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**A new decade, a new approach, to banking implementation**

*The success of a powerful new strategy means hinges on taking the right approach to its implementation*

By [Robin Speculand](#)

Many celebrated the beginning of 2010 with additional passion because it was a chance to say goodbye to 2009, a year to forget for most bankers. With several indicators suggesting that 2010 will be a better year, many leadership teams in the region invested their time in revisiting their strategies with a keen eye on the changed strategic landscape.

Unfortunately most strategy implementations fail. Overwhelmingly, this is because most leaders spend too much time focused on creating new strategies and not enough time making sure that the job gets done.

When leadership creates a strategy, the best minds in the bank come together to devote time, energy and effort in identifying ways to outplay the competition, win market share and increase profits and shareholder value—all tough challenges. With the new decade must come a new approach. Leaders must not only have the abilities to craft the right strategy but also the skills to execute them. Like making a plan to diet or exercise, it is not the plan itself that makes the difference, it is implementing it.

Taking strategy to the whole bank and making it come alive is a tougher challenge than most leaders anticipate.

Leaders must recognize that strategy implementation involves multiple actions. From our research, we have identified that the one in ten companies who successfully executed strategy did so by focusing on eight areas simultaneously. The eight areas successful organizations focus on are: people, business case, communication, measurement, culture, process, reinforcement and review.

When a bank in Asia recently launched its strategy that it had spent two years working on with an external consultant, it was important for it to identify its readiness to implement against these eight areas of excellence for execution. The bank was strong in people but very weak in communication and measurement. The assessment assisted the leaders to prioritize the implementation actions. Time was invested in identifying a brand for the bank, (a sports theme was selected) that would communicate not only what the new strategy was, but why it was required (the business case) and what bankers were to do to participate in its implementation. Simultaneously the leadership team developed a strategy map and balanced scorecard. Even though all the leaders knew what the new strategy was, most had very different views on how it would impact their divisions once it was launched. After the development of the measures, the leadership team had a unified perspective of the impact of the strategy and a clear definition of success as well as the right measures in place.

The new decade requires a new focus. Emerging from the recession the pressure on bankers to deliver on their strategic promises is tremendous and they must go beyond the strategy to also focus on the implementation. Some of the actions for leaders are:

- 1. Be the voice of the strategy** - Every opportunity must be leveraged to explain the strategy and motivate staff members, such as at offsites, making it the first item on the meeting agenda and the motivation behind starting a corporate blog to discuss it.
- 2. Strategy cannot be implemented if it cannot be understood, and it cannot be understood if it cannot be explained** - Leaders may have been living the strategy, but at the strategy's launch staff members would be hearing it for the first time. Leaders must translate the strategy into specific actions and ensure that staff members understand it and are taking the right actions.
- 3. Brand your strategy** - 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.
- 4. Change your strategy, change your measures** - Most organizations today are using the wrong measures to track their strategy. "That which is measured improves" is the old adage. But if leaders are measuring the wrong thing, making it better will do little or no good.
- 5. Create a "To Stop" list** - When rolling out a new strategy, you are asking staff members to do things differently. Create a "To Stop" list of the actions and behaviors that no longer add value to the business. The list should be twice as long as your "to do" list. The impact is amazing.
- 6. Constantly review the strategy implementation** - This 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. Implementation is all about taking the right actions and leaders are responsible for these actions to be taken.

*Robin Speculand is the CEO of Bridges Business Consultancy*

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The Bank for International Settlements put out a revised proposal for [Basel III rules](#). What are your thoughts on the changes?

- The market is too unstable to take anything harsher
  - Whether they are too strong or not, clarity on the final proposal is important
  - Liquidity proposals are still unclear
  - Caps on leverage are too low
  - Like all recent reforms, they have been watered down excessively
  - The long timeline means that we'll probably have another crisis by the time they're implemented
  - The proposals overlook compensation and other incentives to excessive risk-taking
- 

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