

‘Strategy’ is just wishes and stars if there’s no executable plan

For business people and warriors, the word “strategy” has a kind of mystical and muscular air about it. One of the most complimentary things one can say about another is “he/she is very strategic.” On the other hand, to say about a colleague, “he/she is not strategic” is damning. And in business, it’s potentially career derailing.

Reality is different, though. Business people love to talk strategy, but many are poor at creating strategy and most are even worse at executing it. And I’m speaking here about executives at the very top of organizations, not frontline supervisors or middle-level managers.

The two problems, poor strategy and poor execution, go together. Bad strategy = bad execution.

My consulting partner and I use the term “unexecutable strategy” to refer to the strategy we usually see when we start with a new client. What often passes for a strategy is a few slides in a PowerPoint deck on which appear lofty sales and revenue targets — and almost nothing else!

OK, so what is an “executable strat-



Perspective on People

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egy?” At a minimum, it is a plan that calls out both WHAT and HOW. It has not only financial objectives (WHAT) but also the precise customer results (another WHAT) that will drive those financial returns, along with objectives, metrics, targets and initiatives (all HOWs) that will put action behind intentions.

But done right, there’s even more to good strategy: You must call out the precise business processes that will lead to those customer results and again, the associated objectives, metrics, targets and initiatives that pertain to them.

Finally, you must detail HOW you are going to harness the energy and focus of the most costly assets you have: your employees. And this requires designing

the organizational structure, reward systems, hiring and engagement practices that will enable your firm to support those processes and, in turn, achieve those customer and financial results.

This seems like a lot of work, doesn’t it? It is. And not everyone wants to do it. When speaking about this approach to strategy to an executive group recently, someone in my audience said, “This is really complicated! Do some companies really do this? We sure don’t!” The response was, “It is almost certain that every company in your industry you most admire does this.” They do it because they’re strategic.

We business people love to plan, but once we’ve listed a few key business goals in a PowerPoint deck, we often walk away satisfied. And nothing changes. Very un-strategic.

Here’s one way I know: Every once in a while I go to Amazon.com and do some unscientific research. Here is how it works; I did it just this morning. First, I entered the term “strategic planning” into the search bar. Over 21,000 titles

showed up! Then, I entered the term, “strategy implementation:” 411 titles. Next, I typed in, “strategy execution” and saw 229, even fewer. What are we to make of a 33 to 1 preference — at least in books — for planning over execution?

Do you want to dramatically elevate the quality of your strategic planning process? In addition to calling out your financial objectives, also call out the precise customer results that will produce those monetary returns. Don’t guess; ask some of your customers to attend briefly and tell you directly. Then, trace the causal linkage between your business processes and customer results.

Finally, ask yourself what has to change in the organization itself to enable your employees to create the value you need to deliver. Better yet, include a sampling of employees and ask them. This is being strategic.

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