

Beyond Strategy: an interview with Robin Speculand

Interview by Debbie Hepton



Robin Speculand is the founder and CEO of Bridges Business Consultancy Int, a global business consultancy specializing in strategy implementation. Widely acknowledged as a thought leader in strategy implementation, he has written the international best seller *Bricks to Bridges – Make Your Strategy Come Alive*, which sets the benchmark for new thinking in this field.

His latest book is *Beyond Strategy – The Leader's Role in Successful Implementation*. Due to the staggering failure of leaders to deliver on the strategy promises, implementation has become an integral part of strategy discussions, in the last few years. In *Beyond Strategy*, Robin shifts his focus from why strategy implementation is important, which was the focus of *Bricks to Bridges*, to what leaders must now do differently.

DH: You have recently released *Beyond Strategy – The Leader's Role in Successful Implementation*. Can you tell us about the inspiration behind this book?

Robin Speculand:

Our clients. What they are asking us today is what they must do differently to implement their strategy. They get it. They appreciate from the staggering failure rate and the research that a critical mistake has been to focus more on the crafting strategy and not enough on its implementation. They now want to know what they must personally do differently to be excellent at execution and for the organization.

Five years ago I published the bestseller *Bricks to Bridges: Make Your Strategy Come Alive*. It highlighted that nine out of ten strategies fail and provided a framework, the Implementation Compass™, to guide organizations through the implementation journey. My new book addresses the specific actions leaders must take.

There are fundamentally two approaches to writing a business book. The first is to publish a theory and then hope that it is adopted. The second is to publish the results of your work. *Beyond Strategy* (and *Bricks to Bridges*) adopted the latter. Working with leaders around the world we identified what the one in ten who was successful was doing differently and the specific actions he/she were taking.

DH: When gathering your research for *Beyond Strategy*, what would you say were your most surprising findings?

Robin Speculand:

Good question. The first is just how little time leaders spend on the implementation of the strategy. We all know that crafting the organization's future is the big think, exciting and engaging. Being asked by your CEO to be part of the strategy team is perceived as an opportunity. Being asked by your CEO to be part of the implementation team is, paradoxically, seen as a punishment. Paradoxically because strategy only promises, implementation delivers, to shareholders. Yet implementation is perceived by leaders and staff members alike as the more unrewarding work. It is the implementation that delivers the performance and where leaders must spend most of their time.

Considering the interesting fact we discovered that leaders on average spend 85 per cent of their time on operations and only 15 per cent on strategy and its implementation. To succeed this must be reversed.

The second surprising finding is that most leaders are still left on their own when they return to their office, to implement the strategy. They sit at their desk pondering what action should they take first? Should they encourage staff members by redesigning performance management or develop a communicate plan or create key performance indicators (KPIs) or align the culture to the implementation or redesign processes to support the strategy. The decision can be so overwhelming that they resort back to what they can manage and look good at, solving the operational issues.

Successful implementation depends on leaders translating the strategy into the actions that staff members must take every day and then oversee the implementation. The Implementation Compass is a tool based on the eight areas of excellence in execution and guides leaders through the implementation journey by identifying the right actions to take.

Leaders generally know that implementation requires extra effort. In reality, however, very few are able to free up valuable time and resources to do justice to the implementation journey or even willing. They become so caught up in managing the day-to-day business that they lose sight of their goal to implement the new strategy and as such end up taking the wrong actions.

The third finding is that leaders get it. They know a titanic past mistake has been to focus more on crafting strategy than its implementation. It is not a hard sell. Too many leaders on too many occasions have been involved in too many failures. Subsequently they know there is a problem. The staggering failure of strategy implementation combined with the literature over the last 10 years has supplied the numerical, logical and emotional argument. Leaders understand the argument, have recognized the opportunity and understand that a different approach is needed. They know strategy implementation must be an integral part of strategy discussions. And yet still most implementations fail!

DH: One of the most controversial arguments in your book is that most people within an organization do not resist change. How did you reach this view?

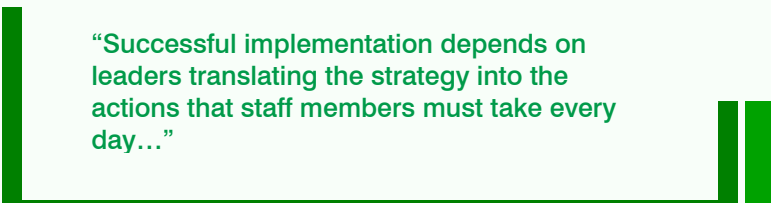
Robin Speculand:

Despite popular belief, most people do not resist change – when it is communicated correctly. For years we have churned along with the notion that, when organizations are making large changes, most people resist. It could be from a fear of losing responsibility or stepping into the unknown or trying new things and, as such, we have crafted strategy implementation and people policies based on wrong assumptions.

Bridges' research over ten years and our client work around the world tell us that, when it comes to implementation in an organization, most people do not resist, if the new strategy is presented and communicated correctly. If it is not communicated correctly then, yes, most people resist.

They generally respond in one of three ways – indifference (60 per cent), resistance (20 per cent), or support (20 per cent).

Implementing strategy is difficult. The odds are stacked against us before you even start. We need to make it as easy as possible for the organization to succeed. The 20 per cent who support the implementation (we call Mavericks) come on board more readily than the others.



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Many of them recognize the need for change without being told the reasons. They see the benefits and immediately start to take action. They create early successes and provide success stories to share.

General Electric uses an approach called the 'Vitality Curve'. The Vitality Curve, in the shape of a bell curve, identifies the top 20 per cent of performers, the middle 70 per cent and the bottom 10 per cent. GE encourages the top 20 per cent and supports the middle 70 per cent. The bottom 10 per cent find it a very challenging place in which to work.

Cisco CEO, John Chambers, identified that 20 per cent of his leadership team had to leave the organization when they could not make the transition to a collaborative model. He also changed compensation from individualistic to collaborative and forced people to work with others.

Key learning for leaders is that they must support the staff members who support the implementation and that is the top 20 per cent.

DH: In your opinion, what is the single biggest contributor to the enormously high failure rate of strategy implementation?

Robin Speculand:

Leaders underestimate the implementation challenge. Most leaders feel that the toughest part of their strategy responsibilities is to craft the strategy. They then delegate its implementation. This is a recipe for failure.

The Rule of Thumb is: 1 X Strategy, 2 X Implementation – if it takes you nine months to create a new strategy, then you need to spend at least 18 months fully focused on the implementation. Organizations that require a longer crafting strategy (due to size or complexity or aggressiveness of the strategy) require a longer time implementing it, for the same reasons. Leaders are responsible for the future of the company not only by crafting the new strategy but also by executing it and delivering on its promises. It is the execution of the strategy that delivers the shareholder value not the strategy itself.

DH: How do you ensure staff members remain engaged in the implementation process?

Robin Speculand:

By identifying the right action staff members must take. We have discovered that the critical difference between delivering on strategy promises and failing to do so is, "taking the right action." The one in ten companies who successfully execute strategy take the right actions giving their implementation momentum and traction.

This may sound simplistic but it really is that straight forward. A leader is responsible for both crafting and executing the strategy and that is where the majority of their time should be spent.

Staff members are also always busy. But is the work they are doing adding value to the new strategy? Are the actions that they are taking today driving the implementation forward? We know staff members frequently have more work than they have hours in the day, but implementation is dependent on them taking the right actions and leaders making sure that they know what the right actions are and that they are taking them and then making sure they have the right results.

One of the ways to identify the right action for implementation of strategy that I discuss in the book is to conduct a Strategic Implementation Readiness Assessment (SIRA). We constantly assess our financial capabilities. In strategy we conduct a S.W.O.T. In training we conduct a TNA (Training Needs Assessment) but in implementation of the organization's future we charge forward ignorant of our implementation capabilities. SIRA

identifies your strengths, weaknesses and the right actions, in preparation for implementing strategy.

Another outcome from SIRA is that you create a “To Stop” list. You identify the actions that should be stopped because they add no value to the new strategy. The benefit of telling staff members what is no longer required is significant as many are confused during the launch of a new strategy. They are not sure about what is expected from them (and what is not) and what they need to do (and what they don’t). By telling them what not to do, leaders go a long way to demystify the confusion and optimize staff member’s time. It also allows staff members to grasp the new strategy faster which in turn produces faster traction, quicker early successes and quicker success stories that leaders can shout out.

While ensuring staff members are staying engaged by taking the right action leaders must also stay engaged. If they don’t focus on the implementation then neither will the staff members. In *Beyond Strategy* I focus on the leader’s role for just this reason. For example, leaders must see the staff members as the “Strategy Customer”. When implementing strategy leaders are selling the strategy to their staff members and they are the ones who must buy it (buy-in). This is a paradigm shift for many leaders. In most implementations leaders delegate the responsibility to their staff members without proper support, encouragement and the appropriate tools and techniques. Leaders then sit back and expect the implementation to be effectively carried out!

Leaders must adopt the same mindset for rolling out the strategy to the organization as they would, for example, in launching a new product to customers. When they take the time to show their staff members the respect, staff members take the time to do the same. In other words treat staff members with the same respect you treat customers.

Another example of the leader’s role is that they become the “Voice of the Strategy”. Every opportunity must be leveraged to explain the strategy and motivate staff members e.g. at off sites, make it the first item on the meeting agenda and start a corporate blog to discuss it. It is what staff members do every day that matters. It’s ironic that crafting strategy is always at the top of the leaders’ “to do” list at the launch but within six months it typically vanishes from the list!

To ensure staff members stay engaged leaders must also brand the strategy, as strategy cannot be implemented if it cannot be understood and it cannot be understood if it cannot be explained. Strategy is designed at the top but implemented from the bottom. Branded communication makes this happen. Branding the essential arguments of a strategy into images is a powerful way to achieve success. In some organizations, a slogan is used instead of an image.

DH: You state the importance of reviewing parts of the strategy every two weeks, and, as a whole, every three months. Is this the same for both small and large organizations?

Robin Speculand:

No. Review is the poorest performing area of leaders today in implementation. The odds of successfully executing a strategy that isn’t reviewed frequently are slim to none. Leaders must be reviewing the implementation every two weeks so that they know what is happening and can resolve small problems before they become big problems. After all, implementation never goes according to plan.

Reviewing strategy every two weeks is a new discipline for many leaders and has the additional powerful benefit of changing the dialogue from operation to strategy and also sending the right message across the organization.

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In small businesses, however, the focus on market share, growth and revenue are more critical. As we know, four out of five start ups fail. Combine that with the fact four out of five strategies fail to be executed and we realize that the odds against small businesses succeeding are stacked against them.

This shifts their focus and many already review strategy every two weeks. It is when they become larger that they become more distracted!

DH: In the book you talk about the Implementation Compass™. Can you tell us about this framework? Have you changed anything about it since it was first published in *Bricks to Bridges*?

Robin Speculand:

Every organization is unique and every implementation is different. We discovered, however, in our ten years of research, eight areas of excellence in execution, where all the organizations who successfully implemented their strategy, focused. In *Bridges* these eight areas evolved into our proprietary tool, the Implementation Compass™. Excellence in execution is not about doing one or two things well, such as changing measures or communicating the strategy. It is about doing eight things well, simultaneously.

The Implementation Compass™ is a framework that provides you with the structure for your strategy to make it come alive. Instead of wandering aimlessly through the implementation maze it allows you to assess your implementation readiness and identify the key areas to tackle.

The eight points of the Compass: People, Biz Case, Communicate, Measure, Culture, Process, Reinforce and Review have not changed since its introduction. In fact it has been developed further. In *Beyond Strategy* the Implementation Compass provides the headers for the chapters and each chapter ends with the actions leaders must take.

DH: Can you elaborate on one or two of the eight critical directions of successful implementation?

Robin Speculand:

Reflecting on the eight directions of the Compass we ask leaders which area is the hardest to implement and which receives the most resistance?

Many people answer Measures to the first and People to the second. Both are the wrong answers. All areas are hard to implement (otherwise there would not be such a staggering high failure rate) but Culture is the hardest to implement because changing culture means changing "everything". The relationship between strategy, culture and implementation is fascinating. Strategy drives culture and culture drive the implementation. Implement too fast for the culture and you over promise. Implement too slow and you lose momentum. Leaders must construct and guide the implementation just right.

All areas receive resistance but Measures receive the most resistance. Implementing, for example a Balanced Scorecard can result in moving from annual measures to daily. When you tell staff members that you are moving from an annual performance review to tracking their performance daily there is an enormous amount of resistance. This is why it is easier to create a Balanced Scorecard than implement it.

DH: Finally, are there any closing comments you wish to make?

Robin Speculand:

A final message is that implementation never goes according to plan. It is one of the few absolutes in business. Whatever is planned in the boardroom is never what happens as you roll out the strategy.

In early 2008, for example, Willie Walsh, CEO of British Airways, proudly announced to the nation and the world on global television that after three years of planning Terminal 5 was ready to open. "We are waiting for the day. We have worked through every scenario. We believe we are ready." The new terminal promised a much-improved experience for travellers at a cost of US\$8.6 billion and was destined to become one of London's most iconic transport buildings.

One week later a very embarrassed Willie Walsh was back on national and global television apologizing. "Not our finest hour." was his comment. The headlines screamed, "Terminal in chaos." On the second day of operation 70 flights were cancelled and the Terminal became known as the hotel for the stranded! Cost of failure financially was US\$100 million.

Leaders must change their attitude, approaches and actions towards implementation to reverse the current staggering rate of failure. □

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To find out more about Robin Speculand and Bridges Business Consultancy Int, visit www.strategyimplementationblog.com

You can order *Beyond Strategy – The Leader's Role in Successful Implementation* and *Bricks to Bridges – Make Your Strategy Come Alive* from amazon.com