

STRATEGY THAT WORKS

How Winning Companies Close the Strategy-To-Execution Gap

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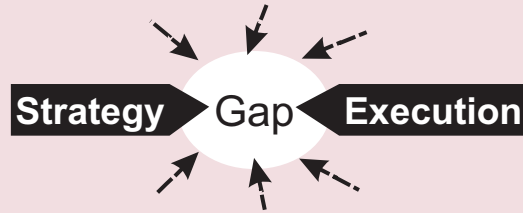
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The Web site for this book is at www.strategythatworks.com.

ISBN 978-1-77544-869-3

MAIN IDEA

How do you close the gap between strategy (what you'd ideally like to be doing) and execution (what you actually end up achieving)?



The conventional approach to closing this gap is:

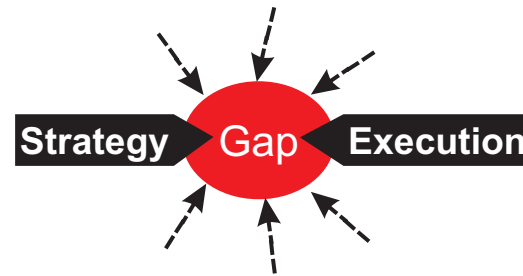
- 1 – Focus on growth
- 2 – Pursue operational excellence
- 3 – Reorganize over and over to drive change
- 4 – Go lean
- 5 – Become agile and resilient

All of these approaches are well intentioned as standalone initiatives but when combined, there are often unintended consequences. For example, if you get trapped on the growth treadmill, you start chasing market opportunities you have no right to win. If you try and be world-class at everything, you will end up mastering nothing. And so on.

To genuinely close the gap between strategy and execution, five acts of unconventional leadership are required:



The key really is to build a coherent company – one that does what you say you will do and makes your strategy come to life in what gets done everyday.



Act #1 – Commit to an identity Pages 2 - 3

Companies become coherent by making good choices about who they are. To close the gap, you have to differentiate by identifying the few capabilities which underpin what you do best. You commit to building an identity and then only enter those markets where you have the "right to win". Stay true to your identity.

Act #2 – Translate the strategic into everyday actions Pages 3 - 4

Blueprint your most distinctive capabilities and find effective ways to scale them across your enterprise. Make it feasible for you to produce and deliver something unique every day. If you do this well, no other enterprise will be able to match you. Turn what you do best into habitual behavior.

Act #3 – Put your culture to work Pages 5 - 6

Culture is the way your people think and behave collectively. To be coherent, celebrate and leverage your cultural strengths. View your culture as an important strategic asset and empower your people to bring your culture to life for customers. Let your people inject their emotional energy into everything you do.

Act #4 – Cut costs to grow stronger Pages 6 - 7

To close the strategy-to-execution gap, spend more on what matters most to your customers and less on everything else. Prune what doesn't matter so you have more to invest in what does and what differentiates you. If you can say no to what doesn't fit and yes more often to what does, you can cut costs and grow stronger at the same time.

Act #5 – Actively shape your future Pages 7 - 8

Coherent companies keep refining their capabilities and realigning themselves all the time. Get into the habit of developing new capabilities which will take you in the direction you want to head. Be pragmatic but at the same time be visionary as you take charge, build on your early successes and expand what you do best.

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