

STRATEGECUTION

Can Changing A Word Change The Way Our Organizations Operate?

By Ian Townsend, CEO, Avanzare Inc.

It has been said that when Plato first conceived of his “Theory of Forms”, the true age of human intelligence had dawned. This is because forms let us understand and organize the world around us. Now to be clear, Plato wasn’t referring to things like expense forms or office supplies requisition forms (thankfully, lest his philosophy and the forward march of civilization be stunted through mindless bureaucracy). Briefly put, forms are defined as *the essence of something*. Using language, we then give specific names to those forms that seem to share similar characteristics. This helps us understand and distinguish between them. So a form has two components – i) the thing itself and ii) the word to describe that thing. A form can be anything - an idea, a dog, a text message, even Earnings Before Interest and Taxes. In other words, forms are the foundation of the way we think and we cannot exist without them (and yes, expense forms and bureaucracy are two more examples of forms!).

But recently I have been thinking a lot about forms and how they sometimes get in the way of doing better in our businesses. Why? Because at the same time as they empower us, they can also serve to disable us. Here’s what I mean. In business, we are all familiar with the two forms of ‘Strategy’ and ‘Execution’. And because they are two different forms, we represent them with two different words and then proceed to treat each as two different things. That’s where the trouble starts.

These days, in a world of increased complexity and shrinking time horizons, execution is fast becoming the thing that keeps CEOs up at night. Millions of words have been written on the subject in the last few years alone, a sign of its growing concern in the business community. The perception is that we have lost our ability to implement effectively. Less talked about is it’s connection to strategy as a prime cause of many problems.

How did it happen that strategy and execution came to be thought of as two distinct things? It’s called reductionism and it’s something we do every day in many facets of our lives. Reductionism is the breaking down of things into smaller pieces, examining them independently so that we can better solve problems. Then we roll all the smaller pieces together back into a whole and voilà...big problem solved (or so the theory goes).

We have come to know ‘Strategy’ as the thinking part of our business lives and ‘Execution’ as the doing part. True to the power of forms we do all sorts of things that revolve around this distinction, such as organizing, planning, operating, measuring, communicating and even rewarding.

But what happens when one form is detached from another despite the ubiquitous impact they mutually have upon one another? This is where reductionism breaks down. Unfortunately, strategy and execution, two forms with endless co-dependency, have fallen prey to the reductionist menace and must be rescued before it's too late (lest we stunt the forward march of commercial progress!). Thinking of strategy and execution as two distinct activities all too often leads us to uncertainty, inconsistency and failure. It doesn’t have to be like this.

It's time to reverse course and bring the two forms back into one. Thus I propose a new form called "Strategecution", defined as:

stra·teg·e·cu·tion – *Strategecution is a structured, continuous and integrated process that guides the business towards an objective through a series of defined, iterative steps. Strategecution builds a permanent two-way bridge between thinking and doing in an organization.*

Why all the fuss? Isn't it just semantics? Will changing a word really do anything to fix the problem?

Yes we are changing a word. Initially, we do this to change the perception of what the form is meant to represent. But more importantly, this change allows us to think differently about our approach to the problem. So the term Strategecution is much more than just a word. It is a change in method which can have a big impact on our success.

This doesn't mean we discard the notion of strategy or for that matter, execution. Only that we subordinate them both to Strategecution and in the process, allow them to happen differently, in a co-dependent sort of way, as a result of this subordination.

To demonstrate, it is helpful to compare the traditional approach with this new idea.

The Old Way:

A linear process, starting with the development of strategy. The exercise is spearheaded over two or three months by the business leader or a strategic planning group either of whom may engage a consulting firm. Activities such as market assessment, competitive analysis and SWOTs are conducted. Goals are established. A big presentation gets made and the strategy is officially launched. A plan is set out for the year that includes tactics, timing and resource requirements. At this point, the thinking stops and the doing starts. On January 1, we begin executing the strategy. A set of key performance measures tells us whether our strategy was any good and if we are executing correctly. Forecasts are made occasionally based on our performance.

The Strategecution Way:

A continuous, circular process. It is an ongoing responsibility of a diverse multi-functional, multi-level team that is a representative proxy of the organization conducted in partnership with company leadership. A series of key causal measures that display the most sensitivity on performance and financial results is used. A scenario-based picture of the future determines the nature of analysis to be done and the factors of implementation that must be considered. Strategy is developed in a top-down bottom-up fashion by leadership and the team in a way that positions the business favourably in the picture of the future, embraces learning from past implementation and offers maximum flexibility for go-forward execution. Tactical plans are issued by the team for the most important priorities and include span of

decision control for each activity and contingencies. Using fixed criteria, the implementation process is assessed during and after each initiative and makes recommendations for adjustments to strategy. Measurement of the causal measures is captured by the person closest to it and fast corrective action is mandatory. The picture of the future gets examined constantly and is refreshed as new information appears. Strategy gets adjusted continuously based on implementation, measurement, external factors and the picture of the future. Implementation gets adjusted continuously based on strategy and measurement.

In a world of Strategecution, it is not easy to cleave out what the strategy or thinking part is from the execution or doing part. And that's the exact point. By creating a single word through the fusion of two other distinct words, we change our perspective of what the form is all about. It invites us to open up our minds to a different and better way of doing things, often promoting entirely new ideas.

Strategecution is a process of predictably and consistently achieving desired results and to do so, we need to eliminate the real and perceived fences that exist between thinking and doing in our organizations.

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