

February 2008

The Desired Outcome

This Month: Strategy Into Action™

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Strategy into Action™

I believe that most organizations who have "strategy issues" do not suffer from the lack of a strategy.

They know what they want to do. They just don't do it.

Throughout this month's issue, I'll highlight the 4 most common pitfalls that stall execution, and share ideas of how I have been successful overcoming them to help teams actually do what they keep talking about.

YOUR BUSINESS

Start doing, and stop doing...

This is the HARD PART! And it underlies all of the execution pitfalls I will discuss in this month's column:

Getting people to stop doing what they ARE doing and start doing what they NEED TO BE doing is the biggest obstacle to getting new things done.

This is hard because it is a very human issue. It can't be overcome with a memo, a meeting or a plan. Every current activity has some dependencies, if not actual revenue -- and then there is the habit part -- "We have always done this, so it must be important."

New strategies can wither on the vine with everyone agreeing they are vitally important, but no one having the capacity to do the new stuff.

Existing workload has a way of taking precedent over new things.

Top Four Pitfalls to Execution

1. Lack of shared clarity on the "Can't Fails"
2. Resource plan developed off-line
3. Trust and instead of explicit tracking
4. Employees don't really know what to do differently (and don't really care)

Pitfall #1 Lack of shared clarity on the "Can't Fails"

Solution: Develop an explicit Can't Fail list to deliver the successful outcome.

I like the term "Can't Fail" more than "Strategic Imperative", or "Critical Success Factor", or pick your favorite.

"Can't Fail" has the emotional impact necessary to create not only focus, but a "but-on-the-line" kind of feeling of responsibility to get it done.

With your team develop a set of Can't Fail items which specifically target achieving core elements of the new strategy in a meaningful way.

For example: If your desired outcome is \$50M of new Revenue in Europe in the next 2 years, your Can't Fail items might be things like:

1. Sales: Create a new successful retail channel in Germany, UK, and France
2. Sales: Coverage model and commission plan is clear by [date]
3. Product: Localized, channel-ready version of the product for each country is available by [date]
4. Marketing: Sales force and channel partners are trained by [date]

This list should become an official artifact of your implementation plan, and become everyone's operational guide and communication tool about the plan.

Pitfall #2: Resource plan developed off-line

Solution: Agree and socialize an explicit resource plan

Real alignment and the ability to execute comes only when there is an explicit resource plan agreed, and there are commitments to add or move resources to the new things that need to be done.

This typical pitfall is a discussion I refer to as the "This is really important, but we don't have enough resources to do it" meeting.

This discussion wastes more time in more businesses than any other discussion. I have seen it go on for hours, days, weeks, months, or years.

This discussion never makes any real progress – it only gathers more detail. I refer to it as:

...collectively admiring the problem.

To break through talking about how important something is and actually doing it, I have developed some magic questions. The "magic" is in getting very specific.

For each Can't Fail Item ask:

To accomplish this Can't Fail item:

- ✦ What skills need to be acting?
- ✦ What needs to be fixed or invented?
- ✦ What resources need to be added, moved or removed?

What skills need to be acting?

This question will highlight the execution gaps in your strategy.

List all the skills that will be required, the ones you have and the ones you don't. This is especially useful if you don't know up front, how specifically to accomplish the outcome.

You may list skills like (to continue our European retail example from above) someone who can establish and run the retail sales channel in Europe, product development skills localize the technology, or partner relationships in each key country, or technical support coverage in Eastern Europe.

A full list of the necessary skills to accomplish your Can't Fail item will give you a great framework to map your existing resources against, and expose the gaps.

Where do we have capable people doing other things, and what skills are we missing entirely?

What needs to be fixed or invented?

You may find that your new strategy requires a new technology, a new process, or a new structure.

Look at your Can't Fail list and really comb each item for assumptions about things that will need to be working well to support the new initiatives that are not in place today.

If these things do not get resourced and implemented, your strategy will stall.

This is an area that I most frequently find in the "hope for the best" category vs. the "explicitly resourced" category, because it's not specifically a job -- it just needs to get done.

What resources need to be added moved or removed?

Here, I've found it valuable to be as specific as possible.

If you don't have some of the resources you listed in the first question, and you don't have additional funding, you need to establish an agreed plan to either move resources to the new thing, or acknowledge that you are not going to do the new thing if you don't make a change.

It is important to be clear and intentional.

The way that most teams trip up on this is that they leave getting specific to off-line discussions.

This rarely works as well as having the whole management team stare each other in the face, discuss the importance and consequences of specific resource moves, and leave the room with a committed set of actions to make the changes.

If you leave resource moves to off-line negotiations, the strategic focus is lost, and current work will almost always end up taking priority over the new work.

Pitfall #3 Trust and "hope for the best", instead of explicit tracking

Solution: Measure and track progress – Just do it.

On one hand, duh. On the other hand, I have experienced many management teams who launch a strategy without significant tracking in place moving forward.

The only point I want to make is:

If you are not personally gifted at tracking commitments, dates and milestones at a detailed level, get someone onto your staff who is.

I always had someone to rely on for this, and it made all the difference in the world.

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YOUR PEOPLE

Nodding Heads is a RED Flag

Pitfall #4: Employees don't really know what to do differently (and don't really care)

Solution: Over-communicate

Another thing that trips up executive teams is that they assume that that nodding heads is a sign of progress. It's not. It's a red flag. I have made this mistake myself.

Getting the organization from the head-nodding-stage to the doing-stage requires significantly more

effort.

Give your people a reason to care

People don't respond to new strategies. They respond to what they care about.

Real leadership is investing the energy to give your people clarity and a reason to care, by making sure that:

- ✦ **Everyone responsible for executing your strategy knows exactly what to do.**
- ✦ **They WANT to do it more than they want to keep doing what they are doing.**

Many organizations who are ready to announce their new strategy or initiative to the organization fall into a specific trap.

They plan a very well orchestrated communication rollout, sometimes even accompanied by external guest speakers to provide testimonials to the brilliance of the new strategy -- and ice cream.

After the big event, they believe that their strategy has been passed down through the organization.

Here are the more likely reactions your employees will have to hearing your new strategy for the first time:

- ✦ They don't think it applies to them so they don't really listen. They are just there for the food.
- ✦ They ignore it as yet "another new strategy" that won't get implemented.
- ✦ They don't come to the meeting at all.
- ✦ They feel resentment that the world has changed and the work they have been doing so far doesn't count for anything so they turn off even more.

In any case, "presenting" the strategy will not create enough inertia for them to stop doing what they are doing and start doing what they need to be doing.

Remember, as a member of the leadership team you have been thinking about the problems this strategy needs to solve for many weeks or months. You have assessed, debated, and maybe even tested several approaches.

You have internalized the challenges associated with executing the new plan, thought about it on your commute and in the shower. You have got comfortable that this is the best way forward compared to the other alternatives that have also been considered.

Then your organization gets to hear it one time, they get a slice of pizza, and go away.

Even if they were intently listening, which likely not the case the first time they hear something, they have no way of integrating this into what they need to be doing differently when they get back to their office.

Here is my formula for communicating change to get people to care, to get them on board and, and ready to take new action.

1. Provide the context for the change.

What was the management team seeing and thinking in the months that led up to this new initiative or change? Why is it so important to do something different now?

2. Tell people what is NOT changing.

Even if everything in the business is changing, find a way to talk about what is not changing. As an example, focus on values. We will still be the company who provides the best customer experience. We will still have respect for people, employees and customers as our core value. We will still use our quality improvement processes... etc.

3. **Thank them for the work done so far.**

Tell them why their work counts for something. Even if it is being thrown out the window now, you can still thank them for their hard work, comment on the positive outcomes it already created, and acknowledge that the new direction will require new things.

4. **Use a timeline to communicate which is a visual graphic.**

[click here for an example](#) >>

- ✦ Put a big red dot on the timeline that says "you are here".
- ✦ Make sure the red dot is in the middle of the timeline, not the beginning. It's too scary to have ALL the work ahead of you.
- ✦ Put past accomplishments to the left of the red dot (this is where you can thank people for work done so far).
- ✦ Put future milestones and Can't Fails beyond the red dot to give people a specific view of how they are staged and what timescales are necessary.

5. **Make the Can't Fail list clear to everyone.**

Talk about how these things will impact the success of the business, and demonstrate your seriousness about executing it by sharing as many of the resource plan changes as you can.

6. **Have a specific call to action for each group in the company.**

Based on the Can't Fails have a specific call to action for each group with a specific outcome clearly defined and on the timeline.

7. **Make sure everyone on the executive team uses the same timeline and Can't Fail list.**

Showing the executive team as aligned is critical to showing the employees that this is for real, and creates comfort and trust in the new strategy.

8. **Use this timeline to communicate over and over (and over and over) again**

Once a month or once a quarter, show the red dot moving to the right and include more accomplishments to the left. Keep the Can't Fail list current in everyone's mind.

The 21-times rule:

It is well studied in marketing circles that your audience needs to see/hear your message 7 times before they internalize it and are ready to act on it. And for each time they see/hear your message they need to encounter it 3 times. That's 21 times.

I have not found this to be overkill for communicating a new strategy, a set of Can't Fails, and a call to action. You really can't over-communicate enough to be a problem.

The steady drumbeat of this communication gives people confidence that you are really serious, and more importantly lets them know that:

It's OK to get on board because you're not going to pull the rug out from under them.

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YOUR VISIBILITY

Defending your honor and your budget

In this section I am shifting gears slightly to focus on how you manage your own budget so that you get and maintain the funding that you need to execute your part of the strategy.

I have one main point to make here:

Think like a general manager even if you are not one.

As a leader, remember a big part of your job is to make tradeoffs that create room to do new things. This is obviously core to the job if you are a CEO or a GM, but even if you are not, thinking like one will go far to build your credibility and your budget.

The best way to defend your budget is to be seen as someone who is managing spending.

The critical factor in managing spending is to reduce your unit cost, or your cost of doing a program year on year.

This should be an explicit goal for anyone who manages a budget. If you don't do this:

1. You don't make room to do new things, and you are always seen as asking for more money.
2. You create a growing legacy of inefficiency which becomes harder to turn around every year.
3. You are not seen as "getting the job done" compared to someone who can do more with the same budget (these are the people that end up getting more budget, by the way.)

Here are some examples to consider:

- ✦ If you run a software group, think about reducing your code size year on year.
- ✦ If you run a marketing organization, think about making your programs more effective so you get more qualified leads for the same or less investment.
- ✦ If you run a services organization, think about creating standard packages which can reduce the cost of implementation.
- ✦ If you run a sales organization, think about how you can improve the touch with the right customers without adding headcount.
- ✦ In any role be ruthless about wiping out complexity and time wasters.

Showing you can reduce the costs for the steady state part of your business to make room to take on new initiatives will build your credibility (and help the business) hugely -- probably second only to personally bringing in more revenue.

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YOUR LIFE

Do something specific

While we are talking about putting strategies into action, here is a quick reminder to take this thought home too.

You and your family probably have "a someday we should go/do ... "

Or you may be struggling to find time for yourself and your family at all.

Waiting for good things to happen spontaneously can be fun when they happen, but if you use up all of your time

and energy working, you won't be there when they do!

And thinking in general terms of "we should do something active, or travel somewhere interesting, or learn something new", falls in the same limbo category of a good strategy that does not get executed.

I have found that having a specific thing to commit to, outside of work gives your personal values some air time that they might not get in your work, and ensures that you don't let work completely squeeze out your fun time for yourself and with your family.

Integrating your work into you life in a way that your life works over all is important and is good for you, your team, and your business.

And the best way I've found to do it is to go beyond thinking or talking about it and DO something specific. Put some of your "Fun into Action" too.

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I hope you have found a few useful ideas that you can apply right away to start building value in your career and business.

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About Patty

Patty Azzarello became the youngest general manager at Hewlett Packard ever at the age of 33. She ran a \$1B software business at the age of 35 and was a CEO for the first time at the age of 38.

[More About Patty >>](#)

Patty Azzarello is the CEO of Azzarello Group, www.AzzarelloGroup.com a unique services organization that works with companies to develop and motivate their top performers, and with individuals to build success in their business and career, based on a systematic leadership approach she created from her personal experience.

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Patty, this is great stuff. How about sending a daily email to your readers so that we remember to read your blog? Looking forward to your executive coaching session this month.

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then!!

Congrats on the new job

Chris

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