



---

# **What Drives Strategy Implementation?**

## **Top Line Findings**

### **Bridges Implementation Survey 2008**



---

## About this Material

Bridges work with governments, multinational corporations and local organizations assisting them make their strategies come alive. At the turn of the millennium, Bridges was borne from the frustration of watching so many implementations fail. This fueled the desire to be a specialist in assisting leaders successfully execute strategy.

In 2007-2008, Bridges Business Consultancy Int conducted a survey on the status of strategy implementation in the emerging markets of the Middle East and Asia.

Outlined are the top line results from this survey.



---

# Contents

**Objectives and Approach**

**Summary of Findings**

**Overall Big Picture**

**Top Implementation Challenges**

**Conclusions 2008**



# Objectives

## Objectives of the Study

Every year leaders in companies spend time, energy and money implementing strategy with varying degrees of success

This survey is designed to:

- Discover the challenges leaders face in implementing strategy
- Show how successful leaders have been in overcoming these challenges
- Highlight the lessons we can learn and apply to future implementations



# Approach

## Approach

*Bridges has been interviewing leaders for seven years on their views on strategy implementation. Initially we replaced the word “implementation” with “change management” as leaders were not familiar with it. In this survey this was not required as implementation is now part of the business language.*

### Design

Survey Questionnaire was designed, based on :

- ▣ Six previous years of research
- ▣ Client discussions and experiences



**BRIDGES™**  
BUSINESS CONSULTANCY INT.



# Approach

## Approach

**Administration**

Survey duration was from June 2007 to June 2008



---

## Objectives and Approach

## Summary of Findings

## Overall Big Picture

## Top Implementation Challenges

## Conclusions 2008



# Survey Respondents

More than 200 company leaders responded to this survey. Survey Respondents selected for this survey span levels, geographical regions and industry sectors to provide a more varied and accurate point of view.

**Respondent Profile:** 75% of the 200 respondents are executives and 25% are supervisors and middle-management. The majority of respondents are senior managers from multinational companies or government entities.





---

## Survey Respondents

**Almost 50% work in companies that have between 51-500 staff members; close to 20% work in companies with over 10,000 staff members.**

**The majority of the respondents, 69%, work in South-East Asia and the Gulf, although their companies' headquarters are scattered around the globe, with over 60% in the USA, Saudi Arabia, Oman and Singapore. A minority of respondents, 5%, work in companies in China, France, South Africa, North Africa, India and South Korea.**

**In total, 40 different sectors are represented in the survey. The most prominent sectors included government, oil and gas, information technology, manufacturing and telecommunications. A majority, 93%, of these companies have annual revenue above \$5 million.**



---

**Objectives and Approach**

**Summary of Findings**

**Overall Big Picture**

**Top Implementation Challenges**

**Conclusions 2008**



---

## Overall Big picture

### *Top Initiatives Noted in Survey Results*

The survey indicated the top initiative being conducted by these companies is the roll-out of Vision, Mission and Values.

This is surprising because many other surveys show Visioning as a lesser priority among leadership teams.

The three *initiatives that followed* Vision, Mission and Values are:

- Expanding into new markets, such as China
- Roll-out of new corporate strategies
- Advanced technology

*In comparing this year's results to previous, it was interesting to note that the use of the Balanced Scorecard—**noted in the top three in our survey conducted five years ago—dropped to ninth.***



---

## Overall Big picture ( cont'd )

**In Bridges's first survey conducted in 2001, we had to use the word "change" because, when our questions were tested, most executives were not familiar with the word "implementation." It was encouraging that an overwhelming majority i.e. two-thirds of the respondents were aware of the term "strategy implementation" prior to this survey.**

**Our results also noted that, in most implementation efforts, executives are frequently asked to do extra work in conjunction with their regular duties to implement strategy. This happens rather than creating a special task force or outsourcing to a consultancy.**

**Indeed, Bridges has discovered from its client work that this approach rarely works because the implementation effort takes twice as much effort (or more) as crafting the strategy. Therefore, executives need to earmark additional time and resources for their implementations to succeed.**



---

**Objectives and Approach**

**Summary of Findings**

**Overall Big Picture**

**Top Implementation Challenges**

**Conclusions 2008**



---

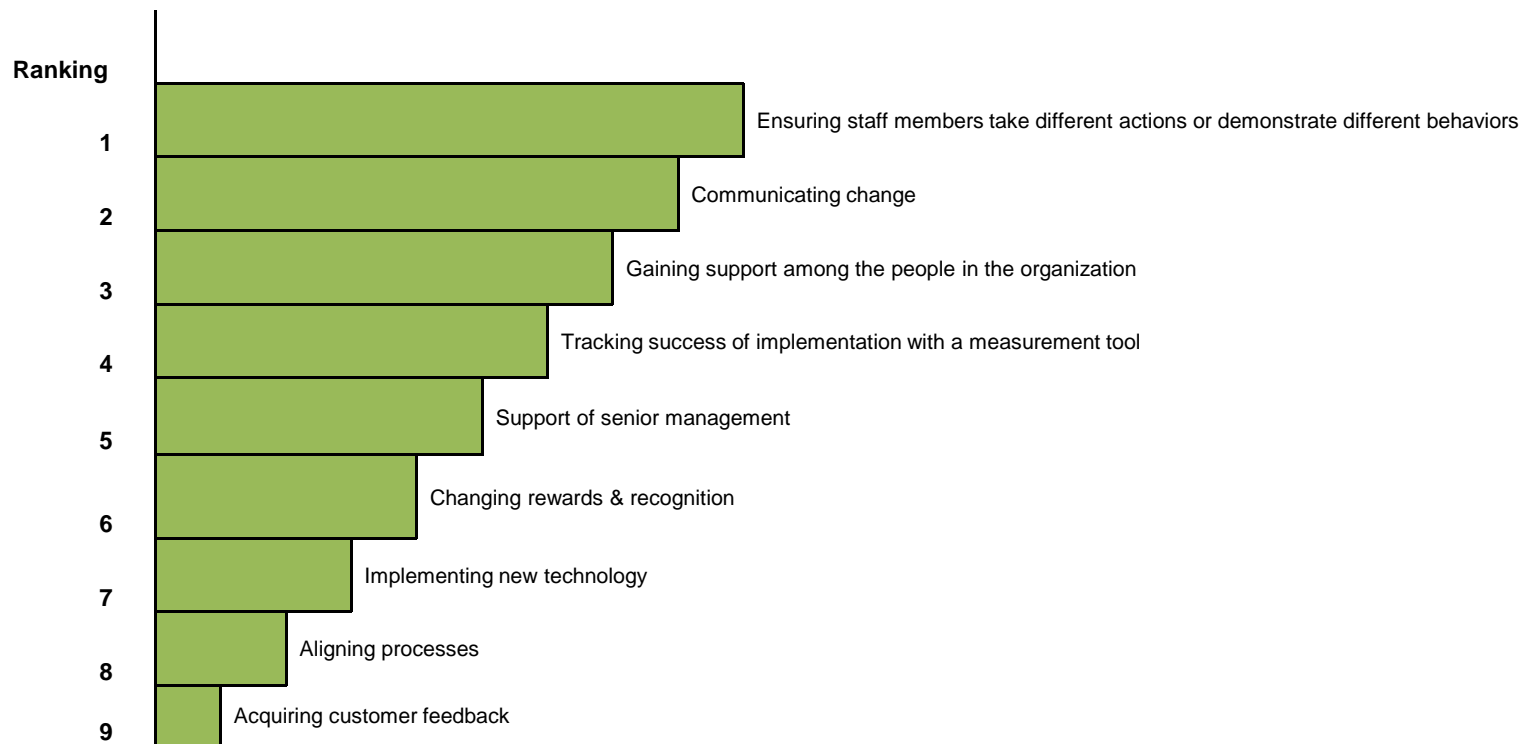
# Top Challenges in Implementing Strategy





# Implementation Challenges

As in the 2001 survey, we asked executives what they consider to be the toughest challenges in implementing strategy. Here are the most common responses from the 2008 survey, ranked from 1 to 9:



Challenges



---

## The Top Nine Responses to Challenges in Implementing Strategy

Much consistency exists in their feedback regarding the biggest challenge in implementing strategy: *Ensuring that staff members take the right actions and demonstrate the new behaviors.*

There is also a strong correlation with the need to *communicate the change*, which ranked second in both surveys.

After all, a new strategy can't be put in place if it can't be understood and it can't be understood if it can't be explained.



---

**Its all about Culture, Communication and People...**



---

## Verbatim Comments

- **“It is a culture change and it is the most difficult thing”**
- **“Culture is the hardest item in implementation”**
- **“Culture and people management is not easy”**
- **“Communication has to be done clearly, unambiguously”**
- **Senior managers may have their own perception / ideas of how to better manage the business and where they want the business to go. May not listen to people from lower management.**
- **Senior managers are not the ones doing the implementing.**
- **Alignment requires both in-depth knowledge of business needs and technical know-how.**

The above statements represent a cross section of comments that respond to the survey question “please explain why you have selected the number 1 item as the toughest challenge” (in the previous question).



---

## Verbatim Comments ( cont'd)

- **Keeping track of how the implementation works or doesn't work becomes a challenge in the midst of daily operations. Thus it leaves everyone in the dark about the success of the strategy or its implementation.**
- **To determine what is measurable is tough enough, let alone tracking success of implementation with a measurement tool.**
- **My company has never been good at presenting or gathering our own history, good or bad.**
- **People within the organization need to be convinced of the need to embrace change. Not enough time and effort is put in to win them over.**
- **Gaining support will ease the implementation process.**
- **There are many people from different culture diversity; this involves different behavior.**



---

## Verbatim Comments (cont'd)

- **People are not convinced they will really make a difference.**
- **Winning the hearts and minds of the people is essential—a base foundation to enable change. Often, strategy gets cascaded top to bottom and does not win sufficient support to drive continuous momentum to closure.**
- **The people in the organization are the people who make the strategy “live” and successfully implement it. If we cannot get their support and their minds, nothing can be meaningful**





---

**Objectives and Approach**

**Summary of Findings**

**Overall Big Picture**

**Top Implementation Challenges**

**Conclusions 2008**



---

## Key Conclusions 2008



---

## ***Key Conclusions –Survey 2008***

- **Strategy implementation is an important topic for delivering high performance.**
- **Vision, Mission and Values is the leading strategic initiative in emerging markets in Asia and the Gulf.**
- **To realize this initiative, leaders must influence staff members to take the right actions and change their behavior to achieve different results.**
- **Respondents to the 2008 survey reinforced findings in previous research that, given the right situation, most staff members do not resist the changes. When staff members understand the reason for a change (what we call the Biz Case), how they'll be affected and what they're expected to do, their response is either enthusiastic or indifferent.**



---

## ***Key Conclusions –Survey 2008***

- **Specifically, a significant number noted that staff members are either indifferent or enthusiastic toward implementation initiatives (80%) rather than resisting it (20%). The group showing the most resistance (51%) is middle management.**
- **The survey noted that the most successful implementations occurred when the organization’s leaders were assigned additional support, either through an internal task force or an external consultant.**
- **It also indicated overwhelmingly (93%) that senior leaders’ scorecards should be linked to the implementation efforts, and that leaders need to report on the ongoing progress and show their support among everyone involved.**



---

## Annexure – Questionnaire



# Annexure

---

**1 Please tick any of the initiatives your organization has been engaged in, in the last 3 years.**

**Vision, Mission and Values**

**Expanding into New Markets e.g. China**

**Rolling out New Corporate Strategy e.g. Designed at Headquarters and cascaded globally**

**Balanced Scorecard**

**New Technology**

**Quality Initiatives e.g. Lean Six Sigma**

**Customer Service**

**Merger / Acquisition**

**Product launch**

**Others, please specify**





## Annexure

---

**2 Have you heard about the specific field of “Strategy Implementation”?**

**3 Do you believe that implementing a strategy requires more time than crafting strategy?**

**4 If you had answered “yes” for question 3, what has been done internally and/ or externally?**

**Internal**

**A special task force was set up**

**Managers were asked to do so in addition to their ongoing responsibilities**

**External**

**Consultants were appointed**

**A combination of internal – external approach**



# Annexure

---

**5 Should senior leaders' scorecards be linked to successful implementation in an organization?**

**6 Should senior leaders' bonus be linked to successful implementation in an organization?**



## Annexure

---

**Please rank the list below (from 1 to 9) in order of the toughest implementation challenge, where 1 is toughest.**

**Ensuring staff members take different actions or demonstrate different behaviors**

**Communicating change**

**Implementing new technology**

**Support of senior management**

**Aligning processes**

**Acquiring customer feedback**

**Changing rewards & recognition**

**Tracking success of implementation with a measurement tool**

**Gaining support among the people in the organization**

**Others - please specify**



## Annexure

---

**8 From question 7, please explain why you have selected the number 1 item as the toughest.**

**9 To what extent does the CEO in your company become involved in implementing strategy?**

**(1 being not involved - 7 completely involved)**

**10 How much time is spent discussing strategy implementation every month compared to operational aspects in the organization?**

**Less than 20%**

**21% - 40%**

**41% - 60%**

**61 - 80%**

**More than 80%**



# Annexure

---

**11 What is the typical reaction of staff when change is being announced?**

**Enthusiastic**

**Indifferent**

**Resistant**

**12 If you answered “resistant” in the previous question - where did the greatest resistance come from in the organization?**

**Top management**

**Middle managers**

**Front-line**





---

Thank You

