



Welcome to Closing the Gap Between Strategy and Execution

Card Sort Exercise Instructions

1. The object of this exercise is to create a map (or model) of the things that must be considered in the development of a successful business.
2. Place the red cards on the table and organize them in the order in which leaders would consider them. Use blank index cards to make any additional cards as you see fit.
3. Next, place the orange cards on the table. Sort the orange cards according to the red card they are associated with and sequence them if there is a logical flow.



Performance Improvement Network

Closing the Gap Between Strategy and Execution

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Mike Braun

Managing Partner

Logic Opera

An OCI Company



Today's Objectives

- Discuss why execution is so difficult
- Learn about a process and set of tools that can help
 - *The Strategy Execution Accelerator (S.E.A.)*
- Leave with a model and high level assessment to bring back to your organization

... all in 1 hour!

What Is the Cost of Confusion?

In several American companies researchers asked employees, “How much time do you spend trying to figure out what you are supposed to be doing?”

The answer: 5.3 hours a week!

Example:

One person per year = 276 hours, or 34.5 days per year.

If you use a cost of \$ 135.00 per day for that person,
the amount per year = \$ 4,658.00 .

Multiply that times an organization of 500 people,
the annual cost of confusion to the business = \$ 2,329,000 .

Have You Seen These Phrases?

- “You change culture by changing the behavior of its leaders.”
- “Our strategy is to double in the next 5 years”
- “ We must have everyone on the bus. ”
- “ Your company’s vision must be compelling. ”
- “ The best talent will win – we need to upgrade our talent. ”
- “ The 7 attributes of leaders are... ”
- “ We’ll win by being more innovative and nimble ”

What do Leaders do next?

Strategy Execution Accelerator “Do Be Leadership Model”

Create a “Winning Strategy”

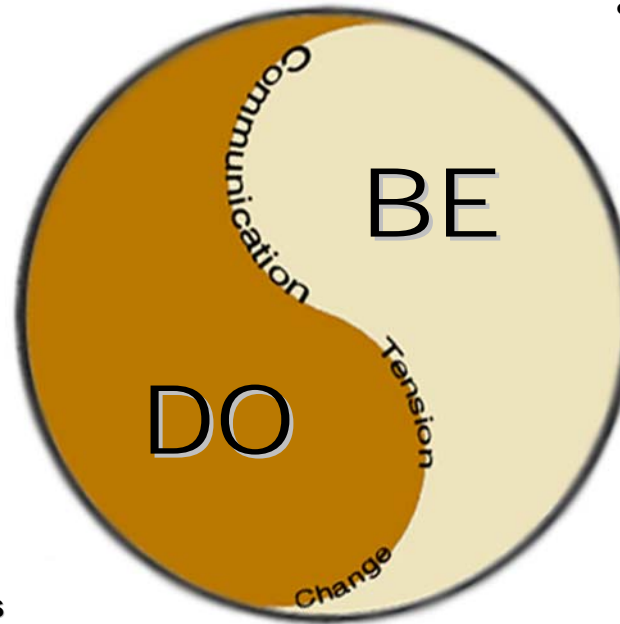
- Outside-in approach
- Leverage strengths
- Competitive advantage
- Direction clarity

Know Yourself

- Authenticity/integrity
- Adaptability to change
- Admit mistakes
- Know own strengths

Build an Organization that Gets Results

- Operationally efficient and effective
- Right talent, right spot
- Enabling culture
- Networking



Relate to Others

- Create trust
- Communication skills: question, listen, manage conflict, give feedback
- Bring out the best
- Leverage group power

Develop Others

- Communication
- Teach/educate
- Coach
- Reinforce
- Involve

Possess Good Judgment/Risk-taking

- Knowledge of business
- Cross-functional orientation
- Political savvy

Why is Execution So Difficult?

- Vision and/or Strategy is unclear
- Changes (Market or Leadership) require new direction
- Leaders lack knowledge, courage or patience
- Middle Management not equipped to effectively translate
- Difficult for people to connect work to high level statements
- No clear Process, Language or Tools to make aligned decisions



Complete the Audit



Strategy Execution Accelerator Audit

This audit will help you identify areas for improvement necessary to deliver strategic business results.

On a scale of 1-5 (1=little or not effort made, 5=fully implemented), indicate the degree to which each element is present in your organization today.

Strategic Elements	Rating				
	1	2	3	4	5
1. We have studied and understand competitive pressures, our customers' wants, and our organizational capabilities.	1	2	3	4	5
2. Our business model and its implications are clear. We have defined our desired future state and goals in detail.	1	2	3	4	5
3. We have selected the top, most important priorities to focus on first.	1	2	3	4	5
4. We have allocated the resources necessary to achieve our priorities.	1	2	3	4	5
5. Our operational plans link directly with our business strategies and accountabilities are clearly assigned.	1	2	3	4	5
6. Communication plans ensure full, varied, and frequent sharing of business information with employees.	1	2	3	4	5
7. We are improving the processes critical for success with our customers.	1	2	3	4	5
8. We have structured our organization to link with our customers, to leverage resources, and to accelerate cooperation and speed.	1	2	3	4	5
9. Our employees rate us high on having a culture that is "free-to-act."	1	2	3	4	5
10. Our reward and recognition system has been adjusted to maximize the desired behavior and contribution of our employees.	1	2	3	4	5
11. We have assessed our change management capability and have provided the right processes, training, and leadership development.	1	2	3	4	5
12. Our leaders are visible and provide guidance and coaching that builds confidence.	1	2	3	4	5

STEP 2:

Transfer Your Audit Ratings to the Scorecard

Leadership

Question 1: _____

Question 2: _____

Question 3: _____

Question 12:

Average for
Questions 4&5: _____

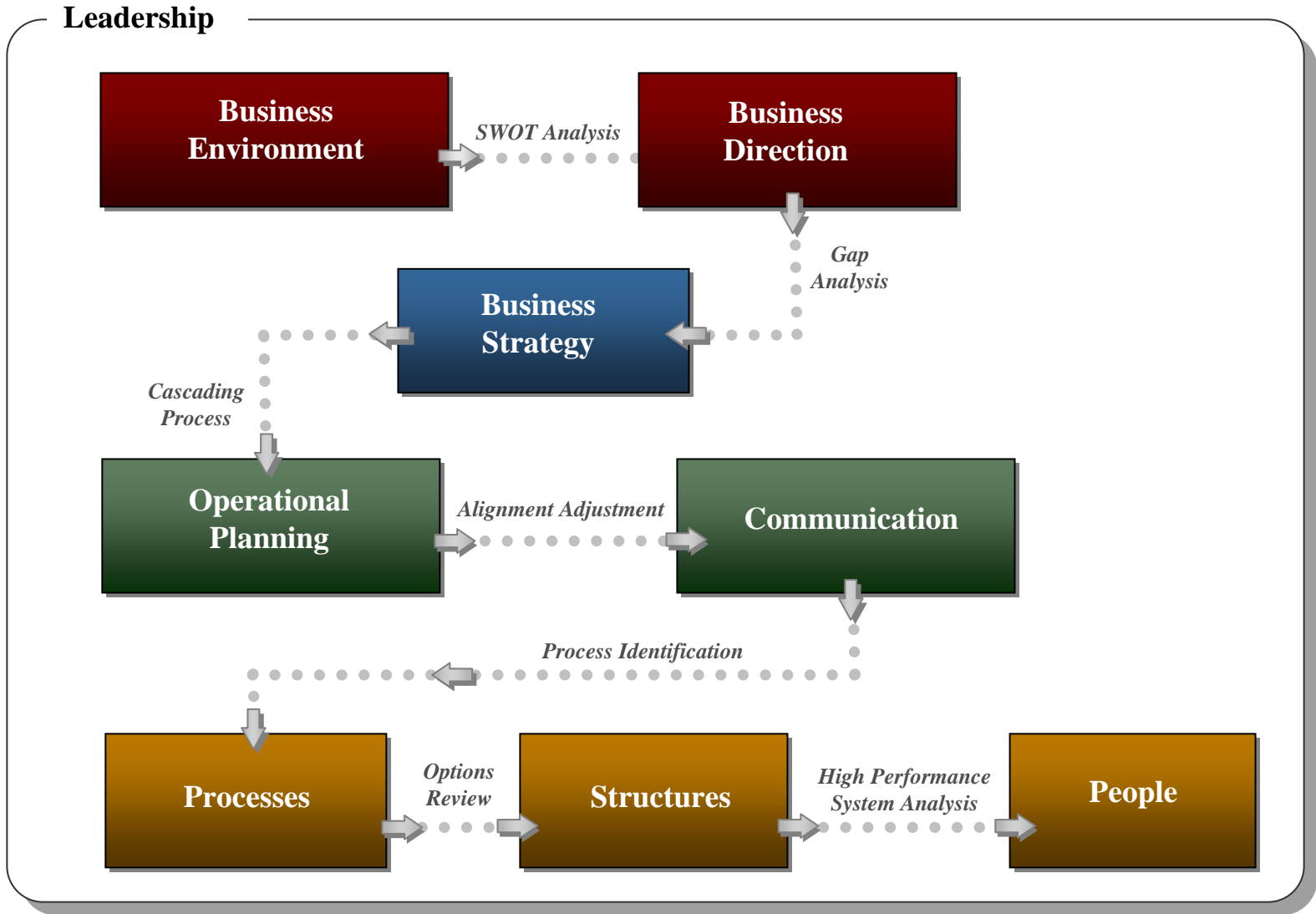
Question 6: _____

Question 7: _____

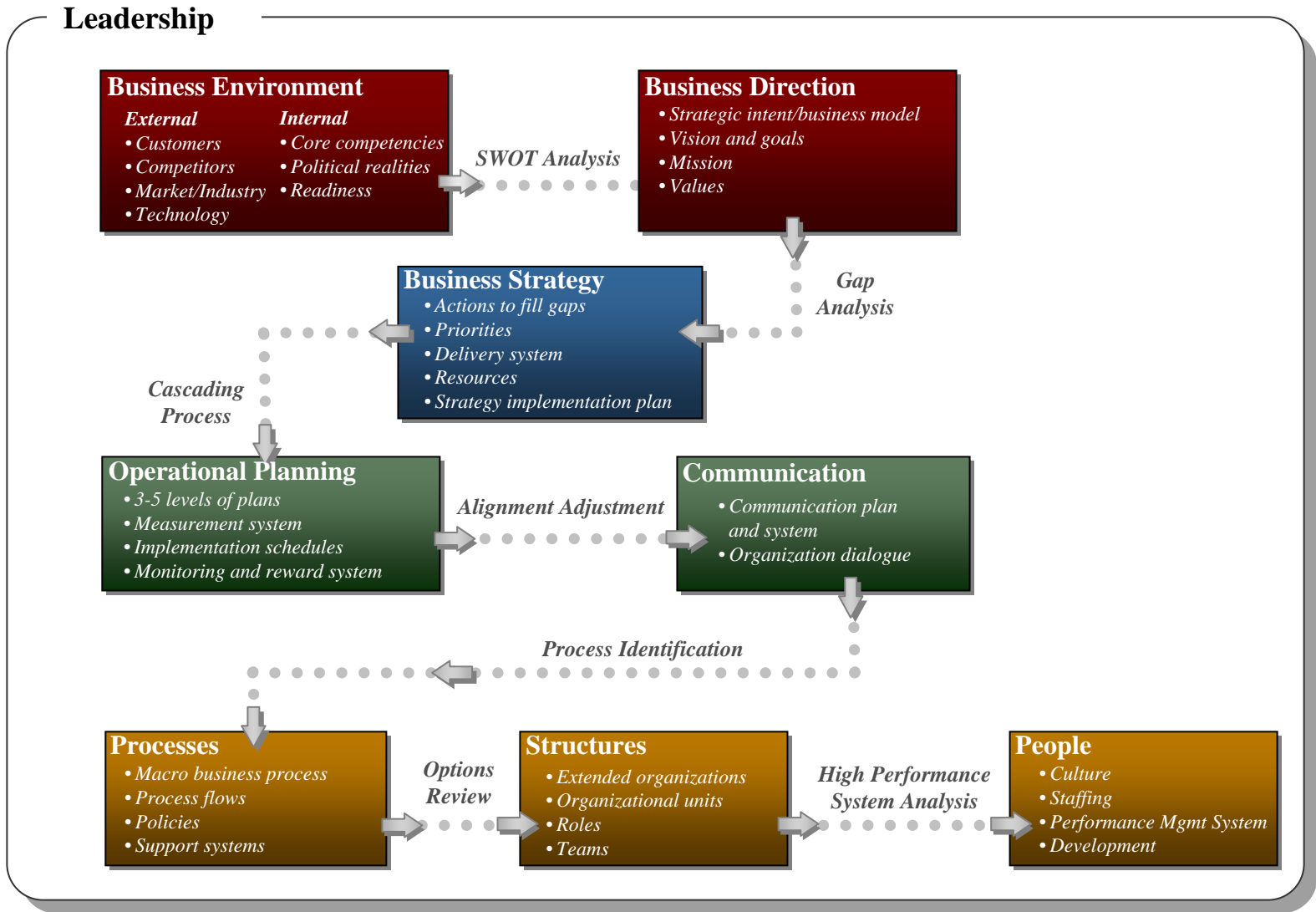
Question 8: _____

Average for
Questions
9, 10 & 11: _____

STEP 3: Identify Your Audit Issue (Symptoms and Root Causes)



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One Part of Operational Planning

Integrated Business Planning System

- Alignment
- Agreement
- *Accountability*
- Adjustment
- Education
- Involvement
- Empowerment

Operational Planning

- *3-5 levels of plans*
- *Measurement system*
- *Implementation schedules*
- *Monitoring and reward system*

Why a Process Helps Close the Gap...

- Creates a common language for discussing the business
- Provides a sequential and logical map for decision making
- Shows Leaders & Managers what to **DO**
- Combines the “What” with the “How”
- Aligns strategy, process, structure & people
- Builds confidence & ownership for decisions
- Enables leaders to achieve business results

Next Steps

- Determine your Execution Process
- Assess to Identify Key Areas to Improve
- Back Up One Box

“ Become VP’s of Execution ”

Thank you for attending



Closing the Gap Between Strategy and Execution Seminar

Michael R. Braun,
Managing Partner
Logic Opera
730 Second Avenue S., Suite 730
Minneapolis, MN 55402
(612) 638-1566
www.logicopera.com



Sample Strategic Execution Accelerator Client List

Clients

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- Honeywell, Inc.
- Medtronic, Inc.
- 3M Library Systems
- Texas Instruments
- Century Investors
- United Health Group
- Honeywell Communications
- AgriBank
- Medtronic, Inc.
- Imation
- University of Minnesota
- 3M Drug Delivery systems

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OCI Company

Principal Services



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- Organizational Design and Alignment
- Work Process Design and Implementation
- Performance Management
- Leadership Development and Coaching
- Sales and Marketing Effectiveness
- Learning Design and Implementation



- Executive Compensation
- Incentive Planning
- Base Compensation
- Custom Market Surveys and Benchmarking
- Labor Analytics
- Pricing Structure and Financial Analytics



- ▲ Staffing and Outsourcing
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