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WHAT IS STRATEGY EXECUTION

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What Is Strategy Execution, and Why Is It Important?

Meta Description: Corporations have to come up with new strategic alignments to combat new challenges. Unfortunately, in many cases these strategic change initiatives and their subsequent execution are only known to the corporate's top brass. This leaves the majority of the workforce unaware of the new strategy execution, and employees end up floundering as they try to follow new instructions. This is one of the leading causes of strategy implementation failure.

What Is Strategy Execution?

Harvard Business School defines strategy execution as systematic plans geared toward set organizational goals. It is the deliberate effort to pursue specific corporate objectives, adopt results-infused methodologies, and achieve the corporation's goals. Many corporate leaders fear strategy execution due to the high likelihood of failure. Indeed, 90 percent of corporate strategies do end in failure; however, if your corporation wins 10 percent of those strategies, you are guaranteed exponential growth.

According to the July 2020 issue of *McKinsey*, the corporations that accept and adapt to the new Covid-19 protocols will thrive, while the rest will sweat it out as they wrestle with the ugly aftermath of the pandemic. Strategy execution in the post-Covid-19 era should lean into the new normal, incorporate measures that would thrive in a marketplace in a recovery mode, and equip the corporation to wade through the mess left by the pandemic. If a corporation is steered by rigid leaders, who discard the new norm and resolve to use their old techniques in strategy execution, the chance of repeated failure is high.

In a *Forbes* article on corporate governance, Betsy Atkins echoes the importance of corporate training in today's corporations, as they are full of millennials who value training and skills addition. It is a wake-up call to the corporate leaders and training departments: They must embrace corporate training to orchestrate strategy execution. A highly trained and adequately equipped workforce excels at helping the corporation meet its objectives and power strategy execution, from the preliminary stages to completion. Atkins implies that since the numbers of millennials are increasing in many corporations, corporate training should be incorporated and scheduled regularly.

Strategy execution is the bridge transforming your corporation from a redundant flight system to a modernized fly-by-wire system, which makes winging through the marketplace a breeze and navigating challenges a piece of cake. If, as a corporate leader, you get lucky and ace the strategy formulation and execution phases without failure, then you can be guaranteed groundbreaking success. However, there is more than meets the eye in strategy execution. You have to memorize every bit of strategic alignment and get the entire workforce playing the same tune. Often, you will have to remind departmental heads of the new objectives and the strategy execution game plan to keep them and their teams on their toes.

Why Strategy Execution Fails

The words every corporate leader dreads the most are: "Sir, nothing seems to be working. We are making losses, and the new strategic initiatives are nothing but crap. The strategy execution failed, and we have to revert to our old modus operandi!"

You can probably hear the urgency in the voice of the junior leader, who is certain that the future of the corporation hangs in the balance. However, fret not. Corporations have been failing at strategy execution since they were formed.

According to a recent *Forbes* article by Jeroen Kraaijenbrink, corporate strategy has a success rate as low as 10 percent. Most corporations excel at strategy inception and strategy formulation, but fail at the execution phase. This is fueled by a number of factors.

1. **Sparse and unclear communication**: Strategy execution and its success require clear and concise communication. If the leadership team withholds some information or does not disclose the complete information on why there is a need for strategy execution, the specific objectives of the strategy execution, and the long-term game plan, failure is just one step away. Poor communication breeds distrust among the employees, which is something you do not want from the team you will depend on to achieve the strategy execution.

2. **Conflicting goals**: If every departmental leader tugs the strategy execution to their side, mainly to gain instant success, the shifting goalposts may prove detrimental to the whole strategy execution exercise. The corporate leadership should ensure that all personal and corporate goals are aligned with the new strategy. Thus, strategy execution should edify both personal and corporate goals, and promote working toward a common goal. The most basic corporate goals in 2021 will oscillate between setting the corporation on a sound footing, forging forward, recovering lost time and funds, and preparing the corporation for takeoff.

3. **Unclear strategies:** Strategy execution is deeply affected by unclear strategies. The issues involving lack of clarity spill over from the strategy execution team, who fail to expand on the leadership team's strategies. The strategy execution process will not be entirely completed, which translates to failure. To solve this issue, the strategy implementation, execution, and acceleration team should set the record straight, explain everything clearly, and ensure that all employees know the role they will play.

4. **Inadequate resources**: Corporate leaders who provide their strategy execution teams with inadequate resources and then sit back waiting for success are incompetent. Resources are the fuel that power strategy execution, and if they come in short, the strategy execution process will be throttled. Thus, the strategy should be allocated sufficient resources and funds, adequate training, and the necessary human resources to give it the support it need throughout the process.

5. **Lack of commitment**: Sadly, some corporate leadership teams are their greatest obstacle to success. If a strategy execution process does not receive the attention it needs, the likelihood of success is minimal. Some corporate leaders do not entirely approve of the new strategic initiatives in isolated cases and stifle them, deliberately starving them of resources. Inadequate resources in any strategic change will make the whole process a waste of time.

6. **Isolated and uncoordinated actions**: A corporation should work as a single unit toward strategy execution. However, strategy execution often fails due to isolated and uncoordinated actions. These actions may be geared toward strategy execution, but their disorganized nature denies the corporation the desired outcomes. For instance, employees in each docket should be prepared to uphold the new strategies. However, if some departments are ill-prepared, it results in uncoordinated actions, which are detrimental to strategy execution.

7. **Unclear priorities**: Corporate leaders and employees need to get their priorities straight, especially when handling sensitive strategy execution. There should be a laser focus on the

new strategic initiatives and absolute dedication toward the success of the laid-down strategies. Unclear priorities lead to the entire project's derailment, as different participants pursue their own goals and priorities. The aftermath is a failed strategy execution, which costs the corporation money and lost hours.

8. **Little or no performance information:** Performance information helps the employees, the leaders, and the strategy execution teams gauge their performance. A strategy that is rarely critiqued based on performance may fail. The strategy execution should check the employees' performance regarding the new strategy and how it performs in the corporation. Then, the performance data should be available to all involved parties, so they are aware of how their actions affect the strategy execution process. If the performance information is not made available, participants are likely to carry on with harmful practices, which may cause the strategy to fail.

9. **Business Silos**: Corporations have been battling silos since time immemorial. Employees have a tendency to form small groups that serve a common interest. These silos can be detrimental to strategy execution, as members can easily influence one another and push for resentment toward specific leaders, ideologies, and strategies. Business silos can thus lead to the failure of a promising strategy execution initiative. Corporate training can inspire corporate leaders to tame these silos and harness their full potential toward bolstering productivity in the corporation.

10. **Untrained Workforce:** Strategy execution should be handled by optimally skilled employees, from the leaders to the lowest-ranking employees. The strategy execution and acceleration teams should ensure that the entire workforce is trained before the strategy execution. The untrained workforce costs the corporation opportunities and money, and shoots down strategy implementation, execution, and acceleration. Thus, before the strategy execution phase, the strategic planning team should rid the corporation of all unskilled workforce through corporate training.

11. **Resistance to change**: It is easy for corporate leaders to get stuck in their old, tried-and-tested ways of getting stuff done. This makes them resistant to change. However, in the wake of the Covid-19 pandemic, it has become apparent to all that change is inevitable, and the sooner a corporation adapts, the better. Resistance to change holds strategy execution ransom. The rigid leaders resist change by pushing for old tricks in a new environment; little do they know that the cheese has been moved! Resistance to change leads to stalling of new strategies, and it would be prudent for the hiring managers to either retrain the archaic employees or replace them with employees who are more adaptable.

12. **The complexity of the strategy**: A strategy may be so complex that leaders and employees alike find it hard to get their heads around it. The complexity of the strategy makes it hard to achieve a successful execution. It is up to the strategy implementation teams to simplify the strategy, split it into achievable milestones, and suggest the training required to implement and execute the strategy.

13. **Delays and procrastination:** Procrastination is the thief of time. Corporate leaders often move the strategy execution dates at the slightest excuse due to fear of the unknown. These delays have a detrimental effect on the strategy execution's timelines and can cause the downfall of the whole strategy. Think about corporations that delayed adapting when the Covid-19 pandemic struck. They were left floundering, and had to play catch-up.

14. **Lack of a leadership bench**: Good leaders do not count themselves successful until their successors succeed. If a corporation does not have a backup leadership bench, it is

treading on dangerous ground. It takes time and finances to source leaders, train them, and align them with your corporation's strategies. Therefore, the current leaders should ensure that a formidable leadership bench is formed, which will carry on the leadership duties should some of the present leaders leave. The lack of a leadership bench poses the failure risk to strategy execution, and once a key leader leaves, it can be difficult to find a suitable replacement who will carry on the strategy execution baton.

15. **Lack of strategic alignment**: Before the strategy execution step comes to fruition, strategic alignment can pose a considerable barrier. More often than not, strategies and their execution may fail due to improper strategic alignment. Strategic implementation teams and corporate leaders must come together and institute strategic alignment as a mandatory step before strategy execution and acceleration. If strategic alignment is done right, then strategy execution should face one more minor problem, and the process should sail through.

16. **Poor Leadership:** Poor leadership is a parasite that eats away at a corporation from within. At first, the leaders are quick to point an accusing finger at other factors, but it soon becomes evident that the corporation is suffering from poor leadership. This not only affects profit margins; it also hinders successful strategy execution. Poor leaders fail to completely perform their duties and fail to do due diligence, and transfer the same carefree attitude to the strategy implementation and execution processes. These are the same rigid leaders who do not welcome new strategies, preferring to stick to their old failing strategies. The human relations department should crack the whip, get rid of the corporation's poor leadership, and pave the way for new leaders who uphold diligence and industriousness.

Why Strategy Execution Is Important

Strategy execution is the stage where the written-down strategic initiatives are transformed into action. Corporate leaders see this as the moment of truth, where the optimistic theoretical plans meet the real world. Thus, this stage is vital in the strategy implementation and acceleration process, and can make or break the entire strategy.

The strategic implementation team, the leadership, the employees, and all the planning, deducing, and training pieces pool their efforts for the strategic execution. Because of the amount of labor, time, training, and skills invested in creating new strategic initiatives, this stage is crucial to the corporation. It can be equated to the moment when a rocket is launched: months or years of preparation result in an intense episode of activity.

A successful strategic execution means that the corporation can now shift into the new strategy, align itself with reaping the best from the new strategy, and scale the corporate ladder as a newly equipped corporation, ready to disrupt the marketplace and break new records. Strategy execution presents the corporation with multiple opportunities, new capabilities, and a new engine to power the corporation past all the previous challenges and become a top competitor in the marketplace.

The employees stand to benefit as well. A thriving corporation will mean that the employees have a secure job; their remuneration is likely to increase; and, should the corporation expand to increase production capacity, the employees' chances of promotion will increase. The same applies when the corporation resolves to open new branches, and they have to transfer some seasoned employees there. This means promotions to the current employees as an incentive before transferring them to the new branches.

The client base enjoys some benefits when their preferred company undergoes a successful strategy execution process. There is a guarantee that they will continue to receive their favorite products and services at competitive prices.

Parting shot

Strategy execution is the baptism of fire that every corporation must undergo at some point. It is the move corporate leaders often dread, but hope to ace, and the execution involves a host of challenges. These challenges can be life-threatening, and may shake the entire corporation to its core.

There are multiple reasons why strategy execution fails. If a corporation's top brass can recognize and address these loopholes, then strategy execution can be simplified. However, some corporate leaders seek to implement new strategies in a corporation relying on the old initiatives, as they shy away from change. In a rapidly changing environment, corporate leaders must be flexible and allow for corporate training, which can transform the corporation into a sleek, future-ready organization compatible with new strategies.

The importance of strategy execution is underrated, which is why many corporations do not give it the effort it needs and why 90 percent of failed strategic executions end in failure. The corporations that see their execution through book themselves a date with the future, while those that fail have to start all over again.

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