

Closing the Gap Between Strategy and Execution

(Only 8% of all Executives do both well)

In a study of nearly 700 executives across a variety of industries, Paul Leinwand and Cesare Mainardi, authors of Strategy That Works, asked respondents to rate the effectiveness of the top leaders of their companies. How many excelled at strategy? How many excelled at execution? The responses are sobering: Only 16% of top leaders were rated very effective at either strategy or execution. Only 8% were very effective at both, while 63% were rated neutral or worse on at least one dimension.

Leinwand and Mainardi published their findings in the Harvard Business Review and, while their that may help executives who want to improve their skills in both strategy and execution.

Here is their take on what executives need to do:

In our research, we've found five leadership acts that help companies close the strategy-to-execution gap. The five acts of unconventional leadership also provide an opportunity for deep and powerful leadership development. Think of them as a chance to create an engine of growth for you personally and for the company.

Commit to an identity.

As a leader, you can become a symbolic figure, a model of commitment. You have something powerful to sell: a message about

research results were disheartening. they did uncover some information

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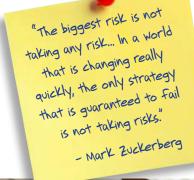
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- Aluminum Siding
- Glass and Glazing
- Industrial and Automotive Tools







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identity and the need to stay with that identity over time. As you demonstrate the courage of those convictions, you develop the influence and impact needed to build an extraordinary company.

Translate the strategic into the everyday. Although you occupy a top executive position, you also "get your hands in the mud," as Starbucks CEO Howard Schultz puts it in his book Pour Your Heart Into It. You become the architect of the capabilities you need, the chief of builders. In these roles, you operate at a fine-grained level of detail so that you can see, sense, and touch the details of everyday activity. But you also raise your view high enough that you clearly see — and show others how all your global capabilities fit the value you offer customers. You need two kinds of perspectives,

"A satisfied customer
is the best
business strategy
of all."

- Michael LeBoeuf

nearsighted and farsighted, simultaneously, and you can only develop them this way.

Put your culture to work.

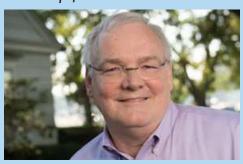
As a leader, you are infused with your company's culture. You are a primary champion of emotional commitment. You practice mutual accountability; everyone's success is important to you. Through teaching and learning, you devote yourself to the cultivation of collective mastery. You do all this in a way that matches the unique cultural attributes of your company, which are grounded in its capabilities system. You don't act like you come from a remote corner office; you act like you are one with the company's culture.

consistently allocates its resources with an eye toward strategic priorities. As a leader, you do the same with your personal resources, particularly your time and attention. Are you devoting enough to the most critical capabilities and the value proposition they support? Or are you squandering too much time and attention on immediate demands, responding to everybody else's idea of what is important?

JEFF BLEACHER



"The impact of not implementing a strategy is huge. We work closely with our clients to help them close the gap between strategy and execution because we know that makes their financials so much stronger. For us, working with clients goes beyond the numbers into the business of business. And the critical starting point for a strong business is a strategic plan that becomes the roadmap for the entire team."



KEN FALK

"Executives who are strong in strategy and not strong in execution can help their companies by bringing in a strong COO. Many entrepreneurs are great strategists and visionaries but fall short on discipline and accountability. This is where we can help an organization, through planning and forecasting, to see how much stronger they could be with a strong visionary and a strong operations executive."





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Shape the future. As a

leader, you are one of the first to experience the constant challenge of external change. You can muster the fortitude (and humility) to recognize when change in yourself is required. You build an extremely capable team, knowing that ultimately the future will depend on developing the next generation of leaders.



Nearly every CEO we've met has great aspirations to change the game, move beyond the constraints that his or her organization faces, and build a legacy that leaves years and years of growth. Living these five acts of leadership can help. They build your confidence, and that of your company, and increase your ability to close the gap between strategy and execution.

In summary, Executives who want to build their skills can begin with this advice from Leinwand and Mainardi and build traction in their companies with strategy and execution fully aligned.

JEFF GROFF



"The power of this research is that it gives executives a game plan for getting better at both strategy and execution. The research shows that it's rare to have an executive who is strong in both areas, but the recommended actions will help all executives to bridge the gap between strategy and execution."

PATRICK GENDRUE



"A good plan left on the shelf isn't worth much. We see many clients go through the planning process and then abandon the plan in a short period of time. This research sheds light on why that happens and also gives good solutions to change that scenario. We help companies get to organizational excellence and giving them tools like these will help them all improve."

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