Who Owns Your Strategy?

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Look at the executive program at almost any major business school and it becomes quickly apparent that having a good, and hopefully a great, strategy is critical to organizational success. A quick search of Amazon.com for business strategy resources shows more than 1,270 items. Many of these tomes provide fantastic instruction on developing a basic strategy, building strategy maps, and other similar topics. However, even with all these resources most organizations largely fail to successfully implement their strategy. Why? The answer can be found in who actually owns the strategy.

In most organizations the senior leadership team, or their official designees, come together for a series of meetings and with the help of a high priced consultant a "*winning*" strategy is developed. With much fanfare the strategy is then rolled out to the organization where things begin to fall apart. Oh sure, everything seems fantastic at the start. Leadership is excited and everyone is saying the right things, but those good feelings just don't last for very long. The problems begin to surface at both ends of the workforce spectrum. For most in the senior leadership ranks, keeping a daily focus on strategy is tough. How can you find an hour a day, as many authors suggest, focusing on your strategy as well as the 100+ e-mails, phone calls, meetings and hundreds of other things you are supposed to get done. For the rank and file members of the organization it is a question of change.

To a large number of our resources these ideas represent change. Changing the way they do their daily work, changing the way they interact with each other, or maybe changing the way they think about their job. No matter what it is a change. Many of these people have learned that if they just keep their head down long enough they will be ignored and they can keep doing things the way they always have. This notion has a massive implication on your organization's ability to achieve its strategy.

To understand why doing things they way they have always been done impacts strategy, begin with a simple premise: strategy only achieves value to the organization if it leads to results, specifically the desired organizational results. This notion creates a dichotomy within most organizations. There is the perceived strategy, or the formally documented strategy supported by senior management, and there is the actual strategy or the one actually being executed by the organization.

To better understand this concept imagine you are leading an average organization with 40-60 initiatives being worked on at any one time in addition to all the standard operational efforts. These initiatives have been initiated for reasons such as new product or service development, product or service expansion, process improvements, regulatory requirements, or several other reasons. Many of these initiatives are critical to the organization's success and are tagged as A1 priorities. So what's the problem?

The problem comes from two issues. Firstly, if you are like most organizations the leaders of each of these 40-60 initiatives have planned their work using a perfect resourcing assumption. This means whenever their schedule says the work should be done the resource is magically available to start on time without consideration for all their other work. In the real world this never works as most resources are tasked with multiple tasks on multiple projects as well as operational responsibilities. A delay in one area will impact all other. Yet, rarely does management have visibility to these impacts so they can make informed, proactive decisions. This means everything will be on schedule till the last possible second when suddenly it isn't and we manage by fire drill. In the end, the assumption of perfect resourcing means your strategy will not be achieved.

The second issue is simply deciding what will be completed first? If the scenario described is anywhere close to your organization you have a very serious problem. What should your people be working on first, second or third and how do they know? If the organization does not have priorities set by the senior leadership team that align to the strategy individual resources are controlling the organizational strategy based on the work they are completing. The way most resources do this is by using either the squeaky wheel principle (whomever is yelling the loudest gets theirs first), or they work on what they like the best. Neither of these has anything to do with achieving the organization's strategy. Furthermore, if the organization has more than one A1 priority, has several priorities with the same ranking, or regularly is changing priorities you have NO priorities. Prioritization is the single most difficult thing for more leadership teams to do. It means ranking all the work of the organization from one to the end and then making hard decisions based upon those priorities.

So you are concerned about addressing these issues what should you do? The following steps should help:

1. Make sure you have a well thought out strategy with a strategy map that includes clear measureable objectives. The strategy should have been developed with input from all levels of the organization and reviewed, not just presented, to everyone.

2. Establish a portfolio management committee that will own responsibility and authority for setting the organizational priorities based upon the approved strategy.

3. Establish quantifiable metrics to evaluate all members of the team against their ability to achieve the most important work first, and hold ALL members of the organization accountable to the same standards.

4. Do not allow the organization to constantly flip-flop priorities. Remember stuff will always happen. Great leaders drive results and do not allow the results to drive them.

Succeeding with strategy is a messy process, and it should be. However, with a little practice senior leadership can ensure proper strategic ownership and success.