Turning Great Strategy
Into Great Performance

Pat Cunneen
Lighthouse Organisational Consultants Ltd.
ICBE Conference Aviva April 2012
“Without strategy, execution is aimless. Without execution, strategy is useless.”

Morris Chang
CEO of TSMC
Strategy Without a Clear and Committed Implementation Plan

Is Management by Wishful Thinking!!!

Strategic Management is 20% Inspiration

......and 80% Perspiration!
“70% of strategic failures come from poor execution

..... Its rarely for lack of smarts or vision
Just a few Words about Strategy....

Operational excellence is not a business strategy!
Operational Excellence of itself is not a Business Strategy
... Examples of false assumptions

Ken Olsen, CEO Digital
“There is no reason for anyone to have a computer in their home”

In 1970 there were 1,600 Swiss watchmakers making excellent mechanical watches. 10 years later, there were 600. What changed? Quartz and electronics
Just a few Words about Strategy....

Operational excellence is not strategy

“The Plan is nothing; planning is everything!”
Strategic Leadership of MNC Subsidiaries?

“Plan or be planned for”
Igor Ansoff
“Organisational culture eats strategy for breakfast”  

Peter Drucker
Strategy Vs. Culture
Remember....

COMPAQ ➔ hp

10 Regional Health Boards ➔ HSE

Feidhmeannacht na Seirbhísí Sláinte
Health Service Executive
Alignment of Strategic Elements

- Strategy
- Structure
- Processes
- Rewards
- People

J. Galbraith
Call it Strategic Fit, Integration or Alignment
.....or Whatever You Want

The Bits have to Fit Together.....
Strategy Execution

4 important things: 1 huge difference...

- Aligned & Accountable
- Clarity
- Focus
- Progress & Recognition
Not Just Working Hard
But Aligned & Accountable to Each other

Supporting Each Other
1. Aligned & Accountable

- Do I hold myself accountable? Is it my Plan?
- Do I hold my colleagues mutually accountable?
- Do I hold my Team accountable?
- Everyone’s part of this.... Right?
1. Align and Enrol Middle Management - *a matter of physics*

Diagram:
- Organisation
- Middle Management
- CEO/Senior Management
2. Keep Strategy Simple & Concrete for People
2. *Keep Strategy Simple & Concrete for People*

- Communicate, communicate, communicate
- Do people understand the *why* of the plan?
- Do they understand the *vital few* priorities
- Do they understand their *role*? what’s expected of them?
- What are the short-term milestones?
- What are the lead indicators?.... Not just lag indicators
Call it what you will, it is essential that the priority goals of departments, teams and individuals are clearly aligned in support of the strategic initiative.
Goal Alignment

- Vision
  - Strategic Initiative No. 1
    - Tactic 1
    - Tactic 2
    - Tactic 3
  - Strategic Initiative No. 2
    - Tactic 4
    - Tactic 5
  - Strategic Initiative No. 3
    - Tactic 6
    - Tactic 7
  - Strategic Initiative No. 4
    - Tactic 8
    - Tactic 9
  - Strategic Initiative No. 5
    - Tactic 10
    - Tactic 11
Clarity

• Who’s in charge?
• Am I clear on my new role/priorities?
• Are my Team clear on their new roles/priorities?
• Are we proactively communicating with each other?

It’s not sufficient that we inform people, it is about understanding
Effective Communications is not about Transmission
Effective Communications is about Reception
Focus

- Day job + Change Initiative = Big Fat Zero
- What are you going to stop doing?
Progress & Recognition

Milestones/ metrics are key

Are we constantly checking progress/ contingencies?

Are we recognising achievement/ addressing non-achievements?
Summary....

• Operational excellence on its own is not a business strategy

• In MNCs: Plan or be planned for!

• Strategic management isn’t a glossy PR brochure, it’s an activity

• Execution needs
  – alignment and accountability;
  – Clarity;
  – Focus;
  – An active process of checking progress;
  – Recognition for achievers; clear implications for those not ‘on board’
And finally back to the beginning......

“Without strategy, execution is aimless. Without execution, strategy is useless”
Contact Details

Pat Cunneen
Lighthouse Organisational Consultants Ltd.
18, Newtown Mews
Castletroy,
Limerick.
T: 353 61 332840
M: 353 87 9062000
W: www.lighthouseorg.ie