

Advances in Project Management Series¹

Strategy execution: Overcoming the alignment trap

By Prof Darren Dalcher
Director, National Centre for Project Management
University of Kent, UK

The success of a vision is only as enduring as its execution. There is perhaps nothing more frustrating than to observe a beautiful strategy conceived in response to a promising big opportunity or cutting edge innovation, which succumbs to the vagaries and twists of life during an attempt at executing it.

'A brilliant strategy, blockbuster product, or breakthrough technology can put you on the competitive map, but only solid execution can keep you there. You have to be able to deliver on your intent. Unfortunately, the majority of companies aren't very good at it, by their own admission.' (Neilson, et al., 2008; 60)

Sir John Reginald Hartnell Bond who retired as Chairman of HSBC Holdings plc, after 45 years with the bank, famously remarked that *'there are few original strategies in banking; there's only execution'*.

Indeed, strategy execution appears to be difficult to carry out successfully. Sull, Homkes and Sull (2015; p. 60) refer to a survey of more than 400 global CEOs that found that executional excellence is the leading challenge facing corporate leaders in Asia, Europe and the United States, topping a list of over 80 issues, including geopolitical instability, top-line growth and innovation. The authors further concede that multiple studies indicate that between two-thirds and three-quarters of large organisations struggle to implement their strategies. Similar figures are regularly quoted in most strategy textbooks.

'If execution is so important, why is it so neglected? To be sure, people in business aren't totally oblivious to it. But what they are mostly aware of is its absence. They know deep down that something is missing when decisions don't get made or followed through or when commitments don't get met. They search and struggle for answers, benchmarking companies that are known to deliver on their commitments, looking for the answers in the organizational structure or processes or culture. But they rarely apprehend the underlying lesson, because execution hasn't yet been recognized or taught as a discipline. They literally don't know what they are looking for.' (Bossidy & Charan, 2002; p. 31)

¹The PMWJ *Advances in Project Management* series includes articles by authors of program and project management books published by Gower in the UK and by Routledge publishers worldwide. Each month an introduction to the current article is provided by series editor **Prof Darren Dalcher**, who is also the editor of the Gower/Routledge *Advances in Project Management* series of books on new and emerging concepts in PM. To see [project management books published by Gower and other Routledge publishers, click here](#). Prof Dalcher's article is an introduction to the invited paper this month in the PMWJ.

The problem with execution

Beer and Eisenstat (2000) note that while successful companies comprehend that they need a good strategy before proceeding to appropriately realign structure, systems, leadership behaviour, human resource policies, culture, values and management processes, many obstacles lie between the ideal alignment and the reality of implementation.

'For one thing, senior managers get lulled into believing that a well-conceived strategy communicated to the organization equals implementation. For another, they approach change in a narrow, non systemic and programmatic manner that does not address root causes.' (ibid.; p. 29)

Beer and Eisenstat point out that doctors refer to high cholesterol as a 'silent killer' because it blocks arteries with no obvious outward symptoms. They contend that organisations similarly have their own *silent killers* operating below the surface (i.e. within the shadow side of the organisation). These mutually reinforcing barriers block strategy implementation and organisational learning required for successful innovation, development and growth.

Beer and Eisenstat's research identifies the most often mentioned major barriers to strategy implementation observed within the organisations they studied. The six 'silent killers' (p. 32) are:

- Top-down or laissez-faire senior management style
- Unclear strategy and conflicting priorities
- An ineffective senior management team
- Poor vertical communication
- Poor coordination across functions, businesses or borders
- Inadequate down-the-line leadership skills and development

'Employees saw the overall problem rooted in fundamental management issues of leadership, teamwork and strategic direction, not in the commitment of people or their functional competence. Successful implementation needs more than a leader; it requires teamwork from a leadership group that, through dialogue and collaboration, stays connected to the knowledge embedded in lower levels.' (ibid., p. 31)

The barriers are neither acknowledged nor explicitly addressed in most organisations. Moreover, factors such as 'poor vertical communication' not only hinder strategy implementation, but also prohibit and dampen any attempts to discuss and explore the barriers themselves; leaving the factors buried deeply into the shadow side of the organisation.

Beer and Eisenstat (p. 32) note that the barriers are troubling in isolation, but can combine to make powerful vicious circles that could be difficult to overcome. The barriers represent key organisational stress points needed to successfully transition to higher levels of performance, speed and responsiveness (p. 34). The conclusion they

reach is that organisations ‘*can become fast and agile only if the six silent killers are met head-on and transformed into six core capabilities*’ (p. 35).

Effective strategy implementation thus relies on the six core capabilities matching the six silent killers stress points:

- Engaged leadership
- Clear and compelling business direction
- Effective senior management team
- Open fact-based dialogue
- Realigning roles, responsibilities and accountabilities with strategy
- Strong leadership with a general management perspective

Drawing insights from their own extensive research Sull, Homkes and Sull (2015) identify several erroneous, yet widely held beliefs about how to implement strategy. The five myths they endeavour to debunk are tabulated below together with paraphrased comments about the results observed in practice and what action might be needed to improve strategy execution capability (see, Table 1):

Table 1: Myths related to strategy execution

Myth	Observations and solutions
1. Execution equals alignment	<p>In practice: Failure to coordinate across functions and units.</p> <p>Needed: More structure in the processes to coordinate activities horizontally across units</p>
2. Execution means sticking to the plan	<p>In practice: Strategic roadmaps rarely survive contact with reality</p> <p>Needed: Strategy execution entails seizing opportunities and adapting to facts on the ground</p> <p>Execution at its best requires creative solutions to unforeseen problems or exploitation of unexpected opportunities</p> <p>Yet, agility should not be used as an excuse to chase every opportunity</p>
3. Communication equals understanding	<p>In practice: Strategic objectives are poorly understood; they seem unrelated to one another and disconnected from the overall strategy; many executives have no clear sense of how initiatives fit together</p>

	<p>Needed: Focus on understanding gained not volume of communication outputs</p> <p>Focused, directed and undiluted message featuring only key strategic objectives</p>
4. A performance culture drives execution	<p>In practice: Despite robust performance cultures companies struggle to execute strategy; corporate cultures often fail to support the candid discussion needed to enable agility and responsiveness; more critically, companies fail to foster the co-ordination essential for execution</p> <p>Needed: Greater focus on ability to collaborate; and not past performance</p>
5. Execution should be driven from the top	<p>Top-down execution can unravel; decisions can be delayed; interventions encourage managers to defer rather than resolve depleting local capability</p> <p>Needed: Distributed leaders not executives; Decisions need to be made by local experts who can respond more quickly</p> <p>Guided from the top, driven from the middle</p>

Converging on the alignment trap

Many managers try to address execution problems by reducing them to a single dimension that can be partially resolved. Often such efforts focus on tightening alignment up and down the organisation (Sull et al., 2015; p. 66), but ultimately this is likely to prove to be an insufficient substitute for the coordination, agility and flexibility needed to support effective and responsive execution.

'If managers focus too narrowly on improving alignment, they risk developing ever more refined answers to the wrong question'. (ibid.)

The alignment trap is a scenario where execution fails and managers respond by enforcing further alignment measures, such as adding more performance tracking measures and demanding more-frequent meetings to monitor progress and instruct the team. Such measures stifle the creativity and experimentation required to drive agility and innovation. When execution falls further adrift, additional scrutiny measures may be imposed, until companies find themselves trapped in a downward spiral in which more alignment leads to worse results (ibid.; p. 66).

'Execution is a notorious and perennial challenge. Even at the companies that are best at it—what we call "resilient organizations"—just two-thirds of employees agree that important strategic and operational decisions are quickly translated into action. As long as companies continue to attack their execution problems primarily or solely with structural or motivational initiatives, they will continue to fail. As we've seen, they may enjoy short-term results, but they will inevitably slip back into old habits because they won't have addressed the root causes of failure.' (Neilson et al., 2008)

Ironically, these dynamics would also appear to give rise to an hitherto unacknowledged, yet pervasive *alignment paradox*: When strategy and the structures, systems, values and processes needed for efficient execution are in optimal alignment with each other, there remains very little scope for out of the ordinary innovation or variation. However, when the strategy and the structures are out of line, the responses by senior management are likely to lead to an alignment trap and subsequently into the downward spiral, where forced efforts are made to align the two resulting in squeezing out any opportunities for creative exploration. Alignment it would appear can banish creativity and innovation, regardless of whether it is working, or not.

In search of strategy implementation guidance

Strategy in the abstract is devoid of any potential for progress. Strategy implementation or execution thus relies on translating words, promises and appealing narrative into an explicit reality. However, this art of translation appears to be the elusive constituent that is neither shared nor understood.

'Since Michael Porter's seminal work in the 1980s we have had a clear and widely accepted definition of what strategy is—but we know a lot less about translating a strategy into results. Books and articles on strategy outnumber those on execution by an order of magnitude. And what little has been written on execution tends to focus on tactics or generalize from a single case. So what do we know about strategy execution?' (Sull et al., 2015; p. 60)

Strategy execution poses an immense leadership challenge, and yet, very little advice and guidance appears in the literature. Kurt Verweire, this month's guest author, steps into this void, offering fresh insights and new perspectives into strategy implementation. The article is derived from his book *Strategy Implementation* published by Routledge. Kurt acknowledges the enormity of the challenge faced by strategy execution and duly sets out to provide new thinking frames and ideas that will enable leaders to turn strategy into purposeful and focused action.

Drawing on his research, Dr Verweire develops sophisticated tools, models and frameworks for engaging with strategy execution. For example, in addition to strategy and alignment, he links organisational and contextual factors in order to develop a set of levers for achieving competitive advantage and a winning performance. His work considers the underpinning decisions that address fundamental strategic questions, required for strategy formulation, the role of strategic alignment and the application of

commitment to strategic implementation. Through his writing and research, he has also enhanced established strategy concepts and developed a rich diversity of thinking models and support tools that enable leaders to cultivate performance-driven implementation.

Implementation and its purpose can be understood in different ways. Kurt's multiple perspectives encompass consideration of operational excellence, product leadership and customer intimacy, making it possible to consider different operating models and perspectives on performance and thereby enhance the meaning of effective implementation. Each of the perspectives requires different organisational and strategic arrangements offering a diversity of thought and richness of detail not found elsewhere. Verweire's work is steeped in insights, delivering much needed guidance for driving and leading the implementation journey. The range of choices and conceptual models available enables informed tailoring of solutions to the practical problems of implementation.

What next: The future of implementation

Success remains an important goal in the business arena. Success in innovation, projects and change initiatives does not come from breakthrough products, technologies or strategies. Success emerges through, and some time despite, the execution process. Given that success it is not a promised destination but a guided journey, execution extends beyond intentions and constraints enabling participant to take advantage of emerging and unfolding conditions and insights.

'If common beliefs about execution are incomplete at best and dangerous at worst, what should take their place?' (Sull et al., 2015, p. 66)

In closing their paper, Sull et al. (ibid.) agitate for new and fresh thinking around strategy execution, a concept that chimes with Verweire's reframing of the ideas of implementation.

'The starting point is a fundamental redefinition of execution as the ability to seize opportunities aligned with strategy while coordinating with other parts of the organization on an ongoing basis. Reframing execution in those terms can help managers pinpoint why it is stalling. Armed with a more comprehensive understanding, they can avoid pitfalls such as the alignment trap and focus on the factors that matter most for translating strategy into results.' (Sull et al., 2015, p. 66)

Progressing the dialogue around strategy and its execution, and addressing the meaning of success in such contexts may benefit from new strands of thinking. For instance, Rumelt (2012) contends that a leader's most important responsibility is in identifying the biggest challenges to progress and devising a coherent approach to overcoming them. The direct implication is that strategies "belong to" challenges, and not the organisation per se (MacLean & MacIntosh, 2015; p. 73). The most important aspect of crafting a strategy may well be the articulation and framing of the challenge likely to be faced in order to avoid 'solving the wrong problems with intricate but inaccurate

solutions' (Mitroff & Silvers, 2010). Thinking more widely, an alternative framing may well focus on the great opportunity, the range of uncovered options, or the emerging potential embedded within a new perspective, insight or discovery.

The direct implication may lie in liberating the strategy exploration process from a tightly coupled and rationally planned alignment towards a more emergent and flexible arrangement that is capable of changing course, responding to challenges, recognising the great opportunities and delivering an increasingly pertinent, meaningful, and dare we say, value-based execution. In doing so, we may begin the journey towards envisaging, establishing and delivering a more enduring vision of innovative and strategic success enabled through our execution discipline.

References

Beer, M., & Eisenstat, R. A. (2000). The silent killers of strategy implementation and learning. *Sloan management review*, 41(4), 29-40.

Bossidy, L., & Charan, R. (2002). *Execution: The discipline of getting things done*. London: Random House.

MacLean, D., & MacIntosh, R. (2015). Planning reconsidered: Paradox, poetry and people at the edge of strategy. *European Management Journal*, 33(2), 72-78.

Mitroff, I. I., & Silvers, A. (2010). *Dirty rotten strategies: How we trick ourselves and others into solving the wrong problems precisely*. Stanford University Press.

Neilson, G. L., Martin, K. L., & Powers, E. (2008). The secrets to successful strategy execution. *Harvard business review*, 86(6), 60-71.

Rumelt, R. P. (2012). *Good strategy/bad strategy: The difference and why it matters*. London: Profile Books.

Sull, D., Homkes, R., & Sull, C. (2015). Why strategy execution unravels—and what to do about it. *Harvard Business Review*, 93(3), 57-66.

Verweire, K. (2014). *Strategy implementation*. New York: Routledge.

About the Author



Darren Dalcher, PhD

Author, Professor, Series Editor

Director, National Centre for Project Management
United Kingdom



Darren Dalcher, Ph.D. HonFAPM, FRSA, FBCS, CITP, FCMI SMIEEE SFHEA is Professor of Project Management, and founder and Director of the National Centre for Project Management (NCPM) in the UK. He has been named by the Association for Project Management (APM) as one of the top 10 “movers and shapers” in project management and was voted Project Magazine’s “Academic of the Year” for his contribution in “integrating and weaving academic work with practice”. Following industrial and consultancy experience in managing IT projects, Professor Dalcher gained his PhD in Software Engineering from King's College, University of London.

Professor Dalcher has written over 200 papers and book chapters on project management and software engineering. He is Editor-in-Chief of *Journal of Software: Evolution and Process*, a leading international software engineering journal. He is the editor of the book series, *Advances in Project Management*, published by Routledge and of the companion series *Fundamentals of Project Management*. Heavily involved in a variety of research projects and subjects, Professor Dalcher has built a reputation as leader and innovator in the areas of practice-based education and reflection in project management. He works with many major industrial and commercial organisations and government bodies.

Darren is an Honorary Fellow of the APM, a Chartered Fellow of the British Computer Society, a Fellow of the Chartered Management Institute, and the Royal Society of Arts, A Senior Member of the Institute of Electrical and Electronic Engineers, a Senior Fellow of the Higher Education Academy and a Member of the Project Management Institute (PMI) and the British Academy of Management. He is a Chartered IT Practitioner. He sits on numerous senior research and professional boards, including The PMI Academic Member Advisory Group, the APM Research Advisory Group, the CMI Academic Council and the APM Group Ethics and Standards Governance Board. He is the Academic Advisor and Consulting Editor for the next APM Body of Knowledge. Prof Dalcher is an academic advisor for the *PM World Journal*. He can be contacted at darren.dalcher@warwick.ac.uk.