

Valuable News

The News Engine of Valufacture Solutions



Valufacture Solutions are Business Consultants; professionals dedicated to the Art and Science of *execution excellence* that achieves results.

"There are a number of hurdles that prevent the successful execution of strategy and company leaders would do well to be aware of them."

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The Hurdles to Successful Strategy Execution

All companies require regular execution service checks. Like a car, companies get out of alignment or departments may get out of tune with the rest of the organization. Regular service checks will uncover execution problems before they surface thereby saving time and money further down the track in having to fix them.

Hurdles to Execution

There are a number of hurdles that prevent the successful execution of strategy and company leaders would do well to be aware of them so that they could 'head them off at the

pass' as it were.

1. Poor Strategy

There are two parts to this particular hurdle. The first is having a very clear and inspiring vision which employees can buy into, and the second is having a very clear strategy to achieve the vision. The first comes from the top and moves down the organization, whilst the second is built from the bottom and moves up the organization.

2. Insufficient Financial Resources

This has been one of the biggest hurdles to strategy

execution over the years, but it has also been one of the biggest cop-outs as well. Common sense dictates that resources should be placed behind those projects that generate the biggest return. However, reality sometimes paints a very different picture and politics, personal relationships and egos don't always follow common sense.

3. Inability to Generate 'Buy-In' on Critical Steps

All too often managers will follow a course of action that they believe is right rather than go with the course of action that was agreed by all.

The Lack of Management Support & Incentives

"I know better" is the mantra of these managers and it can destroy harmony and alignment within a company. Follow up becomes the key. I am not a fan of micro-managing employees, but leaders must know their direct reports well enough to ensure that they are not going off on a tangent and that the action plans agreed to are actually followed by all.

4. Lack of Management Support

This generally occurs when strategies are formulated from the top and then passed down to managers with instructions to execute them. It may also result from departmental managers

protecting their turf or as an off-shoot of the 'I know better' mantra discussed above. Ensuring that strategies are developed with the input from those people who are responsible for executing them will nine-times-out-of-ten overcome this hurdle.

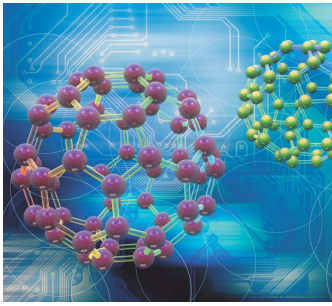
5. Lack of Incentives

Company incentive schemes tend to reflect 'social' structures rather than the contribution that employees provide to the overall attainment of the strategy. In other words, incentives are provided across the board equally rather than taking into account the differing contributions that each role

provides in achieving the strategy. One company that I know had the bonus of the managers in the local operation linked to the results of another country. The local managers had absolutely no control over the performance of the managers in the other country. The result – the local operation kept missing its targets.

6. Poor or Inadequate Information Sharing

There are two aspects to this hurdle. Sometimes the information shared is not from a reliable source, or it is based on gut feel without any grounding in research. The second is linked to the belief that 'information is power'



“Managing change or overcoming resistance to change is a skill”

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The Lack of Accountability & Understanding Design

and it is therefore withheld for political reasons. I believe that this is first a cultural issue and secondly, a talent issue that can only be addressed through transparent leadership. Leaders need to ask the hard questions of their managers as to the sources of information and they also need to make it known that withholding information will not be tolerated within the organization.

7. Lack of Accountability

Not only do people need to be very clear as to what they have to do, they also have to be held accountable. It is simply the law of cause and

effect. Knowing what you are accountable for is the cause. Being held responsible for the outcome is the effect. One without the other is useless. Managers must know that their leaders will follow through with the necessary action if they fail to deliver.

8. Lack of Understanding the Role of Organizational Design

Very few companies that I know of take the time to explain to its employees the role of organizational design in the strategy execution process. Apart from the marketing and sales people, generally employees remain

unclear as to how their role specifically contributes to the overall execution of strategy. The result is that the support staff tend to have differing degrees of urgency or worse, tend to have different priorities. Managers can overcome this hurdle by explaining how each role supports strategy attainment. If it doesn't, then managers should question the role's relevance.

9. Inability to Manage Change

Managing change or overcoming resistance to change is, I believe, a skill. I don't believe that it is an easy thing to do but when

The Inability to Manage Change

change is managed effectively, the results are phenomenal. Leaders need to be sensitive to their managers. They need to know what motivates and deflates them; they need to know their fears. Basically, they need to know what makes their managers tick.

Being aware of these hurdles and their impact on the execution of strategy and then putting in place the measures to overcome them when they do surface, will go a long way to ensuring that the company will execute with excellence.




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