3 Keys to Effective Execution

Strategic planning gets all the cachet and all the ink, but the most creative, visionary strategic planning is useless if it isn't translated into action. Especially now, in a sluggish economy, execution takes on greater importance. It's what separates the companies that prosper in hard times from the ones that go under.

Why can even the most brilliant strategies flounder in the implementation phase? "When things haven't gone as planned, it's often because the process wasn't well defined, we missed a step, or we didn't follow a specific sequence," says Gordon Woodfall, former president and general manager of Waltham, Mass.-based Thermo KeyTek (now Thermo Fisher Scientific). The execution phase forces you to translate your broad-brush conceptual understanding of your company's strategy into an intimate familiarity with how it will all happen: who will take on which tasks in what sequence, how long those tasks will take, how much they'll cost, and how they'll affect subsequent activities.

Here are three recommendations to help you make this translation.

Communicate the key points

It's difficult to convey every nuance of a strategic plan throughout a large corporation. Making sure that most employees are clear about their roles in achieving the most critical 80% of the plan is usually more important than communicating the remaining 20% to everyone.

Distil the strategic plan down to its most crucial points, and focus on communicating those.

Tim Stratman, former CEO of Chicago-based RRD Direct, attributes his organization's success during his tenure to "simple, clear objectives that were commonly understood throughout the organization." Select team members visited every manufacturing site and sales office every other month to deliver the same four or five messages.

At UPS, quick daily meetings kept everyone on track, says Tom Weidemeyer, retired COO and a 31-year veteran of the company. "First thing every day, there was a mandatory three-minute communication meeting to reinforce objectives and uncover issues. This added up to more than four million hours of communication per year."

Instead of the standard one-way communication road show, Bob Zagotta, former CEO of Chicago-based consultancy Fourth Floor (now part of Project Leadership Associates), encourages clients "to do full- or half-day deployment workshops. After the CEO presents the plan, she works with employees to uncover implications and priorities for their departments. This type of hands-on deployment helps clear up the gray areas, bridges the gap between understanding and action, and provides the employees with the appropriate level of granularity to make it meaningful.

Develop tracking systems that facilitate problem solving

Most companies use measures to test the hypotheses in their strategic plan. The companies that differentiate themselves from the competition, however, develop measures and other tracking tools not only for planning but for the execution phase as well, says Woodfall. Under his leadership, Thermo KeyTek used a variety of problem-solving methodologies to address implementation obstacles. Sometimes, managers just kept asking why until they got to the bottom of things. On other occasions, they used charts and graphics to help visualize trends.

"For example," says Woodfall, "if our goal was to fix a shipping problem and we had changed freight carriers, we would track problem recurrences month by month to ensure we had truly uncovered the root cause of the problem."

Thermo KeyTek used some measures that "track drivers of behavior and some that measure ultimate results," Woodfall continues. Similarly, UPS had two levels of measurement, says Weidemeyer, "value drivers and day-to-day measures. This helped us make sure our initiatives tied back to the day-to-day business."

The right measures also help make expectations clear. Stratman, formerly of RRD Direct, insisted that each key success factor have only one owner.

One caveat, though: As important as it is to choose the right tracking systems and link them to the individuals accountable, sometimes the actual reporting can inhibit meaningful conversations. The emphasis on getting all the data on the table can be an avoidance mechanism, enabling teams to shy away from discussing why things aren't working.

"In companies that don't execute well, there isn't a lot of truth telling," says Stratman, now founder and president of Timbre Executive Coaching (Chicago). "In execution-based companies, facing reality makes the difference." It's up to the group leader or unit head to see to it that a heart-to-heart conversation takes place after all the numbers have been presented.

Set up formal reviews

The odds of successfully executing a plan that isn't frequently reviewed are slim to none. Be specific about your meeting structures–in particular, how often you plan to meet and what the agenda will be. "We had weekly leadership meetings that tracked our annual plan objectives and variances with a critical eye to issues and corrective action," says Woodfall.

Personnel and resources should be at the top of the agenda at these regular review sessions. Stratman says that each year at RRD Direct, "we went through a rigorous evaluation of our people to ensure that we had the skills in the right places and an appropriate commitment to development," he says. If you're convinced that you do have the right people in the right roles, but you're still not executing, then you should look at your resources. Do your people have what they need to get the job done?

"Even great executive teams with solid measures that meet faithfully to review the plan are often missing the rest of the story of how resources are applied," says Zagotta. To bridge the gap between the high-level metrics and the tough decisions that must be made at the initiative level, managers who excel in execution rely on dashboard tools or summary documents to track resources and objectives.

The specific tool that works best for you will depend on the size, complexity, and culture of your organization, but the goal is to balance simplicity with thoroughness. "If you have a clear picture of the primary initiatives, as well as the key metrics they are impacting and who is on the hook for each, you have better visibility into true progress," says Zagotta. "You can shift resources more quickly" in response to rapidly changing market situations.

That's a big plus, given the greater sense of urgency that comes with hard times. It's a mistake to let that urgency cause you to change your basic approach to execution. "Good companies don't look at the economy as a barrier or excuse," says Stratman. To the contrary, they use leaner times to spur swifter and more flawless execution.