

Why is it so hard to implement strategy?

You've got the right strategy but the toughest barrier remains: executing it. Find out why that is, and how to implement strategy effectively.

By David Hand

Most CEOs of a large corporations will tell you that their customers are paramount. They will labour the issue that their strategy is to deliver excellence in customer service. They will talk about the huge effort they are investing in customer service, and that ensuring a great customer experience is vital. With that in mind, you might reflect on the gap between their PR and your experience.

Why is this? Why do organisations spend untold resources on the customer experience and then struggle to make it real? Before we dismiss this problem as unique to the 'big end of town', think about customer service experiences you have with smaller service providers, perhaps a trade services company that you have had to call back three or more times.

"The gap between an organisation's strategy and its capability of delivering it gets harder as the number of people involved grows. This is because each additional person engages with the business operation with a different perspective, understanding of and commitment to the company's vision, and personal aspirations that may conflict with the organisation."

Organisations address this problem in several ways:

Contracting work

Contracting work out is one method that is useful in simplifying the business, particularly with regards to non-core and support functions such as vehicle maintenance, I.T. support or marketing support. It's a brave company that contracts out its core business functions. The surrender of the intellectual property that makes a company unique increases its risk of becoming a middle man ripe for eventual elimination from the supply chain, as its suppliers start building relationships with its customers.

Tightening processes and systems

Another measure companies use to deliver strategy is implementing tightly-defined processes and control systems to support them. We see this in supermarkets, fast food restaurants, and car rental companies. Anyone who frequently arrives at an airport and picks up a rental car will experience this in action. Every step in the process to receive a car back, check it, clean it, assign it and have it ready for the next customer is tightly-defined, with staff trained to execute each step.

Automation

Automation minimises human involvement and relies heavily on technology, it is where many of the repetitive tasks are heading; for instance, online shopping, air travel, and ordering take away food online.

These approaches don't address the growing challenge for organisations today—knowledge work. Knowledge work is work that isn't well-defined or repetitive, such as developing a new product or service, designing a marketing campaign, creating and maintaining a website, or refurbishing equipment. Knowledge work is difficult for managers to succeed with, as you can't set and forget it as you can with repetitive, well-defined tasks.

Most strategy I see is quite well thought-out, but to succeed, it must be tied into a framework of operational excellence; this also applies to knowledge work. In my work, the following management techniques have proven useful to address the gap between developing strategy and implementing it:

1. Communicate the strategy in tangible terms

Build understanding about what the strategy means to people on an individual basis, because that's the level at which they will engage or not engage.

2. Assign all work with a tangible, measurable outcome

Clearly identify the resources, time, people and money required for each task. Be brave enough to say no to a project if it lacks adequate resources. Reassure people that committing to a tangible result is to provide a framework to operate in, not a straightjacket that has no flexibility. This avoids people padding out proposals in order to succeed. If done well, it delivers transparency around barriers and problems that when addressed, will improve the organisation's capability.

3. Actively manage the work

A problem that comes and finds you will be more disruptive and costlier than if you go out and find it. Ensure work is done in a framework of planning and commitment, execution and review; or Plan, Do, Check, Act.

4. Treat variance to plan in a 'no blame' framework

If a deadline is missed, it's better for everyone if changes are put in place to stop the same problem recurring in the future, rather than blaming individuals. Focus on addressing a solution instead of dwelling on a problem.