even an execution problem — though execution will get the blame.

It's a design problem. And the gap almost always sits upstream of where you're looking.

What Conventional Planning Was Built to Do — and What It Wasn't

Most strategic planning processes are built around a specific set of questions. Where are we now? Where do we want to go? How do we get there? What will we measure?

These are good questions. They're the right place to start. The problem is that they're almost entirely external — focused on the market, the competition, the opportunity landscape, the financial targets. The world outside the organization.

What they rarely ask is the internal question: what does this organization actually need to sustain the strategy we're building? Not what resources we need to acquire — but what this living system, the people in it, the culture running through it, the capacity it has right now, genuinely requires to grow without fracturing.

That omission isn't carelessness. It's by design. The planning frameworks most organizations use were built on a model that treats organizations like machines: define the output, engineer the inputs, optimize the throughput. The model has been refined and rebranded many times over the past century, but the underlying logic hasn't changed much. Strategy flows from the outside in — from market opportunity to organizational response.

The Essential Strategy Formula works differently. It asks the internal questions first. Not instead of the external ones — alongside them. It adds the organizational context that most planning processes leave out, and it overlays onto whatever you've already built rather than asking you to start over.



That's not a small distinction. It means the work you've already done isn't wasted. The conversation shifts from "what did we miss?" to "what can we now see that we couldn't see before?"

The Lens: Three Dimensions and the Discipline That Holds Them

Every organization — regardless of industry, size, or how long it's been operating — needs three things to sustain performance over time: Purpose, Growth, and Evolution, held together by a fourth discipline called Equilibrium.

Purpose

Purpose is the lived experience of why this organization exists — felt by the people inside it and recognized by those it serves. Not the mission statement on the wall. The version that people actually believe, that shows up in how decisions get made when no one is watching. The rule that governs it: Purpose must be internally compelling and externally valuable in its contribution. When purpose is hollow internally, everything downstream drifts — including the strategy built on top of it.

Growth

Growth is the dimension most plans get right on the surface and wrong underneath. Revenue targets, market expansion, headcount increases — these are growth's visible face. What most plans miss is the second half: Growth is intentional, matched by adaptive learning and expansion of capabilities to sustain both speed and scale. External growth that outpaces internal readiness doesn't build a stronger organization. It builds one running on adrenaline, accumulating results while quietly depleting the people and systems that produce them.

Evolution

Evolution actively anticipates the changing needs and wants of all those who serve and who are served by the organization. This is the dimension most plans leave out entirely — not because leaders don't care about the future, but because most planning processes weren't designed to look for it. An organization with no evolution imperatives is growing into a future it hasn't prepared for. The disruption that catches it off guard was usually visible in the signals long before it arrived.

Equilibrium

Equilibrium is the integrating discipline that keeps the other three in productive tension. It isn't balance in the static sense — it's the ongoing practice of making sure that pursuing one dimension doesn't collapse the others. Growth without evolution scales what's already becoming



obsolete. Evolution without purpose is constant reinvention with no through line. Purpose without growth is a beautiful idea that never reaches its potential. Equilibrium is what makes the whole thing coherent under pressure.

Together, these four dimensions form a lens you can apply to what you already have. Not to judge it — to see it more completely.

The Mapping Exercise: Put What You Have to the Test

This is where the stress test actually happens. It's a structured exercise you can run with your leadership team in a single focused session, using the plan you already have as the starting material.

Step One: Get Your Imperatives on the Table

Open your strategic plan and pull out the top-level imperatives — whatever your plan calls them. Goals. Strategic priorities. Pillars. The five to ten things your organization has committed to as most important. Write them where everyone can see them. Don't edit or debate them yet. Just get them visible, exactly as they exist today.

Step Two: Map Each One to Purpose, Growth, or Evolution

For each imperative, ask a single question: is this fundamentally about Purpose, Growth, or Evolution?

A Purpose imperative speaks to why the organization exists, what it contributes, and how it creates internal alignment around a shared cause. Initiatives tied to mission clarity, stakeholder value, cultural identity, or employee experience typically land here. The test question: does this serve our reason for existing — for the people inside the organization and those we serve?

A Growth imperative expands capacity — revenue, market reach, talent, infrastructure, core competencies. But it also includes the internal muscle-building required to sustain that expansion: adaptive learning, operational scalability, process maturity. The test question: does this expand what we can do or deliver, and does it build the internal capacity to sustain that expansion?

An Evolution imperative addresses the organization's ability to adapt and stay relevant. Digital transformation, workforce development for future needs, industry repositioning, business model innovation — these live here. The test question: does this prepare us for a world that's different from the one we planned for?



Some imperatives will map cleanly to one dimension. Others will bridge two, and that's expected — Purpose, Growth, and Evolution are interconnected. The mapping doesn't need to be perfect. It needs to be revealing.

Step Three: Read the Pattern

This is where the stress test delivers its value.

When you spread your imperatives across Purpose, Growth, and Evolution, something almost always becomes immediately visible. In most organizations, the weight sits heavily on Growth. Revenue targets, market expansion, capital investment — these are what boards ask about, what compensation is tied to, what gets the most airtime. That's not surprising, and it isn't wrong. Growth matters.

But the gaps are where strategic risk hides.

A 2023 Harvard Business Review study asked executives and employees at multiple levels of the same organizations to describe their strategy in writing. Eighty-two percent of executives reported strong alignment across their organization. When researchers measured actual alignment — not perception, but how consistently strategy was understood at different levels — the real number was 23%. The methodology here matters: this wasn't a survey of opinions. It was a linguistic analysis of what people actually said. The gap between what leaders believed was aligned and what was actually shared across the organization was nearly 60 percentage points.

That gap doesn't come from bad communication or weak execution. It comes from a strategy designed around external targets without the internal context that would allow it to make sense to everyone carrying it. Purpose gaps and Evolution gaps — the ones that don't show up on a quarterly dashboard — are usually what's driving it.

An organization with no Evolution imperatives has no deliberate mechanism for adapting to a changing world. It may be hitting its numbers today, but it's growing into a future it hasn't prepared for. An organization with nothing that speaks to internal purpose — no imperative that addresses what it means to thrive from within — is running a strategy that depends entirely on external outcomes. And an organization where Growth dominates at the expense of the other two is quietly depleting the capacity, culture, and relevance it will need to sustain performance tomorrow.

***Strategy doesn't fail in one dramatic moment.
It fails in the accumulation of imbalances that nobody named.***



Step Four: Ask the Equilibrium Question

With the map in front of you, ask the integrating question: are Purpose, Growth, and Evolution in dynamic tension with each other — or is one dimension dominating at the expense of the others?

This is the question that transforms a list of goals into a strategy. Every strategic decision your team makes from this point forward can be tested through this lens. Does this serve our purpose? Does our capacity match our ambition? Are we evolving to meet what's coming? Is this in balance with the rest of our priorities?

What you now have is something most organizations never develop: visibility into the structural design of your strategy. You can see what's there, what's absent, and where the weight is pulling you off course. The next question is how far and how fast you're willing to go in closing those gaps.

The Risk Appetite Conversation You've Probably Skipped

Before your team starts adjusting priorities based on what the mapping revealed, there's a conversation that needs to happen — one most organizations either skip entirely or bury in a compliance document where it does no useful work.

That conversation is about risk appetite. And it isn't what you think.

Risk appetite isn't a risk management exercise. It isn't a matrix or a register. It's a leadership decision — the conversation that defines how far, how fast, and how much your organization is willing to commit in pursuit of its priorities. Without it, organizations gradually accept incremental increases in exposure. Each decision feels rational in isolation. The cumulative effect quietly overshoots every limit that was never set.

The Essential Strategy Risk Appetite Framework ties this conversation directly to what you just mapped, through four questions.

For Purpose: *How much are we willing to invest before the cost is too great?*

Achieving a higher purpose often creates tension with revenue generation. The boundary you set here defines the balance between fulfilling the mission and sustaining the resources required to do it.

For Growth: *How fast can we get there without sacrificing existing value?* Growth that exceeds your organization's internal capacity to absorb it isn't ambitious — it's



reckless. This boundary defines the pace at which you can grow and still remain who you are.

For Evolution: *To what extent are we willing to change?* Every evolution initiative asks people to do things differently, and every organization has a limit to how much change it can absorb before something fractures. This boundary defines what your organization can actually sustain.

For Equilibrium: *What has the potential to disrupt the mission-critical path?* With Purpose, Growth, and Evolution now defined and bounded, this question identifies the keystone risks — from across the entire enterprise — that could derail the most important strategic outcomes. These are leading signals of what to watch, not lagging indicators of what already went wrong.

When this conversation actually happens, something shifts. Strategic decisions get faster because the boundaries are already defined. Resource allocation gets clearer because you've named what you're willing to spend and where the line is. The leadership team stops debating risk in the abstract because they have a shared framework for evaluating it in real time.

You don't need a risk department to have this conversation. You need your leadership team, the PGEE map you just built, and the willingness to name limits you've likely been operating without.

*Risk appetite isn't about how much
defining the boundaries that protect*



*risk you can tolerate. It's about
the strategy you've chosen.*

What Comes Next

You've now done something most organizations never attempt: applied a more complete lens to what you already have, named the imbalances that have been accumulating quietly, and defined the boundaries that protect the strategy you've chosen. None of this required starting over. The plan is still the starting point. What's changed is the structural awareness you're bringing to it.

This exercise gives you sight. The natural next step is precision — a scored baseline across all four dimensions that tells you not just where the imbalances are, but how significant they are and where focused investment will have the highest leverage. The **Strategy Design Diagnostic** was built for exactly this moment: a free self-assessment designed for CEOs and executive directors, structured around the same PGEE foundation you just applied to your plan.



It's the right companion to the mapping work you've done here because what you can see, you can address. What you can't runs the show without your permission.

If what you found confirmed something you've been sensing — or surfaced something you hadn't seen — and you want to go further, I'd welcome the conversation.

A handwritten signature in black ink, appearing to read 'Erin Sedor', with a stylized flourish at the end.

Erin Sedor is a Strategic Planning & Performance Expert with 30+ years helping organizations build strategy that actually works. She is the creator of the Essential Strategy Formula, and the Quantum Intelligence framework for conscious, adaptive leadership.

