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The Gap Between Strategy and Execution



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How the Most Successful Teams Bridge the Strategy-Execution Gap

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The strategy-to-execution gap is an [enduring problem](#) with no easy solution. As the Japanese proverb goes, “Vision without action is a daydream. Action without vision is a nightmare.” In their [seminal HBR piece](#), Paul Leinwand, Cesare Mainardi, and Art Kleiner outlined what senior leaders must do to close the strategy-to-execution gap. We built on this research by going beyond the lens of the

individual leader to investigate how the most successful teams bridge the gap. We wanted to unpack the *how* by identifying what sets these teams apart in terms of how they spend their time and the critical behaviors they engage in. To do this, we examined how 49 enterprise leadership teams spend their time and also looked at their perceived effectiveness on critical behaviors of a senior team. They also responded to items that corresponded to the Leinwand et al. framework, as detailed below.

Commit to an identity. The first tenet of their framework is that an organization must commit to an identity through a shared understanding of its value proposition and distinctive capabilities. In short, the organization must commit to focus on what it is good at and then go after it. We found the key differentiators for high-performing teams to be that:

- They spend nearly 20% more time (compared to low-performing teams) defining strategy (i.e., translating a high-level vision into clear actionable goals).
- They spend 12% more time aligning the organization around that strategy through frequent internal communications and driving a consistent message downward into the organization.

Indeed, our experience with senior teams corroborates these data. That is, we've found that teams that excel in this arena are those that break strategy down into clear, practical deliverables and then cascade those deliverables downward through frequent messaging.

Translate strategy into everyday processes and capabilities. Our analysis of how senior teams spend their time shows that for this dimension:

- High-performing teams spend over 25% more time focusing the enterprise than their lower-performing peers. That time is spent establishing financial and operational metrics, aligning goals with overarching strategy, allocating resources, and reviewing key metrics.
- High-performing teams spend 14% more time checking their progress against strategic goals by reviewing key metrics and shifting resources accordingly.

The most successful senior teams create a permeable membrane between the organization's mission and its day-to-day activities. They are also agile in course-correcting when the needs of the business change, and are more easily prepared to shift organizational resources to ensure that the strategy is executed.

Concentrate on the unique cultural factors that fuel success. Implicit in this assumption is resisting the temptation to drive traditional change programs based on addressing gaps or weaknesses. This is an area where the data present a more complex picture.

- High-performing teams spend 28% more time engaging the organization in ongoing dialogue about cultural enablers and barriers to execution. This includes forums for employees to voice concerns via surveys (e.g., employee engagement) and actual dialogue.

- Those same teams invest almost one-third more time in optimizing talent capabilities by reviewing development plans, ensuring that succession plans are in place, and evaluating compensation plans to be competitive.

Our data suggest that the approach of leveraging cultural strengths is both commendable and efficient, but organizations that continue to monitor and challenge their cultural and leadership biases are those that have the edge. [As others have pointed out](#), simply focusing on strengths is not enough.

The academic literature as well as our consulting experience suggest that the ability to prioritize is a key ingredient to an enterprise leadership team's success. This is no small task, given the constant and overwhelming demands on most teams. What do our data suggest about *how* teams go about this?

- High-performing teams, compared to lower-performing teams, spend 54% more time first setting direction, crafting a vision that serves as a guiding light for decisions regarding resources.
- When it comes to execution, lower-performing teams spend an astounding 83% more time fire-fighting and dealing with issues at a tactical rather than strategic level.

Our high-performing teams in this dimension also rated themselves 36% more effective at prioritizing and sequencing initiatives than the lower-performing cohort. Our experience suggests that a critical piece in prioritization can be as simple as determining when the team comes together and what topics they discuss. Ensuring that the top team is sufficiently elevated and creating a consistent drumbeat around priorities will prevent distractions and cement the close link between strategy and execution.

Shape the future. High-performing teams successfully shape the future, rather than always being in a reactive mode in the present. How do they do it?

- They spend 25.3% more time influencing high-level stakeholders by identifying their needs and managing their expectations.
- Unsurprisingly, though easier said than done, the high-performing teams spend 13.2% more time planning for the future by setting direction, creating a vision, and defining their strategy.
- Finally, they shape the future by responding to change in the present (20.7% more effectively than lower-performing teams), positioning the enterprise for future success. This is consistent with much of the existing literature around the importance of agility in high-performing teams.

How might you close the strategy-to-execution gap in your own company? We believe that being intentional about the best and highest use of the team's time is the key lever in getting results.

Where should you start? As we look across our findings, teams that performed well across the strategy-to-execution dimensions did the following:

- Spent more time strategizing and translating that strategy into actionable goals
- Spent more time engaging the organization, surfacing barriers and unmet needs and communicating direction and behavioral guardrails
- Spent more time interacting with key stakeholders to ascertain and anticipate roadblocks and opportunities
- Spent less time fighting fires

Take a glance at the agendas of your team meetings over the last six to twelve months. Then, ask yourself the following questions:

- What percentage of the team's time was spent fire-fighting or dealing with issues that could have been dealt with at the next level down? How much time was invested on the big-ticket strategic items?
- How much time did the team spend thinking proactively about the future of our industry, our business model, the regulatory landscape, and our consumer?
- What percentage of time did the team spend engaging and aligning with the organization? How about key stakeholders? Does the team have a decent pulse check on their blatant and latent needs?

Perhaps most important, ask yourself, "Have we successfully executed our strategy?"

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