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. **Do not use the Chat box for questions.**
  - We will answer as many questions as time permits at the end of the webinar.
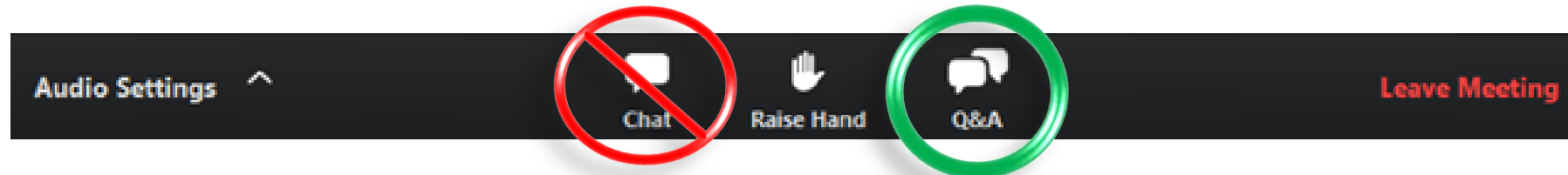
- Strategy Execution Imperatives

- Issues and Challenges

- Possible Actions to Achieve Desired Results

- Examples and Stories

Howard Rohm
Co-founder & President

Over 50 years of training, consulting, and management experience in over 50 countries – Booz, Allen & Hamilton consultant, U.S. Government agency executive, business owner, course developer, Board member

Joe DeCarlo
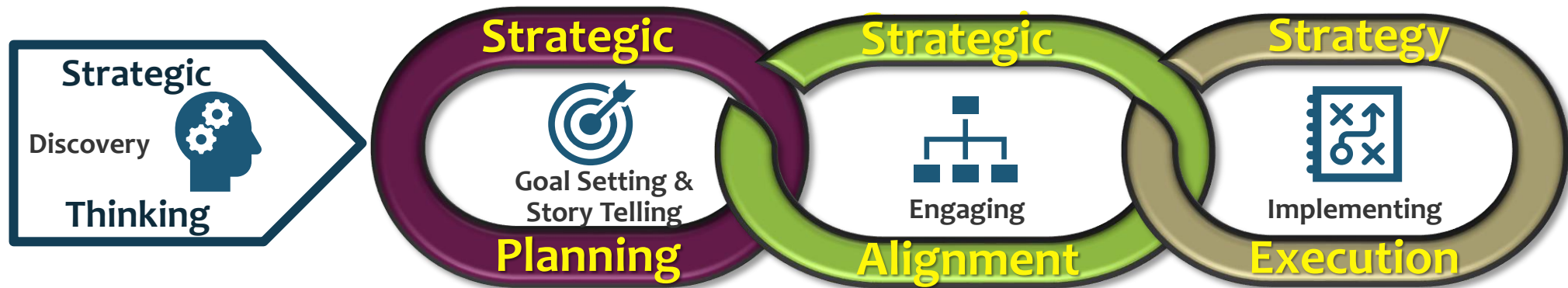### Senior Vice President

50+ years of experience in business structuring, strategy formulation/ implementation including balanced scorecard, change management, and the design/execution of innovative operational business models/solutions in all business sectors in over 38 countries with the Balanced Scorecard Institute, the Milwaukee School of Engineering University, and the IBM Corporation

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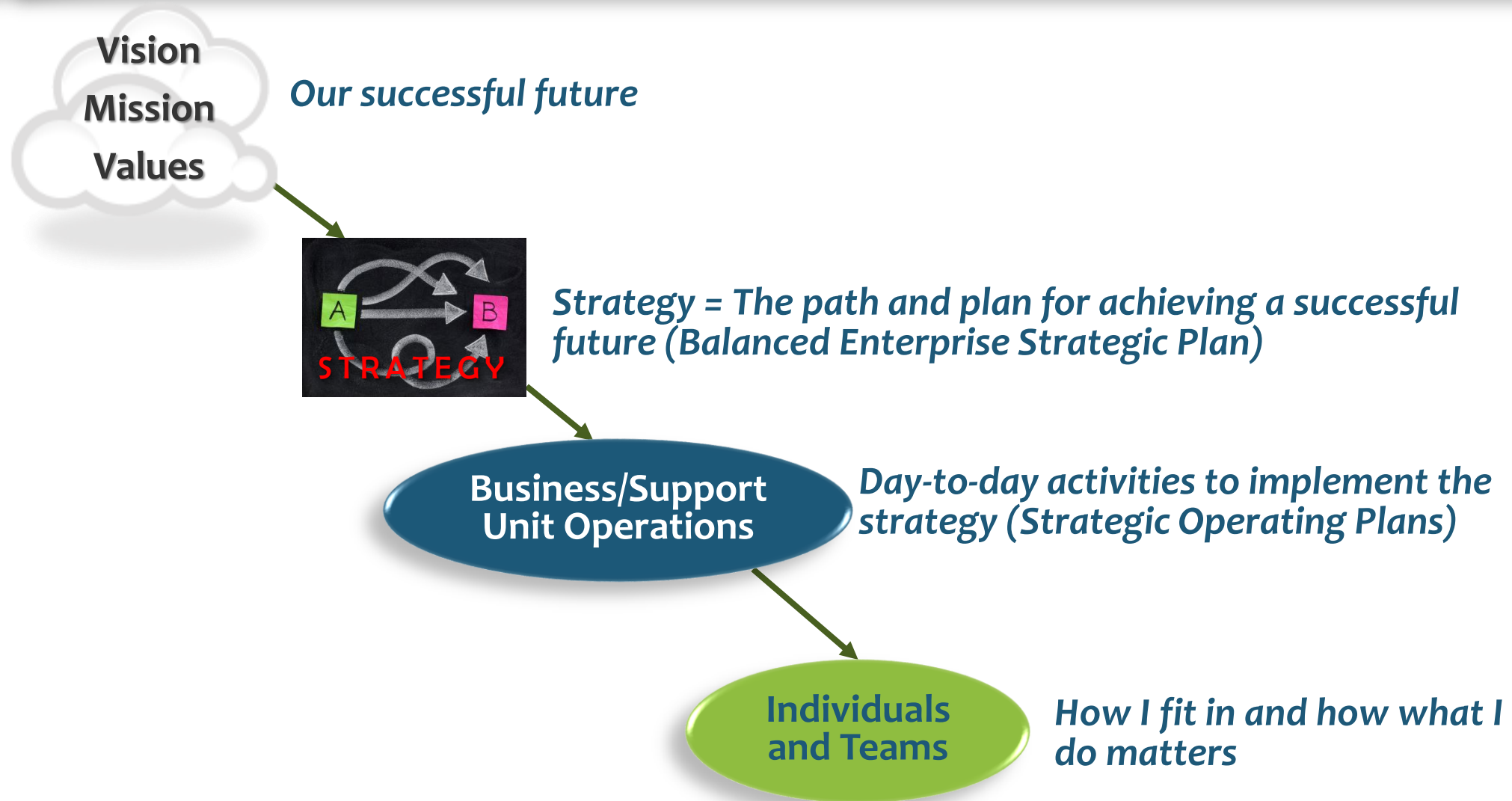CISCO

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Strategic Discovery **Thinking**

Strategic Goal Setting & Story Telling **Planning**

Strategic Engaging **Alignment**

Strategy Implementing **Execution**

Make Strategy Everyone's Job – "Begin with the End in Mind."
Stephen Covey

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Vision

Mission

Values

Our successful future

Strategy = The path and plan for achieving a successful future (Balanced Enterprise Strategic Plan)

Business/Support Unit Operations

Day-to-day activities to implement the strategy (Strategic Operating Plans)

Individuals and Teams

How I fit in and how what I do matters

Poor strategy…poor implementation…good strategy with poor implementation…or?

- An endless planning process: out of date by the time it is finally approved
- Too much emphasis on planning – too little focus on subsequent execution
- Plans that focuses on activities rather than outcomes/results
- Considering the strategic plan as just a set of initiatives or projects
- Limited ownership and accountability – hiding behind committees and meetings
- Poor communications of goals and purpose below the executive level
- A Vision statement that sounds nice but is open to many different, yet plausible, interpretations, with no clear Goals
- Poor alignment between Corporate and Functions / Departments
- Too many measures…too little information

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.*

Strategy Execution Imperatives

Strategy and Strategic Planning

Strategic Project/Portfolio Management

Alignment and Operationalized Strategy

Performance Reporting, Analysis, and Informing

Performance Culture

Engaged Leadership & Governance

Successful Strategy Execution

The Five Imperatives

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Survey: Strategy Execution Assessment

Example: *Leadership & Governance*

	Not applicable	1 = Strongly disagree	2 = Disagree	3 = Somewhat disagree	4 = Neither agree nor disagree	5 = Somewhat agree	6 = Agree	7 = Strongly agree
1. Organization Core Values are clearly articulated and widely disseminated; leaders "walk the talk"	○	○	○	○	○	○	○	○
2. Key policy guidance, such as Vision, Mission, and/or Strategy, is clearly communicated throughout the organization	○	○	○	○	○	○	○	○
3. Customer needs and expectations are understood and acted upon	○	○	○	○	○	○	○	○
4. Executive actions reflect Board guidance and oversight	○	○	○	○	○	○	○	○
5. Leaders' roles and responsibilities are clear and are clearly communicated	○	○	○	○	○	○	○	○
6. Leaders create ownership and accountability in managers and staff	○	○	○	○	○	○	○	○
7. Obstacles and challenges to organization success are recognized and addressed by the Board and leadership	○	○	○	○	○	○	○	○

Strategy Execution Assessment Survey: **https://www.surveymonkey.com/r/STEX23**

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Statement of Purpose

Issues and Challenges

Challenge Category
- Issue/Challenge 1
- Issue/Challenge 2
-

Actions to Improve Performance
- Action 1
- Action 2
-

Tools, Techniques, and Interventions
- Tool 1
- Technique 2
-

Desired Outcome
Statement of the outcome

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Engaged Leadership and Governance

Senior leadership team provides active, personal and visible leadership of the strategy

Issues and Challenges

Strategy-supporting organization lacking
- Board/Senior leaders don't spend enough time on strategy
- Strategy delegated to a staff office, but most people aren't accountable to that office
- Organization structure not aligned to strategy
- People, processes and technology do not support the strategy

Strategy-focused leadership lacking
- Vision/mission and/or goals not clear or not well communicated
- 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

Leadership and governance shortfalls
- Roles and responsibilities not clear
- Board and/or leadership capacity gaps
- Inadequate oversight

Engaged Leadership and Governance

Actions to Improve Performance

- <mark>Leaders listen and "walk the talk", and communicate up and down the organization with clarity</mark>
- Recognize that Leadership and Governance are foundational to successful strategy execution
- Clarify leadership and governance roles and responsibilities to build individual and collective accountability for results
- Establish governance "rules of the road" for decision making and desired behaviors
- Create disciplined processes for goal setting and communications
- Staff are informed and motivated by Leaders -- front line supervisors are equipped to report on team performance and how to align staff goals to strategy, model desired behaviors, and look for ways to reward/incentivize desired behaviors

Tools, Techniques, and Interventions

- <mark>Strategic Management Maturity Assessment (SMMA) Model</mark>
- Leadership and board member coaching
- Clarify roles and responsibilities e.g., RACI matrix
- Goal setting process
- Communications ladder and workshop

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Desired Outcome
Senior leadership drives and is fully involved in strategy execution.

The organization creates a culture of performance and excellent in which employees thrive

Issues and Challenges

Performance culture shortfalls
- <mark>Change and transformation not incorporated into strategy</mark>
- Culture not well-defined or understood
- Employee needs not being met
- Resistance to change not dealt with effectively
- Lack of accountability for performance and results
- Lack of incentivized behaviors
- Individual and/or collective accountability for results lacking

Communications shortfalls
- <mark>Staff not informed or motivated about strategy and goals</mark>
- Values, practices and desired behaviors not communicated well
- Silo mentality inhibits teamwork and a performance culture
- Need for change not communicated well
- Organization silos inhibit communication

Performance Culture

Actions to Improve Performance

- <mark>Identify your change agents</mark>
- Recognize that today's cultural landscape has shifted from the past
- Performance culture is described and practiced – collaboration and empowerment, individual and collective accountability for results stressed at all levels is stressed through progress reporting
- 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.
- Align values and beliefs of staff and organization
- Recognize the role of strategic Human Resources
- Recognize resistance as the norm, not the exception

Tools, Techniques, and Interventions

- <mark>Communications Plan (BSI Strategy Communications Essentials Whitepaper)</mark>
- Cultural Competency Self-Assessment
- Organizational Transformation (Change Management Plan) Template
- Team building events

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Desired Outcome

The organization helps employees find a greater purpose, builds continuous improvement mindsets, and creates a dedication to the mission that drives performance.

Enterprise-wide strategy drives alignment, and strategic operating plans & budgets

Issues and Challenges

Corporate strategy is not translated into actionable business unit guidance
- Operating units create their plans independently with little strategy guidance
- Corporate strategic plan viewed as the end of the strategic planning process

People and processes not aligned to strategy
- Many "islands" of activity; "how I fit in" not clear
- Coordination and communication, vertically and across business and support units, are lacking
- Resource/capacity mismatches

Sub-optimized business and support unit planning and operations
- Units operate independently, with little cross-unit coordination
- Process bottlenecks and breakdowns

Resource allocations and technology choices misaligned with strategy
- No prioritization of projects with strategy
- Budget formulation process is largely "argument by vigorous assertion"
- Technology choices are sub-optimized at the unit level are not harmonized across units for the enterprise

Actions to Improve Performance

- Incorporate strategy inputs to unit operating plans and budgets
- Create "strategy awareness" in the organization
- Build employee buy-in to results
- Create unit initiatives (projects) that support organization strategy
- Coordinate technology choices across divisions and departments to improve customer facing processes
- Hold regular coordination meetings across department lines to eliminate bottlenecks & improve efficiencies

Tools, Techniques, and Interventions

- Alignment checklist
- Business and support unit Purpose statements, not mission or vision statements
- "Fishbone" diagram to identify alignment anomalies
- Process improvement flow chart to identify problems

- Strategic operating plans
- Balanced competency model
- Benchmarking
- Lean/Six Sigma training

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Desired Outcome

Business and support units support the strategy with coordinated activities, efficient processes, supporting budgets, and engaged employees.

Projects and portfolios are managed using a total enterprise systems approach

Issues and Challenges

Enterprise drive is lacking
- No distinctions 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, scope creep, 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
- Mismatched/inadequate resources and skills
- Inconsistent project execution
- Unable to manage large/complex projects
- Organization has little faith in project completion projections

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Strategic Project/Portfolio Management

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Actions to Improve Performance

- <mark>Appropriate Structure -- Enterprise Management Office, a Project Management Office, and/or a Strategy Management Office</mark>
- Create "strategy awareness" in project and portfolio management
- All projects may be managed the same, but not "weigh" the same - understanding the distinction between strategic initiatives and operational projects
- Require capacity planning in all departments/projects
- 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!

Tools, Techniques, and Interventions

- <mark>Strategic Project Charter template</mark>
- Strategic Project Management principles – Five-Step Strategic Project Management Model

- Project Scoring and Ranking Criteria
- Roles and responsibilities matrix (RACI model)
- Strategic Project Manager workshop

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Desired Outcome

Projects produce desired benefits through a more strategy focused approach to alignment, consistency, and project management and leadership-driven project/portfolio governance.

Performance information reporting and use provide valuable insights into management decisions

Issues and Challenges

Performance data is poor quality/not reliable
- KPIs are not linked to organizational goals
- Rush to judgement to get to performance measures = too many measures, too little information
- Performance data not valid and/or verified
- Data is not interpreted properly
- Data is operational and lacking strategic measures

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

Performance interpretation and use lacking
- Performance is "gamed"
- Visualization of performance information is inadequate
- Performance information not acted upon
- Performance information is misused
- Unrealistic target setting
- Performance information used punitively

Actions to Improve Performance

- <mark>Decide what you are trying to accomplish first, then measure what matters within that context</mark>
- Review performance measures and targets periodically for relevancy and accuracy
- Provide context, along with performance information, to information users
- Create "Rules of Engagement" to improve meeting effectiveness
- Establish appropriate organization structure for reporting – SMO, PMO, local, etc. – along with roles and responsibilities
- Test usefulness of performance information periodically to ensure validity
- Incorporate fact-based information into program and service decision making and budgeting
- Provide target setting guidance
- Incorporate performance reporting and feedback into evaluation planning

Tools, Techniques, and Interventions

- <mark>Data Definition Table</mark>
- MPRA Measure Development Model
- KPI workshop
- Data visualization tools

Desired Outcome

Performance (evidence-based) information is used and useful and informs decision making to improve organizational results.
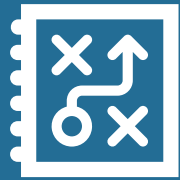
# Summary: Strategy Execution Best Practices

- Visualize the strategy

- Communicate strategy with clarity

- Measure strategic results and report progress to inform decision making

- Prioritize projects

- Align the organization around strategy -- employees, processes, and technology

- Reward performance

We help organizations:

Formulate, communicate, and focus on Strategy
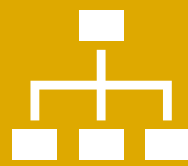
Align day-to-day work to vision, mission and strategy

Prioritize and manage projects, services, products and resources

Measure, analyze, and improve **Performance**

We have trained over 8,000 delegates in strategy, balanced scorecard, 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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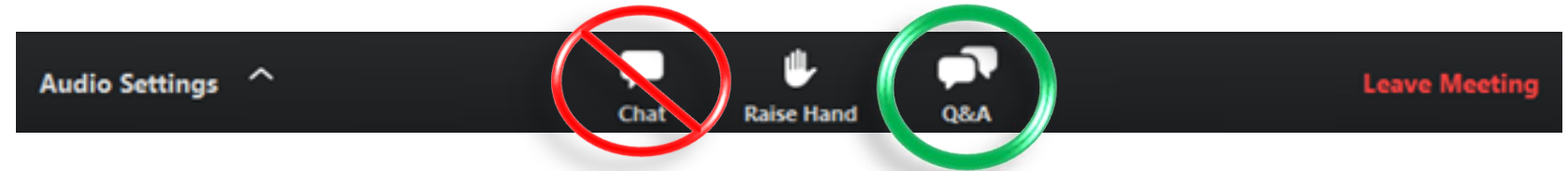
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