

Strategy and Execution

Essential skills for a modern leader

Robin Speculand, CEO, Bridges Business Consultancy Int. talks about the basic ideology behind his model of execution in “Beyond Strategy”



ROBIN SPECULAND

Tell us the basic ideology behind your model of execution in “Beyond Strategy”. How is it different from other models? What is new from your earlier “Bricks to Bridges”?

Implementation is about ensuring the right actions every day. Far too often leaders underestimate the implementation challenge and as a result do not allocate enough time or resources and implementation slides off their radar. Our mantra, in Bridges, is to support leaders to ensure they execute the strategy and deliver on their promises to shareholders. To achieve this we provide the leaders with the tools and techniques they require to make sure the right actions are being taken. The approach is based on our research over 10 years on companies implementing strategy and extracting what works and what to avoid.

We discovered that every implementation is unique because every company’s culture is different and every leadership team has different strengths and weaknesses. This led us to step back a level and to develop a generic model from the research and also from the work we have done in India, Asia and the rest of the world. From the research, we discovered eight areas of excellence in execution that all successful companies focused on. These eight areas evolved into our proprietary tool, the Implementation Compass™. Excellence in execution, we discovered, is not about doing one or two things well, such as changing measures or communicating the strategy or running a training program. It is about doing eight things well, simultaneously. The Implementation Compass is a framework that provides leaders with the structure to make their strategy come alive. Instead of wandering aimlessly through the implementation maze, it allows leaders to assess their implementation readiness and identify the key areas to tackle.

The eight areas of excellence that make up the points of the Compass: People, Biz Case, Communicate, Measure, Culture, Process, Reinforce and Review have not changed since its introduction seven years ago and provide the chapter headings for my new book - *Beyond Strategy - The Leader's Role in Successful Implementation*. When talking to a potential CEO client recently we were discussing a previous strategy roll out that failed. After presenting the Implementation Compass the CEO immediately pointed to Process and Biz Case and explained that they had only addressed these two areas and basically ignored the six other areas of excellence. The Compass allowed her to reflect from a holistic perspective why the previous rollout had failed. We then initiated work with the company by assessing their overall readiness to implement the new strategy by interviewing various people in the company and reviewing their challenges ahead. We then presented back to the CEO the current strengths and weaknesses to implement the new strategy based on the Compass. The implementation is currently on schedule and being well received across the company.

The Compass is different from other models in that it clearly identifies the right action a company needs to take based on its strategic objectives, culture and its readiness to implement the strategy. Many leaders take action but not necessarily the right action to execute the strategy. Too much time is wasted doing the wrong things. To achieve excellence in execution, leaders must know the right actions to take to guide the organization. They must know what they want their people to do differently and they must know what they themselves must do differently to lead the implementation.

Beyond Strategy differs from my previous book, *Bricks to Bridges* in that it addresses the specific action leaders must take in the implementation journey. Each chapter concludes with the specific actions required and how to customize them to your company's culture. *Bricks to Bridges* is considered by many as a handbook for implementation and answers how to identify the right actions for the organization and people.

Your book focuses on the implementation phase only. The failure of an implementation could also come from the fact that the strategy was drafted without participation of the team and lack of their involvement? So focusing on implementation process alone might not be the solution. What is your take on this?

Great question. How do you know if a strategy is good or bad? The only way is to implement it. On one occasion the leadership team

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of a manufacturing company presented to me the strategy and asked for an opinion. Some were disappointed when I would not comment. The reason I would not comment is that at the start of the implementation I am passing an opinion, as is everyone else. Yes, some people may have a stronger opinion than others but it just still an opinion. I explained to the CEO that I would report back after the first three months with the initial measures. This way we would be initiating discussions based on facts and data and not only opinions. Many airlines, for example, thought that providing internet during flights would be an additional revenue earner but

it turned out to be a loss though it sounded like a good idea. In another example customer focus groups said that a 24 hour news channel would never work!

Strategy and implementation are equally important. Currently the pendulum has swung towards implementation as the titanic failure rate has acted as a catalyst and leaders recognize that something different must be done. A leader needs the skills to craft and execute strategy.

Keep in mind that most leaders, if not all, who have graduated with a degree in business, studied a module on strategy but not on its implementation.

"Strategy is about deciding what to do; execution is about getting it done. Both are essential skills for a modern leader." McKinsey & Company

What is the importance of the leader versus the team in the drafting and execution of a strategy?

Both the drafting and the implementation will almost always involve a team, except in small businesses. It is important to test both the hypothesis of the strategy and the implementation plan and this involves teams. Blanchard's situational leadership is as true today as it was when he first published it. There are times to lead from the front and times to encourage teaming. It is the leader's responsibility to be able to identify the right style.

Most of the times, people across the organization are not included in the planning process to any desired change or shift and they typically end up resisting it. These same people when included end up being big allies and supporters, helping to push it forward. Could you speak to that phenomenon?

In another organization we worked with the CEO who took the time to involve middle managers and staff members in different stages of the strategy development. When it came to the implementation many of these people became team leaders and presenters in a corporate wide communication cas-





cade. Within two years many of the staff and middle managers who were involved with the strategy had received promotions and were being fast tracked in the company.

On another occasion I worked with a CEO who was very autocratic. The crafting of the new strategy involved a global consultancy and only his top team. The implementation was generally pushed on to middle managers and staff as the CEO felt time was of the essence. In the second year the business reported 41% operational profit and the strategy has been a great success.

There is no single answer to your question. Every company must find what works for its culture.

It is also important to note that strategy is not defined by culture but implementation is. What this means is that when the leaders are crafting the strategy the company culture is not a contributing factor. Strategy is about defining the future and you start with a blank piece of paper and you are not limited by considering what will work in the company. Cultures does not drive the crafting of strategy but it does drive the implementation. The implementation must be defined by the rituals, beliefs and customs of the organization. Therefore whether you include middle managers or staff members is answered by understanding your company's culture.

Don't you think that we are expecting too much from leaders today? Are those expectations reasonable?

Yes. It is simply not an option. Leaders must be more flexible, agile and skilled than ever before.

Consider as an example that strategy life cycle is becoming shorter and shorter. It was not long ago that we were setting strategies for 10-12 years now it is 2-3 years. As a result of this, today's leaders must abandon yesterday's beliefs faster than ever before and must implement new strategies more frequently than ever before. Excellence in execution is a must skill set for any leader today.

The Rule of Thumb is: 1XStrategy 2XImplementation, if it takes you nine months to create a new strategy then you

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need to spend at least 18 months fully focused on the implementation. Organizations that require 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 by not only crafting the new strategy but also executing it and delivering on its promises.

What are the 3 main 'take-aways' from "Beyond Strategy"?

1. The staggering failure of leaders to deliver on the strategy promises has led implementation to becoming an integral part of strategy discussions and thus a skill set leaders must have. Leaders can no longer delegate their implementation responsibilities.
2. Implementation never goes according to plan and leaders must oversee and direct the implementation. After all it is the implementation that delivers the revenue not the strategy.
3. Review is the poorest performing area among leaders today in implementation. The odds of successfully executing a strategy that isn't reviewed frequently are slim to none. Leaders must be reviewing parts of the implementation every two weeks so that they know what is happening and can resolve small problems before they become big problems. By every quarter they should have reviewed the implementation in full. 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 shifting the ratio of time spent by leaders) and also sending the right message across the organization. ■

Robin Speculand is Chief Executive of Bridges Business Consultancy Int and a bestselling author. His latest book is *Beyond Strategy – The Leader's Role in Successful Implementation*. His work begins once clients have crafted their strategy and ready to begin the implementation journey. Robin is a masterful event facilitator and an engaging keynote speaker. Visit www.strategyimplementationblog.com