3 September 2026


Strategy Is the Practice of Interpreting Signals of Change

Knowledge Alone Does Not Create Strategy

The best executives and strategy consultants often develop remarkably distinctive strategies. Many people have probably wondered: "How did they arrive at that idea?"

Management books are filled with analytical frameworks, and business schools teach countless methods for strategic analysis. But if these tools are widely available, why are some strategists consistently develop better strategies than others?

Take benchmarking as an example. It allows companies to learn from leading practices across industries and organizations. Yet learning from what others do well does not necessarily lead to differentiation. More often, simply adopting the same practices leads to imitation.

Japan's mobile phone industry illustrates this well. At one time, dozens of manufacturers competed fiercely, yet their products gradually became more alike in design and functionality. As differentiation diminished, the industry became increasingly vulnerable to new sources of competition. When the iPhone entered the market, followed by the rapid rise of Korean and Chinese competitors, much of Japan's mobile phone industry disappeared.

Like benchmarking, analytical frameworks are valuable tools for organizing thinking, but they do not generate strategy on their own. The difference lies not in knowing which framework to use, but in how strategists interpret what is changing around them. In fact, I have rarely seen top strategy consultants use frameworks exactly as they are taught.

Strategy Is Refined Beyond the Boardroom

What, then, sets the best executives and strategy consultants apart?

Strategy is not about deriving answers from benchmarking or analytical frameworks. The real challenge is to recognize what is happening, interpret why it matters, and understanding what it could mean for the future. That process is where strategy begins.

This is why the best strategists spend so much time in the field rather than the boardroom. Discussions in meeting rooms are usually based on data and information that have already been filtered through someone else's interpretation. The field, by contrast, is full of signals that have not yet been translated into words: subtle shifts in customer behavior, unexpected reactions, and emerging patterns that conventional metrics cannot capture.

They take notes, discuss what they observe with colleagues, and articulate why certain moments capture their attention. More importantly, they keep asking: "Why did this stand out? What kind of change might it be signaling?" Through that process, everyday observations become the raw material from which strategy is built.

From Observation to Strategy

Strategy often begins with early signals of change: subtle shifts in customer values, emerging needs, or changes in the way an organization or industry behaves. The strategist's role is not simply to observe these signals, but to interpret what they mean and understand how they may shape the future.

The internet and generative AI can provide an extraordinary amount of knowledge and general guidance. But access to more information does not automatically lead to better strategy. These tools cannot, on their own, determine which changes truly matter to an organization, what those changes mean in its specific context, or how they should shape its strategic direction.

Strategy, therefore, is not simply about collecting information or applying analytical frameworks. It is the practice of recognizing what is unfolding around us, discerning what truly matters, and translating that understanding into a vision for the future.

How IGPI Can Help

Great strategies are rarely discovered through frameworks alone. They emerge when organizations develop the ability to recognize and interpret the signals of change around them.

At IGPI, strategy is grounded in firsthand observation rather than assumptions. By combining rigorous strategic thinking with deep engagement in the field, we work with management teams to transform emerging signals into strategic choices that create enduring competitive advantage.

About the Author

Sakata Kohki, Partner of IGPI Group & CEO of IGPI Singapore

After joining Cap Gemini and Coca Cola, Kohki joined Revamp Corporation where he managed projects on global expansion and turnaround in various sectors including F&B, healthcare, retail, IT, etc. After joining IGPI, he has managed projects mainly on global expansion and cross border M&A in various sectors such as logistics, IT, telecom, retail, etc. In addition to his broad experience in implementing solutions that has been developed in Western countries, he has developed multiple methods to turnaround Asian companies with focus on setting clear vision and employee empowerment. Kohki has proven the practicality of these methods by turning around Asian companies not only as an advisor but also as senior management.
He graduated from Waseda University Department of Political Science and Economics and IE Business School.

Issued by: Industrial Growth Platform Pte. Ltd. (IGPI Singapore)
137 Telok Ayer Street #05-01 Singapore 068602
TEL: +65 6226 1524 URL: http://www.igpi.com.sg
Contact us: https://www.igpi.com.sg/contact-us/#sendenquiry
LinkedIn

