

Connecting the Work of Individuals to Your Strategic Plan



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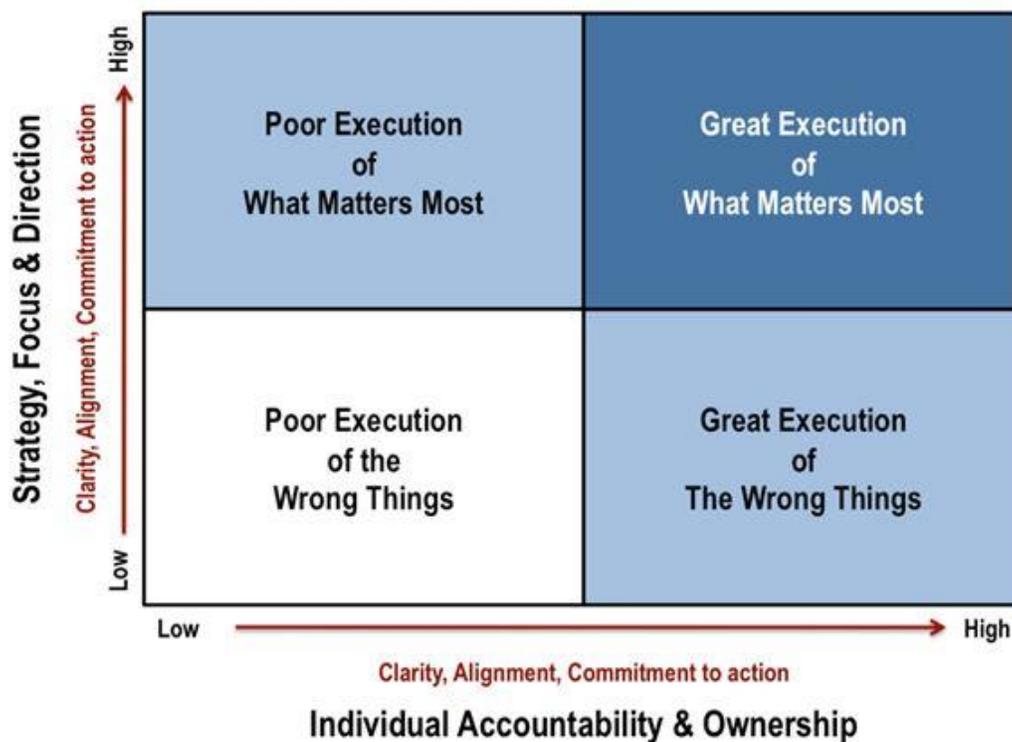
Connecting the Work of Individuals to Your Strategic Plan: part 3 of the 'Execution Excellence' series

***FOCUS Management** has produced a five part series on tackling the many challenges corporations face associated with strategic execution – the number one issue facing CEOs according to a recent study by the Harvard Business Review.*

In Part 1, you were introduced to a disease called strategy “executionitis”, which can be deadly for an organization... it is certainly bad news for equity owners whose return on investment depends on its companies’ strategies being successfully and efficiently deployed. This article is about an effective antidote—clarity, alignment and commitment to:

- The strategic focus and direction
- Individual accountability

When you have lots of both, you get “Great Execution of What Matters Most” or execution excellence.



[In Part 2 of the series](#), we discussed clarity of **strategic direction**. In this article we will discuss the second element to curing “executionitis” — individual accountability. *All great ideas, like those in a strategic plan should turn into work for someone. The we will do needs to turn into I will do.*

Many organizations struggle with individual accountability, defined as who is responsible for what actions and what decisions. In fact, according to one Harvard Business Review study, it is the number one obstacle to turning strategy into results.

So what does clarity look like when it comes to an individual’s work relative to strategy execution? There are three components:

- **Output**-this a description (2-4 words) of the results that an individual is expected to deliver in his role. For example, a sales representative would likely have sales volume as an expected output, while someone in HR might have job candidates as the expected result of a department supervisor who is hiring a replacement. Notice that these statements of outputs describe results; they DO NOT describe the activity needed to achieve the output. This is a fundamental but oft missed principle of defining accountability. Making sales calls is not an output for a sales representative. Internal clients do not evaluate an HR recruiter on how many interviews she makes to produce qualified candidates.
- **Success Metric**-this enables the individual to know how well she is meeting the results that are expected of her in her job. For the HR recruiter it might be “percentage of positions filled by promise dates”, while the sales rep might have “cost of new product sales”, or “percentage of sales in Territory A”
- **Objective** -once the outputs for the position have been identified and **ALIGNED with the strategic direction, and the success metrics have been identified**, it is time to define the expected

performance level by setting objectives. For example, a sales rep might have an objective that reads, “\$50,000 in sales of new products (as defined in the Strategic Plan) by the end of December”. The HR recruiter may have an objective like “80 per cent of positions filled by promise dates”.

Here’s how it links together:

Output	Success Metric	Objective
Sales Volume	\$ of new product sales	\$50,000 by end of Dec
Job Candidates	% of positions filled by promise dates	80% average by end of year

When ensuring clarity of role, it’s common to have several success metrics for each output area. Quality, cost, time, compliance are typical sources for meaningful measures of success. Metrics or objectives may change from year to year, but outputs tend to have more longevity. The key is to keep the outputs and related metrics and objectives aligned with the strategic direction and focused on the results that really matter.

Implementing a process such as this will provide the clarity, alignment and commitment to action at the individual level that, in turn, will deliver results. Business leaders and portfolio managers can then feel more confident that their organizations are moving away from executionitis and closer to execution excellence.

In the next edition we will be dealing with a very critical but often ignored component of clarity..... who has the authority to do what?