

# Close the Gap Between Strategy and Results

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**Gain new confidence that your strategic planning will lead to success.**

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## The Challenge

It's a confounding fact of business: Year after year, across organizations of all sizes and industries, studies show that 60 to 90 percent of all strategies fail. These struggles equate to enormous losses in time, money, opportunity and morale.

Strategy failures show up in all sorts of ways. Some strategies get scattered into projects that lose sight of each other and the original goal. Some get the axe for cost overruns or underperformance. In time, a strategy may lose relevance, or be disrupted by unexpected events. While the problems vary, many failed strategies share the same root cause: They missed crucial steps in the strategy-to-execution lifecycle.

## Point B's Perspective

Failed strategies often suffer from "the missing middle"—the crucial work of translating strategy into an operational reality that people understand and rally around. As organizations become more complex, and interdependencies between vertical functions and internal operations become more critical to delivering on strategic goals, translating strategy into an execution framework is imperative to success.

## Every strategy needs a good translator.

No organization can jump from a strategic plan into a scattering of projects or programs and expect strategic-level results. Strategy must provide one source of truth that will galvanize support. This means translating the business case for the strategy into a story that gets an organization and its customers on board with it.

Point B is known for our ability to validate the value of the strategy and translate strategy into a narrative and visuals that resonate with investors, the board, executives, managers, the front lines, and customers. We articulate a business case that generates enthusiasm, buy-in and alignment with the strategy. Downstream, this gives constituents a filter for making decisions and managing change.

This foundational work makes it possible for the right people to tackle "the missing middle" with operational planning that includes a set of coordinated initiatives, a detailed roadmap, and a clear measurement plan. Initiatives can be broken down into programs and projects that create the scaffolding through different levels of leadership, measurement and accountability throughout the strategy lifecycle. Creating clarity, structure and metrics—this is the practical genius that transforms the raw promise of strategy into gold.

### **Know your time horizon.**

What is the timeframe for executing on your strategy? How can you put that time on your side? It's important to take on an agile strategy framework that is transparent and rigorous, while giving you the flexibility to adjust to lessons learned and external influences. If you have a long timeframe—say, five to ten years—you'll want to create a number of initiatives and programs within the strategy and divide them into their own time horizons. This lets you map the strategy into executable projects and work streams. The closer your time horizon, the more detail you'll need. A three-year strategy might call for a roadmap with a dozen work streams. You'll want to zoom in even more closely on the next 12 months. Plan at the altitude needed to make the most of your time. Think about ways to realize some early wins, which can buy the "air cover" to tackle more complicated, time-consuming work.

### **Create a program portfolio.**

All the above considerations should be part of a program portfolio that includes timing, resources and risk tolerance. Balance the portfolio between risk and investment against time, just as you would a financial portfolio. Data and data visualization tools can play a powerful role in building understanding across an organization and supporting the "one source of truth" that increases credibility and confidence. The portfolio view provides a framework to align and allocate resources against strategic initiatives in a transparent way, with a mechanism to communicate progress against goals. It helps make the case for investment and identifies any gaps in the portfolio.

### **Find interdependencies; create bigger wins.**

Strategies flounder when key people, functions and operations are out of the loop and interdependencies go unrecognized. It's vital for leaders across the organization to identify key interdependencies between functions such as finance, HR, IT, etc.—their timelines, resources, capabilities and capital investments. We often facilitate decision-making that moves people from nodding acceptance to active ownership. Here again, we use visualization tools to showcase interdependencies at a glance. By showing how

everything ties together, these tools help people see the big picture, become accountable to each other, and drive the next level of execution. Once people see they need each other to be successful, everything changes. This interdependent point of view can also spotlight the multiplier effect of synchronizing complementary programs—such as, for example, developing the patient journey for a clinic at the same time as its floor plan, materials and circulation flow.

### **Measure early and often.**

Failed strategies are often victims of measuring "too little, too late." Know what measures drive your KPIs, and how to quantify them. Establish early indicators to measure incremental progress, and review them regularly. Early findings help maintain a 20/20 view and let you save time and money by making course corrections sooner. You can see how your organization is adapting to change. This is an iterative process; look early and often to assess your progress and adjust as needed. Which leads to the next point.

### **Adapt and apply lessons learned.**

Issues and leadership change. Resources get reprioritized. External forces occur beyond your control. Things seldom go exactly as planned, and that's OK—as long as you capture and apply what you've learned. Build confidence by becoming a learning organization as you execute—keeping the continuity of the plan, testing against it and updating it as you go. Maintain the discipline and structure to have the conversations needed, and keep improving the plan. Avoid starting over with a new plan that discards valuable learnings and may give a false sense of progress.

## **The Bottom Line**

If your organization struggles to deliver on strategy, consider what might be missing from the strategy-to-execution lifecycle. A compelling narrative, a clear execution plan and a strong framework for implementation against key milestones will build confidence and keep your strategy where you want it to be: on track to success.