

# The Art and Science of Strategy Execution

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[www.balancedscorecard.org](http://www.balancedscorecard.org)

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## A few notes...

- Recording
  - We are recording this webinar and will email you the link to view the replay within 48 hours.
- Handout of the Webinar
  - We will provide a PDF copy of this webinar when we email the link for the replay.
- Questions during the webinar
  - Please use the Q&A box that is located on the bottom menu and type your question in the pop-up box
  - We will answer as many questions as time permits at the end of the webinar.



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- Strategy Execution Imperatives
- Issues and Challenges
- Possible Actions to Achieve Desired Results
- Examples and Stories

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**Howard Rohm, SMP, BSMP**  
President & CEO

- Former Board member, *Association of Strategic Planning (ASP)*
- ASP Pioneer and Co-author, *ASP Body of Knowledge*
- Executive Director, Advanced Nuclear R&D Program, U.S. Department of Energy
- Executive Director, U.S. Foundation for Performance Measurement
- Consultant, Booz Allen & Hamilton
- Co-author, *The Institute Way*
- Creator, *Nine Steps to Success*® Balanced Scorecard framework
- Co-Founder, the *Balanced Scorecard Institute*
- Owner, the *Strategy Management Group, Inc.*



**Richard Juarez, MBA, PMP, BSMP, KPIP**  
Director, Strategy Execution & Senior Consultant

- 25+ years leading operations in the US, Latin America, and Middle East
- Prior to BSI, Executive Director of Project and Performance Management for a San Antonio, TX healthcare-related organization
  - Employer was recipient of BSI's Award for Excellence - 2016
- Executive certificates in:
  - Project Management – ESAN, Lima, Peru
  - Measuring and Improving Business Performance – Cornell University
- Secondary Author - *A Guide to the Business Architecture Body of Knowledge*® (BIZBOK® Guide)



**Robert McDonald**  
Business Development Director

- Worldwide Business Operations Manager, Xerox Corp.
- Managing Director, Grace International Trading Operations
- Chief Chemist, Colgate Palmolive Caribbean Subsidiaries
- Member American Management Association
- Past President, Jamaica Exporters Association
- Past Director Jamaica Private Sector Association
- Past Director Jamaica Promotions Limited

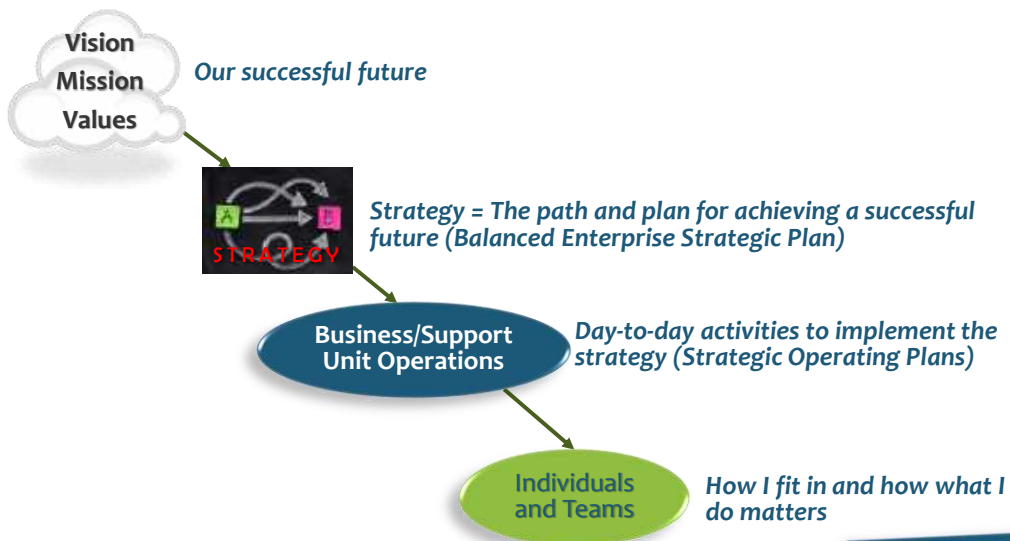
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## Selected Clients



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## Strategy Focused Planning and Implementation



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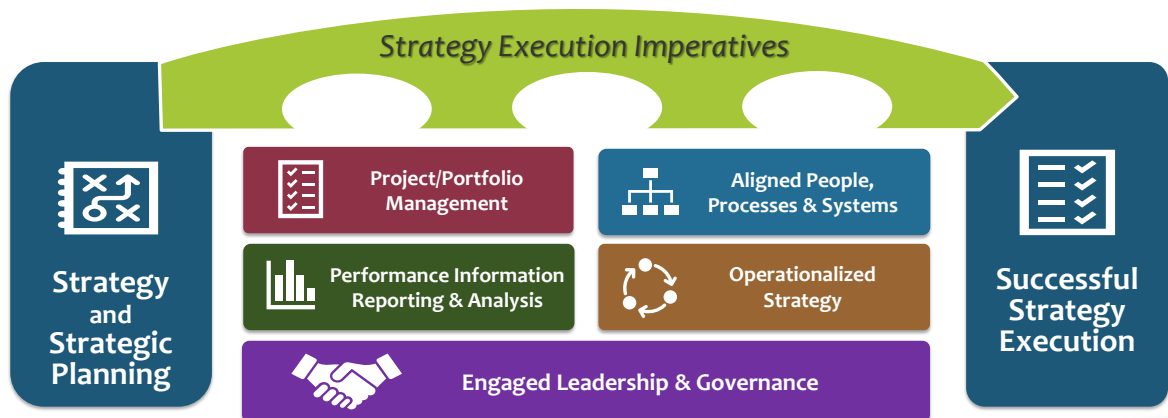
## Strategic Planning, Alignment and Implementation Phases



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## Bridge the Gap Between Planning and Execution: The Imperatives

**Strategy Execution:** The systematic implementation of strategy through employee activities and processes that are aligned with the organization's mission and vision.



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### Issues and Challenges

#### Strategy-supporting organization lacking

- Strategy delegated to a staff office, but most people aren't accountable to that office
- Organization structure for managing strategy is weak, doesn't recognize strategy as important
- Board/Senior leaders don't spend enough time on strategy
- Customer facing processes do not support the strategy

#### Performance culture not created or not sustained

- Trouble getting performance management off the ground
- Poor communications; staff not informed or motivated about strategy
- Lack of incentivized behaviors
- Individual and/or collective accountability for results lacking

#### Strategy-focused leadership missing

- Strategy doesn't seem critical to senior leaders; leaders concerned with mostly operational issues
- "Teamwork talk", but senior leaders only seem interested in their functional areas
- "Growing leaders" at all organization levels not effective

### Actions - Achieve Desired Results

- Strategy-supporting organization
- Performance culture
- Strategy-focused leadership

- Ability to perform specific functions must exist in order to increase the chances of success (e.g., SMO)
- Performance management requires processes to drive the right behaviors: performance review cycle, report formats, leadership roles/responsibilities in strategy, signatures on project business cases, etc.
- Performance culture described and practiced – collaboration and empowerment, individual and collective accountability for results stressed at all levels is stressed through progress reporting
- Staff are informed and motivated – front line supervisors must be equipped to report on team performance and how to align staff goals to strategy, model desired behaviors, and look for ways to reward and incentivize desired behaviors
- A reporting process for regular strategic performance summaries is in place
- Leadership roles and responsibilities firmly established and understood
- Leaders listen and "walk the talk"
- Governance "rules of the road" for decision making and desired behaviors established and understood
- Organization capacity, personal feedback, and regular performance review process established

## Example

*Desired Outcome: Senior leadership must drive and be actively involved in strategy execution.*



*Imperative: The organization is strategy focused, meaning all employees, processes and systems work together to support the strategy*

## Issues and Challenges

**Business and support units not aligned to strategy**

- Operations not well coordinated across business unit lines
- Unclear front-line manager performance management roles and responsibilities

**Employees not aligned to strategy**

- Organization's focus is not clear and not important to everyone
- Two-way communication (dialogue) is not established

**Resourcing decisions, technology choices, and processes (especially customer facing) not aligned to strategy**

- Performance results are not central to decision making
- Technology choices and/or processes are sub-optimized at the unit level

### Actions - Achieve Desired Results

- Unit alignment
- Employee alignment
- Resource, technology, and process alignment

- Department and business unit roles and responsibilities understood; cross-communication among units is strong
- Strategy, in the form of strategic objectives, is cascaded to business and support units, and to employees and teams
- Tier 2 (business and support units) scorecards are created for tighter alignment to Tier 1 strategy
- Tier 3 (employees) scorecards are translated into position descriptions supporting strategy
- Goal alignment is not limited to front-line staff... all staff have individual goals tied to strategy
- Performance management training is focused on team leaders and front-line supervisors
- Communication of performance is evaluated and made part of continuous improvement processes
- Performance management processes and procedures are established across units

### Example

**Desired Outcome: Open, interactive communication, teamwork, and collaboration, supported by efficient processes and coordinated systems, are the hallmark of the organization.**





### Issues and Challenges

#### Corporate strategy is not translated into actionable business unit guidance

- Corporate strategic plan viewed as the end of the strategic planning process
- Operating units create their plans independently and with little or no cross-unit coordination

#### Initiative prioritization and coordination lacking

- Projects take on a “life of their own”
- Operational projects take priority over strategic/critical enterprise projects

#### Sub-optimized business and support unit planning and operations

- Units operate independently, with little cross-unit coordination
- Units create their own planning and management elements, making an enterprise-wide strategy difficult to create and implement

#### Resource allocations and technology choices misaligned with strategy

- Budget formulation driven by “arguments by vigorous assertion”
- No prioritization of projects with strategy
- Technology choices are sub-optimized at the unit level are not harmonized across units for the enterprise

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### Actions - Achieve Desired Results

- Strategic operating unit guidance
- Initiative prioritization
- Sub-optimized planning and operations
- Misaligned technology and resource allocation

- Build employee buy in to results with facilitated workshops at the unit level
- Incorporate strategy inputs to the unit budget formulation process
- Create unit initiatives (projects) that support organization strategy
- Coordinate technology choices across divisions and departments
- Hold regular coordination meetings across department lines to eliminate bottlenecks and improve efficiencies

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### Example

**Desired Outcome:** Business and support units support the strategy with coordinated activities, supporting budgets, and engaged employees.



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## Performance Information Reporting and Analysis

*Imperative: Performance information reporting and use are integral to strategy development, operations, and personal development*

### Issues and Challenges

#### Performance data is poor quality/not reliable

- Rush to judgement to get to performance measures
- Performance data not valid and/or verified
- Data is not interpreted properly
- Data is operational/lacking strategic measures

#### Performance reporting lacking

- Information is not timely, missing context, and/or not delivered to the right people
- Performance reporting not taken seriously

#### Performance interpretation and use lacking

- Visualization of performance information is inadequate
- Performance is “gamed”
- Performance information not acted upon
- Performance information is misused
- Unrealistic target setting
- Performance information used punitively

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### Actions - Achieve Desired Results

- Performance data and transformation
- Performance reporting
- Performance interpretation and use

- Performance data is transformed into performance information, and information is transformed into visual business intelligence
- Context, along with performance information, is provided to information users
- Governance rules for performance reporting are established
- Appropriate organization structure for reporting is established – SMO, PMO, local, etc. – along with roles and responsibilities of employees
- Usefulness of performance information tested periodically to ensure validity
- Fact-based information is incorporated into program and service decision making and budgeting
- Performance measures and targets reviewed periodically for relevancy and accuracy
- Target setting guidance provided
- Performance reporting and feedback is incorporated into evaluation planning

### Example

**Desired Outcome: Performance (evidence-based) information is used and useful, and informs decision making to improve organizational results.**



### Issues and Challenges

#### Enterprise drive is lacking

- Differentiating between strategic and operational projects
- Enterprise capacity is not understood or managed – left to departments and projects
- Unenforced or a lack of policies/procedures allows for silos and shadow projects

#### Portfolio management

- Too many projects and not enough resources (strategic and operational)
- Unbalanced portfolio of strategic initiatives
- Limited visibility into portfolio performance

#### Project management competency is lacking

- Inconsistent project execution
- Unable to manage large/complex projects
- Organization has little faith in project completion projections

### Actions - Achieve Desired Results

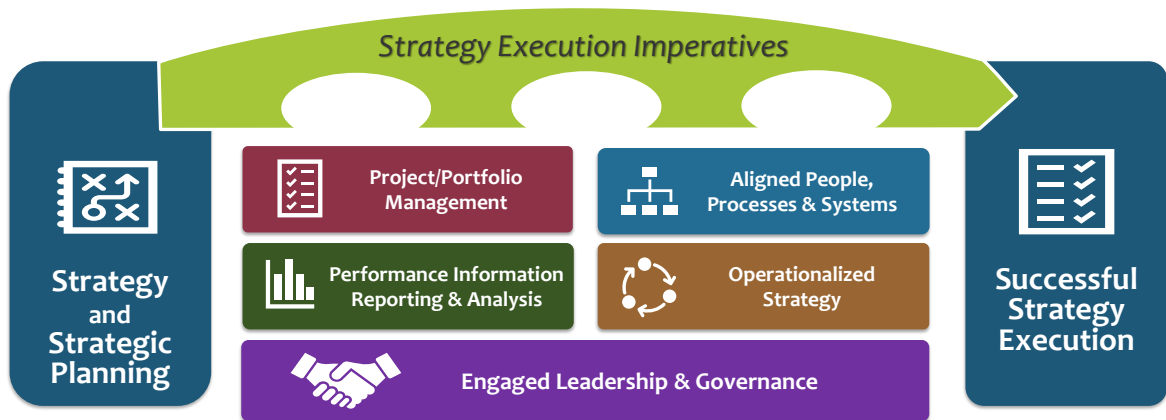
- Enterprise governance
- Portfolio management
- Project management competency

- All projects may be managed the same, but not weigh the same - understanding the impact
- When capacity planning is optional or limited to a few departments/projects, cross-departmental projects tend to suffer
- Prevent silos by establishing processes that create visibility and govern the organization's portfolio of projects
- Understand the enterprise's optimal portfolio size and mix – how many is too many?
- Strategic portfolio includes a mix of projects: short/long-term, focused on addressing risks to objective/goal and improving processes most impacting objective/goal
- Reporting processes are critical to change behaviors/performance – this must be driven from the top!
- Is it time for a PMO or function?

**Without the above, project/portfolio performance improvement will prove difficult – it requires a systems approach !**

## Example

*Desired Outcome: Projects are more successful through consistent project management and leadership-driven project/portfolio governance.*



## About Us

### We help organizations:



Formulate, communicate, and focus on **Strategy**



**Align** day-to-day work to vision, mission and strategy



**Prioritize and manage** projects, services, products and resources



Measure, analyze, and improve **Performance**

*We have trained over 8,000 delegates in strategy, balanced scorecards, performance measurement, project management, and strategy leadership and execution, consulted to over 250 organizations, and worked with clients from over 80 countries.*



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## Execute with Excellence

### Consultation

#### Free 30-Minute Consultation

Connect with Howard, Richard, or one of our other experts for a free 30-minute consult and let them help you with a solution as they offer advice and expertise that you can put to work in protecting and building your business for today and beyond the disruption.

**FREE CONSULT**

[www.balancedscorecard.org/expert](http://www.balancedscorecard.org/expert)

### Training

#### Free Executive Overview with Certification Training

Attend a LIVE ONLINE Certification Course\* and receive a free 3-hour virtual Executive Overview for your Leadership Team.

**LIVE ONLINE**

[www.balancedscorecard.org/schedule](http://www.balancedscorecard.org/schedule)

\*Course must be hosted in the U.S. and attended between September 14, 2020 and December 31, 2020

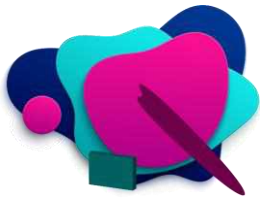
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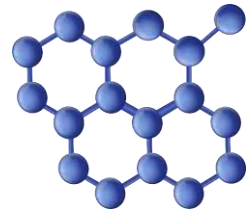
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## Wrap Up & Questions



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