the performance factory | *it's all about strategy execution*

Strategy Execution Master Class

Official StratEx© Certification Course

Jeroen De Flander

Brussels, 24 - 25 August 2015

Master Class Agenda

Monday, August 24th

08:30 – 09:00	Registration, Coffee and Welcome
09:00 – 10:30	***Module 1: The Strategy Execution Canvas***
10:30 – 11:00	Morning Break & Networking
11:00 – 12:30	***Module 2: Test your Strategy***
12:30 – 13:30	Lunch
13:30 – 15:00	***Module 3: Communicate your Strategy***
15:00 – 15:30	Afternoon Break & Networking
15:30 – 17:00	***Module 4: Cascade your Strategy***
17:00 – 17:30	ING - Erik Van Den Eynden
17.30 – 19:00	Networking Drink

Master Class Agenda

Tuesday, August 25th

08:30 – 09:00	Registration, Coffee and Welcome
09:00 – 10:30	***Module 5: Measure your Strategy Progress***
10:30 – 11:00	Morning Break & Networking
11:00 – 12:30	***Module 6: Set Objectives / Choose Projects***
12:30 – 13:30	Lunch
13:30 – 15:00	***Module 7: Create Awesome Habits***
15:00 – 15:30	Afternoon Break & Networking
15:30 – 17:00	***Module 8: Motivate People to Reach the Finish Line***
17:00 – 17:15	Closing

Overview

1. The Strategy Execution Canvas p.05
2. Test your Strategy p.21
3. Communicate your Strategy p.51
4. Cascade your Strategy p.66
5. Measure your Strategy Progress p.86
6. Set Objectives / Choose Projects p.95
7. Create Awesome Habits p.103
8. Motivate People to Reach the Finish Line p.114

"Don't measure performance by what you have accomplished, but by what you should have accomplished within your capabilities."

MODULE 1

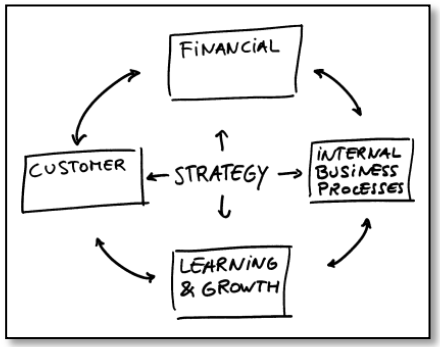
The Strategy Execution Canvas

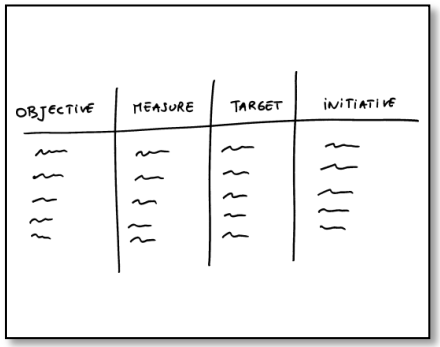
Discover the 8 and the bad guys on the execution road

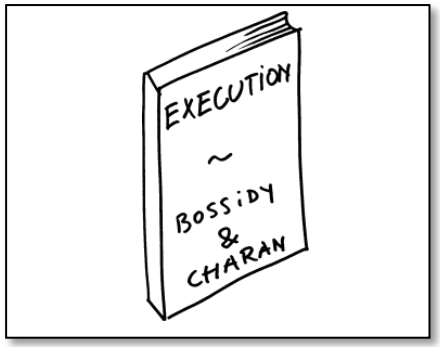
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Learn how to benchmark your execution capabilities and compare yourself with the best-in-class

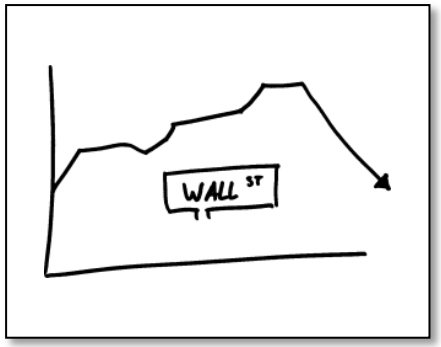
1990… Strategy Execution: the new kid on the block











2015: companies loose millions due to poor Strategy Execution

1. Did you know that companies loose between 40 to 60% of their strategy during implementation?
   Harvard Business Review

2. Do I know exactly where my company, department or team is losing performance?

3. What can I do to close the execution gap?

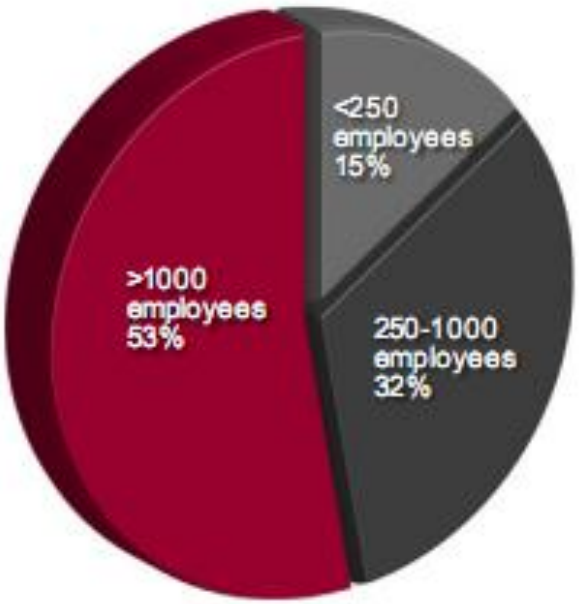
Measuring THE EXECUTION GAP

"However beautiful the strategy, you should occasionally look at the results"

- Sir Winston Churchill

Strategy Execution Barometer®: actionable, fact-based SE benchmarking data

Company Size



Functional split respondents

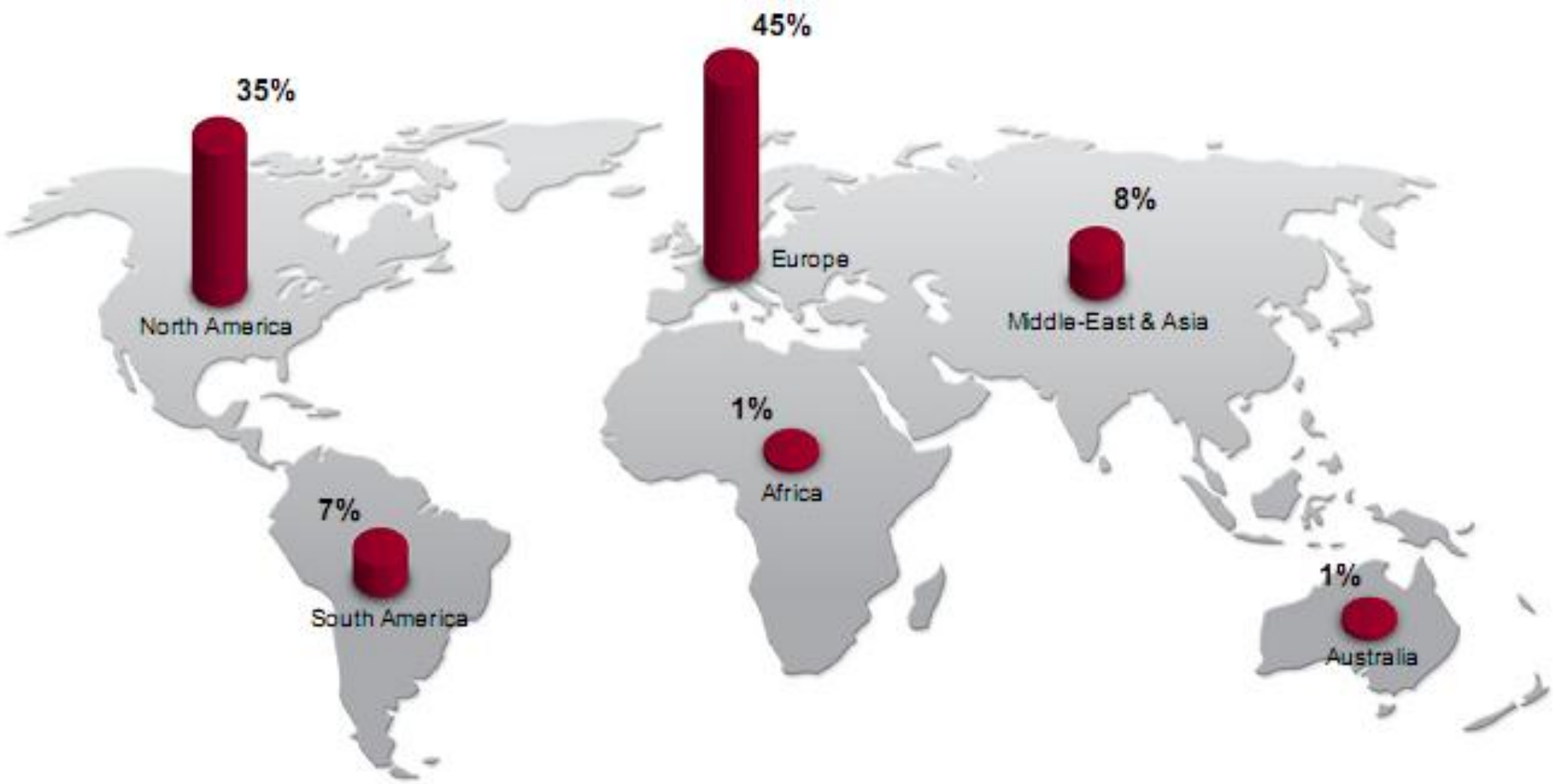


1400+ companies from 39 industries

Sample

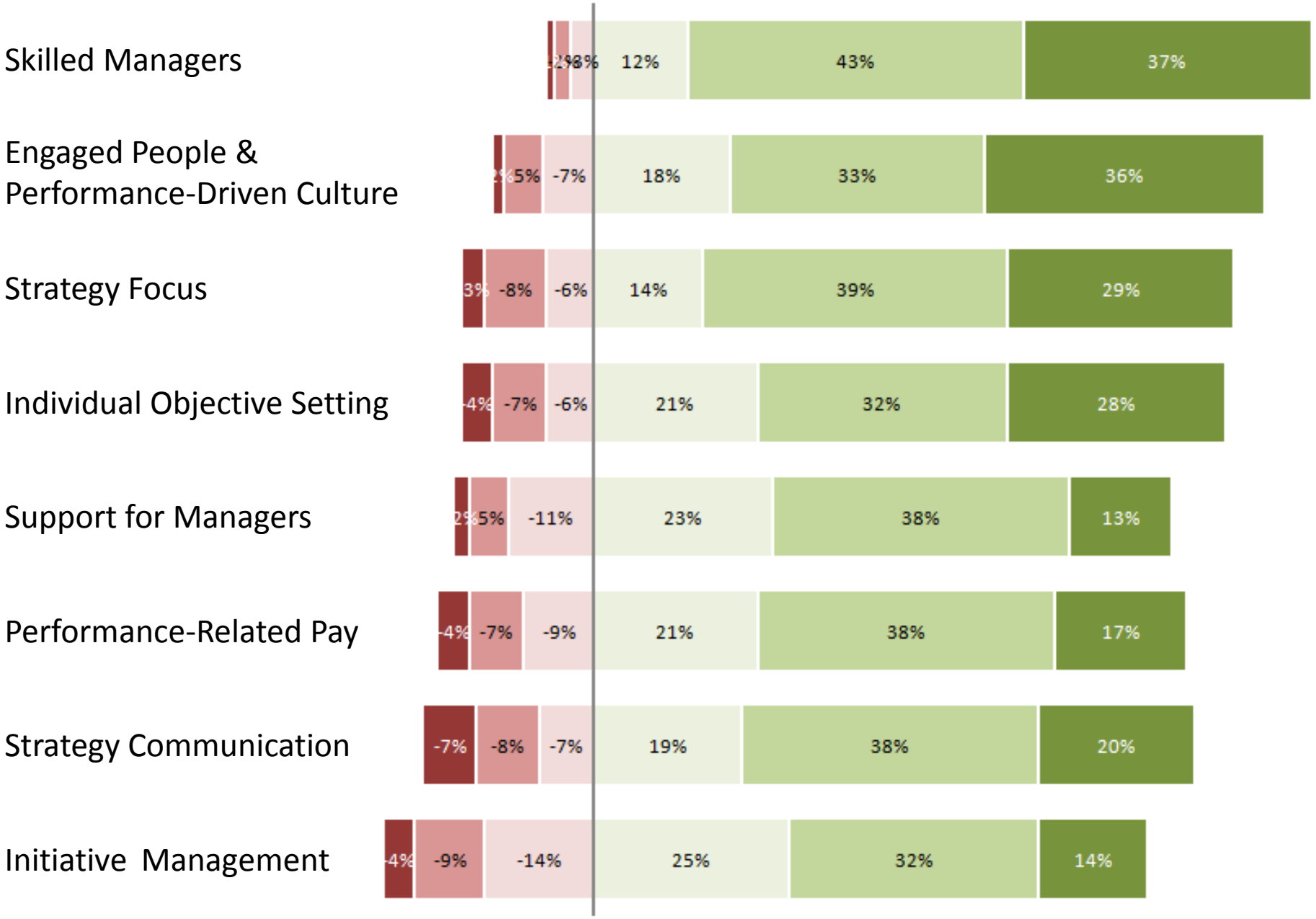


Where are the headquarters located?

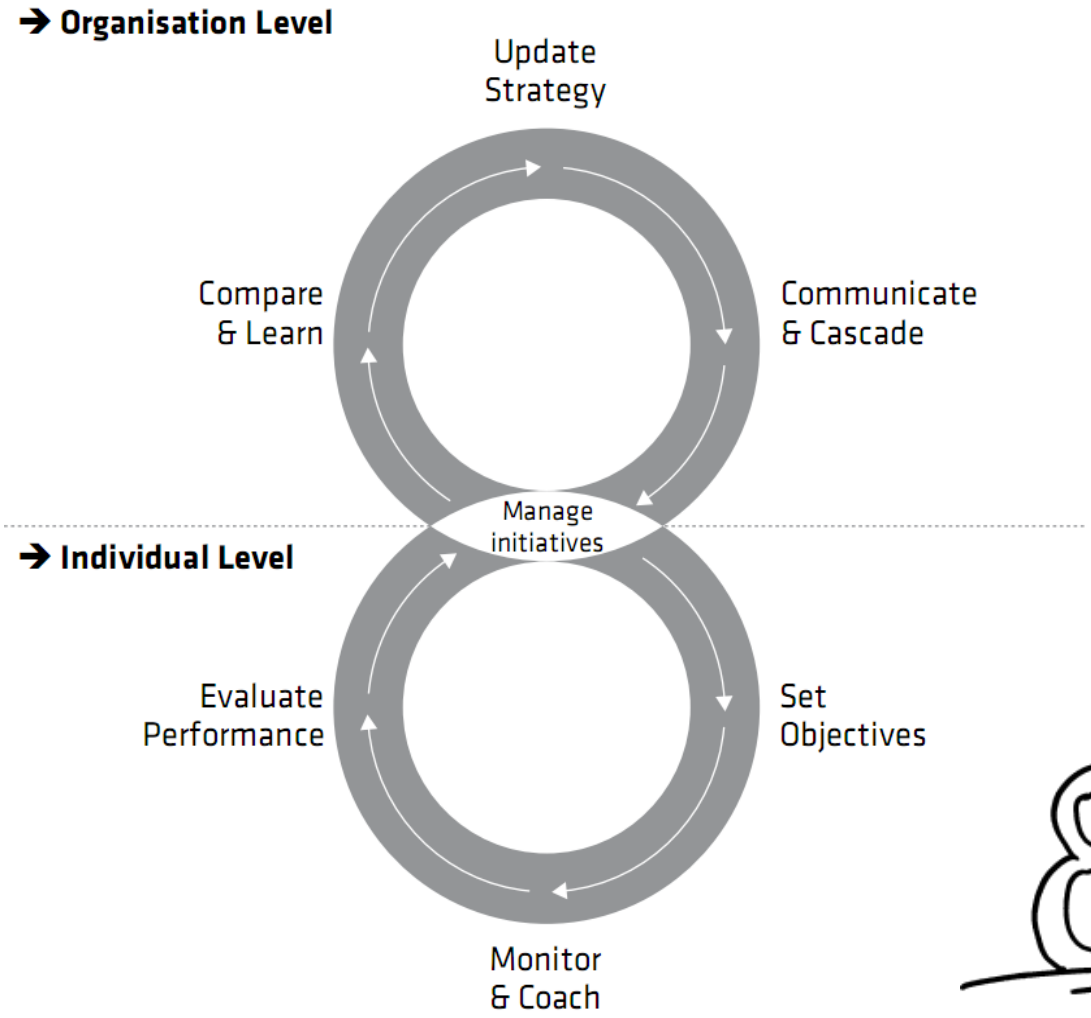


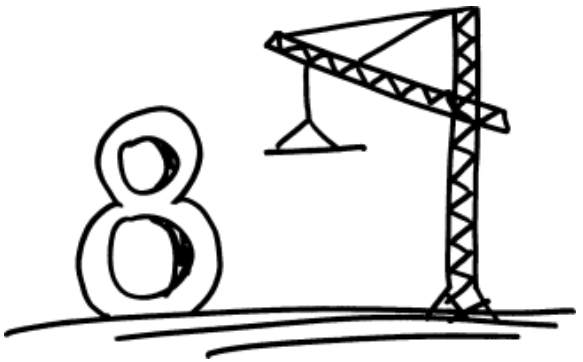
Strategy Execution Barometer® looks at SE from eight different perspectives

1. Strategy Focus
2. Strategy Communication
3. Initiative Management
4. Individual Objective Setting
5. Skilled Managers
6. Engaged People and Performance-Driven Culture
7. Performance-Related Pay
8. Support for Managers

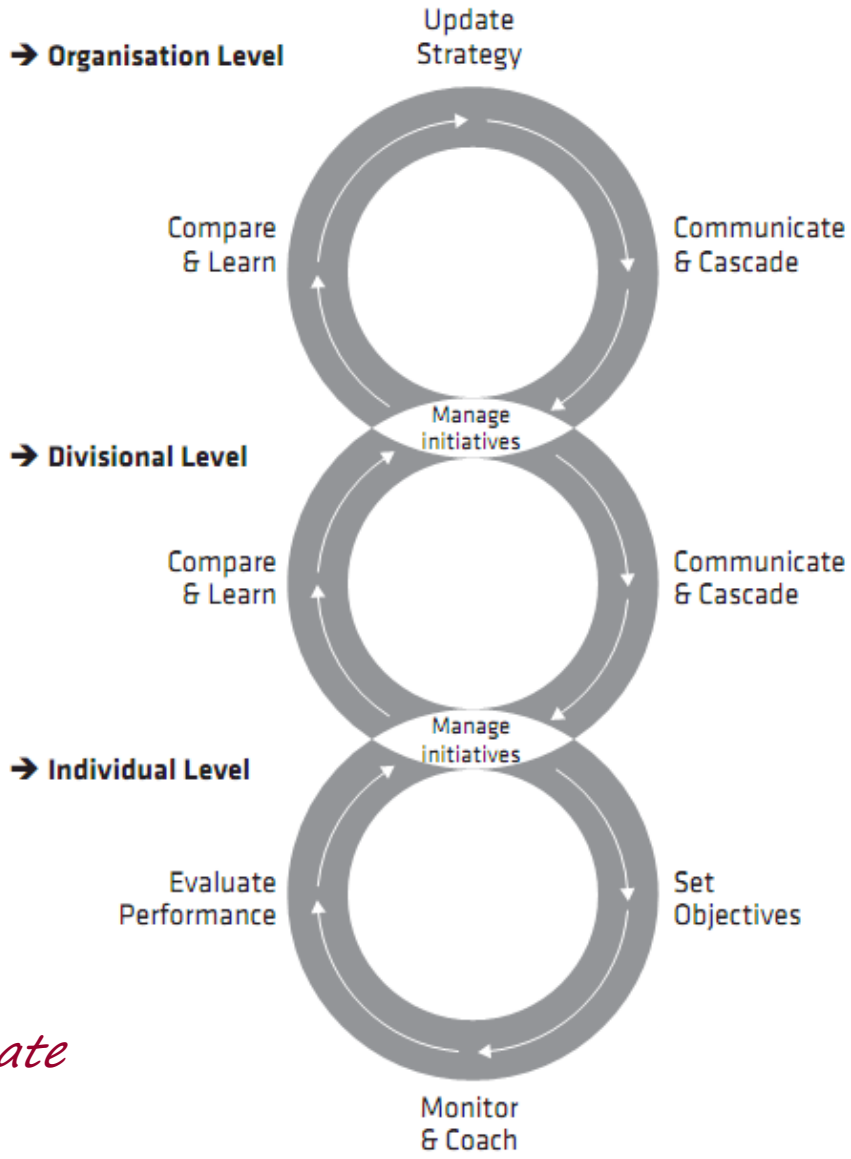

Skilled Managers
12%
43%
37%
Engaged People &
Performance-Driven Culture
5%
-7%
18%
33%
36%
Strategy Focus
3%
-8%
-6%
14%
39%
29%
Individual Objective Setting
-4%
-7%
-6%
21%
32%
28%
Support for Managers
5%
-11%
23%
38%
13%
Performance-Related Pay
-4%
-7%
-9%
21%
38%
17%
Strategy Communication
-7%
-8%
-7%
19%
38%
20%
Initiative Management
-4%
-9%
-14%
25%
32%
14%

The ‘8’ – Strategy Execution Process



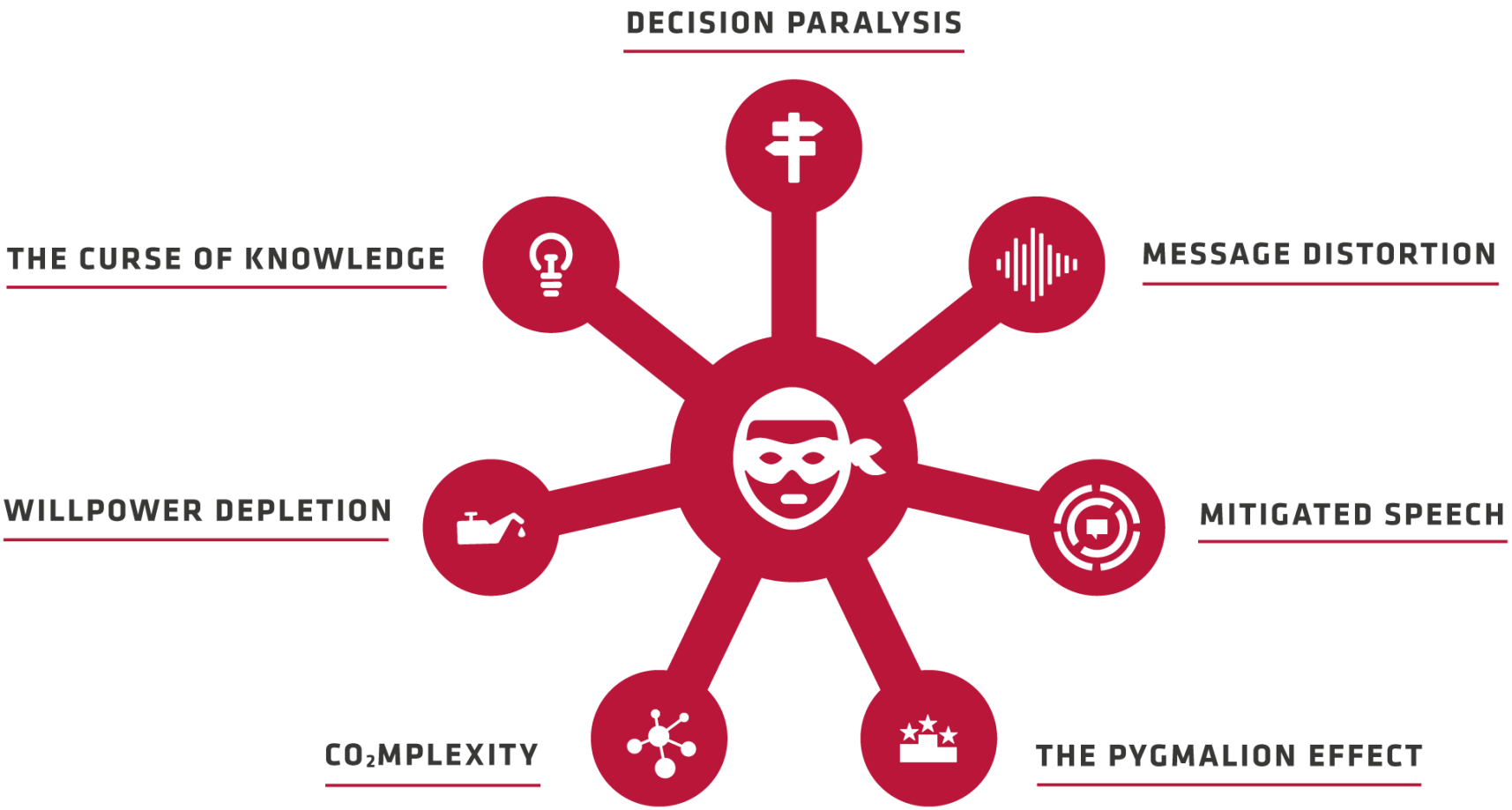


The extended '8'



"A strategy Execution framework should be simple, easy-to-communicate and visually strong"

The Bad Guys – Strategy Execution People Dynamics



The Strategy Execution Canvas

TEAM

TEST YOUR STRATEGY

LIST OF 5 NOES

1
2
3
4
5

COMMUNICATE YOUR STRATEGY

HEART

HEAD

HANDS

CASCADE YOUR STRATEGY

FINANCIAL

CUSTOMER

INTERNAL

LEARNING & GROWTH

STRATEGY PROGRESS

FINISH LINE

LEAD INDICATOR

MUST WIN PROJECTS

1
2
3

AWESOME HABITS

+
1
2
3

-
1
2
3

BAD GUY #1:

THREAT LEVEL: 1 2 3 4 5 6 7 8 9 10

COMBAT PLAN

BAD GUY #2:

THREAT LEVEL: 1 2 3 4 5 6 7 8 9 10

COMBAT PLAN

BAD GUY #3:

THREAT LEVEL: 1 2 3 4 5 6 7 8 9 10

COMBAT PLAN

The Strategy Execution Canvas

INDIVIDUAL

SET INDIVIDUAL OBJECTIVES, MONITOR & COACH, EVALUATE PERFORMANCE

OBJECTIVES

1
2
3

MONITOR & EVALUATE

HABITS LEVER

HABITS

+ 1
+ 2
- 1
- 2

IMPLEMENTATION INTENTION

BAD GUY #1:

THREAT LEVEL: 1 2 3 4 5 6 7 8 9 10

COMBAT PLAN

BAD GUY #2:

THREAT LEVEL: 1 2 3 4 5 6 7 8 9 10

COMBAT PLAN

BAD GUY #3:

THREAT LEVEL: 1 2 3 4 5 6 7 8 9 10

COMBAT PLAN

The StratEx Canvas: Key Learnings

1. Strategy Execution is a business domain, like sales, marketing and operations
2. Strategy Execution demands a long-term, structured approach
3. The Strategy Execution Canvas helps you to manage strategy execution
4. The process view: improve the building block of 'The 8'
5. The people view: learn to recognize the bad guys and ways to beat them
6. Start today: measure your Strategy Execution strength using the Strategy Execution Barometer and bad guys framework
7. Definition: Strategy Execution is helping people making small choices in line with a big choice
8. Remember: size is to strategy execution what industry is to strategy

Read. Share. Do.

SEH	The 8 - building blocks, p13
TES	Discover the bad guys
SEB	Discover the barometer
Visual	The Strategy Execution Canvas
Extra	Benchmark current state strategy execution
Extra	Write down your deep dive topics for the next three months

MODULE 2

Test your Strategy

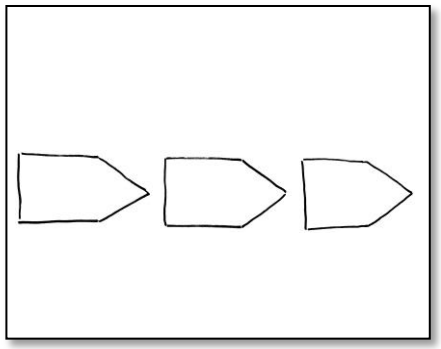
Learn 3 critical check points to evaluate if your strategy is ready for execution

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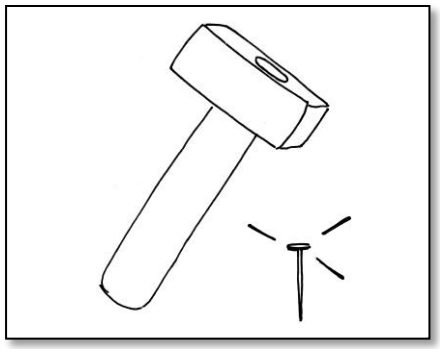
Beyond mission statements: how to define an inspiring finish line to kick start the journey

What is **strategic innovation**?

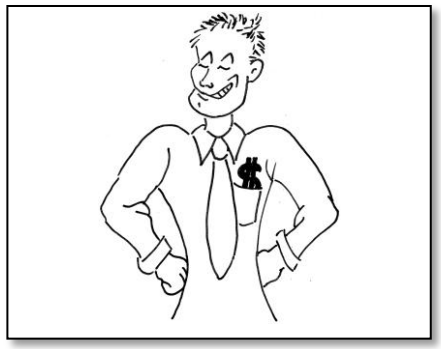
Let's start... what is strategic innovation?



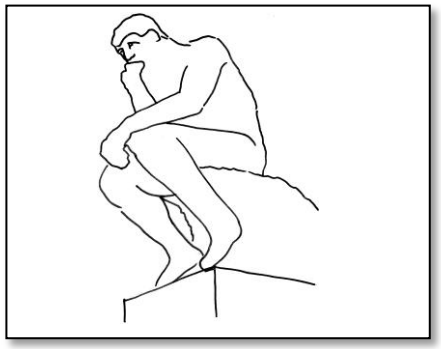
A process?



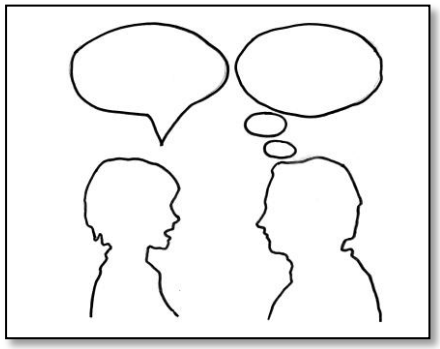
A tool?



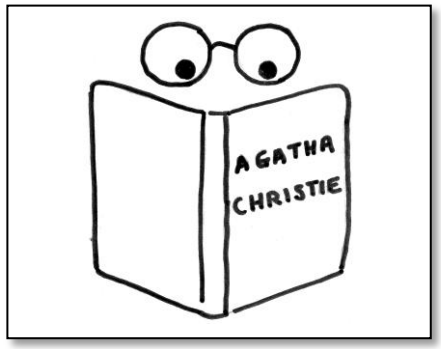
A management style?



A philosophy?



A culture?



A mystery?

Let's look at an example



What's the biggest car-renting company in the world?

And the winner is...

	Hertz	enterprise
Location	Airports	Downtown
Marketing	Travel Agents	Mechanics & insurance
Delivery	Airport Parking lots	Home pick-up
Drop off	Airport	Home
Organisation	Centralised	Decentralised
Segment	Business & pleasure travelers	Car replacement
Age cars	Mainly new	High average age
Fee	high	Low

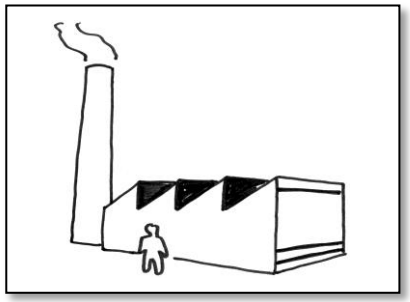
Within the same industry, **Enterprise** combines activities in the value chain in a different way to provide benefits to a different customer segment

Strategy is all about choices

- Clear choice **WHO** you are going to serve
  - a unique value proposition for a customer segment
- Clear choice **WHAT** you are going to serve
  - the distinct activities of the value chain

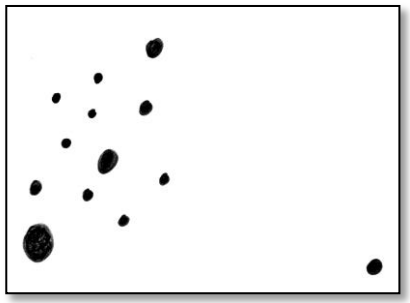
"Strategy is a pattern in a stream of decisions"
— Henry Mintzberg

Strategic innovation – the concept



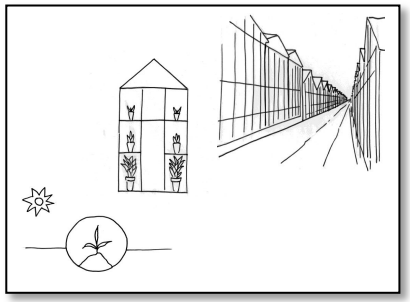
The industry

- What's the industry we want to play in?
- Overall competitive rules?
- Industry trends?



The unique position

- Competitive advantage resides in the value chain
- Redefine 'the Who' and 'the WHAT' in a certain industry
- A business model = combination of choices within the value chain to get and maintain this advantage



Search, incubate and execute

- Ability to find, grow and exploit competitive advantage

Let's look at **IKEA**...

"Strategy is thinking about a choice and choosing to stick with your thinking"

Write down your answer

	WHO	WHAT
The IKEA strategy	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....

Let's look at **Nespresso...**

"Future performance is born today..."

Write down your answer

	WHO	WHAT
The Nespresso strategy	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....

Let's look at **Lady Gaga**...

Write down your answer

	WHO	WHAT
Lady Gaga's strategy	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....
	.....	.....

Canvas Exercise #1 “List of Noes”



WHO Clients you are not going to target?

WHAT Value you are not going to offer?

1. .....
2. .....
3. .....
4. .....
5. .....

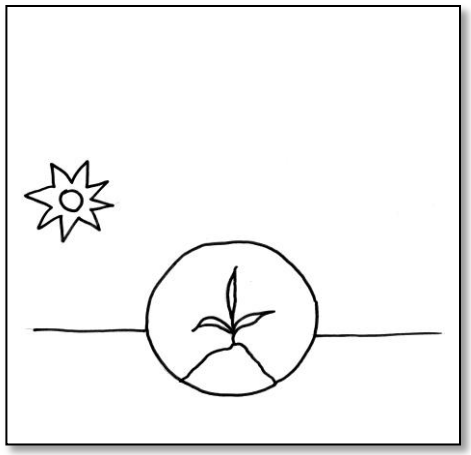
How to achieve strategic innovation - culture & process perspective

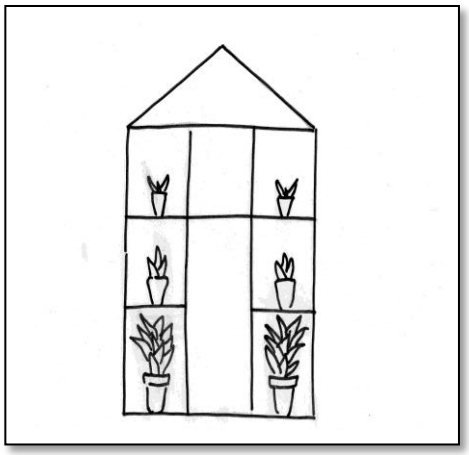
6 Best practices

1. Split the strategic innovation process in 3
2. Manage conflict with existing strategy
3. Encourage innovation behaviour
4. Create the right environment
5. The future is hard to predict
6. Know where to look for ideas

"The essence of strategy is choosing what not to do."
— Michael Porter

Search, incubate, execute







Search

- Industry
- Business model
- Find value
- Creativity

"the strategist"

Incubate

- Trial & error
- Business case
- Test value
- Passion

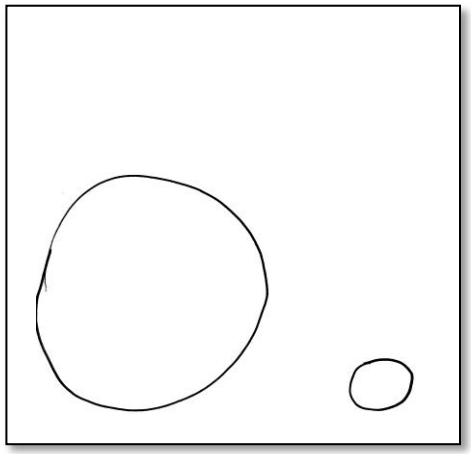
"the entrepreneur"

Execute

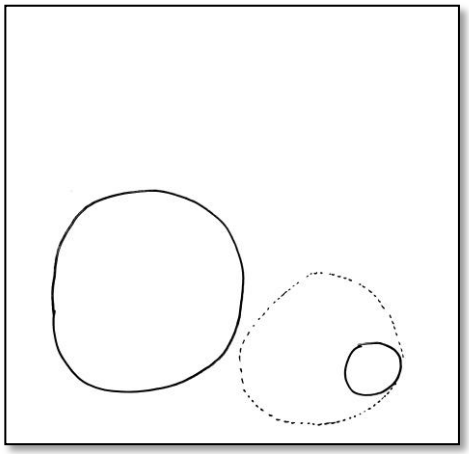
- Streamline
- Business as usual
- Grow value
- Action

"the manager"

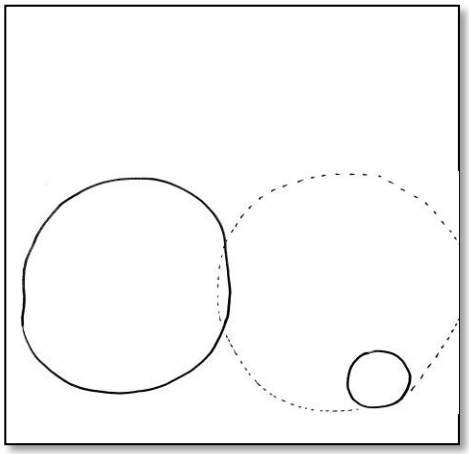
Disruptive strategies: threat or opportunity?



Threat or opportunity?



Threat or opportunity?



Threat or opportunity?

"You cannot be everything to everyone. If you decide to go north, you cannot go south at the same time."

Both, but established companies see strategic innovations more like threats

1. A conflict with the current business model:
   - Cannibalisation
   - Brand identity
   - Culture/values
   - Distribution
   - Incentive system
2. No enthusiasm from existing customers.

   "Disruptive strategic innovations offer a different value proposition from what the established players offer. As a result, they attract customers that are different from the customers that the established players focus on. As a result, if you ask your own customers if they want them, they will lead you astray (Christensen, 1997) "
3. The human side
   - Too big: the ego as a strategy killer. Protect domain and power position.
   - Too small: don't get any attention because to small compared to other activities
   - No impact on bonus

What can you do about it?

Suggestions:

- Grow to a decent size
- Test it within desired customer segment
- Decide pro-actively about possible trade-offs and communicate heavily
- Manage integration into regular business
- …

"Don't tell people to be innovative.
Rather, encourage them to adopt behaviours that lead to strategic innovation."

- Costas Markides

Which behaviour creates innovation?

Behaviour that leads to innovation

- Debating assumptions
- Questioning things we take for granted
- Experimenting & trying unorthodox ideas
- Looking outside / copying with pride
- Willingness to stick neck out
- Taking initiative
- Giving & receiving honest feedback
- Taking risks
- Working together
- Empathy towards customers / listening

AND!
Identify & discourage behavior that does not fit

"I've missed more than 9000 shots in my career. I've lost almost 300 games. 26 times, I've been trusted to take the game winning shot and missed. I've failed over and over and over again in my life. And that is why I succeed" Michael Jordan

4 Create the right environment

Search	Incubate	Execute
_ Industry	_ Trial & error	_ Streamline
_ Business model	_ Business case	_ Business as usual
_ Find value	_ Test value	_ Grow value
_ Creativity	_ Passion	_ Action
"the strategist"	*"the entrepreneur"*	*"the manager"*
_ Local resources. Carve out time.	_ Act like a venture capitalist would do	_ Classic budget approach
_ Selection based on rules of competition	_ Selection based on test and business case	_ Just do it
_ Reward trying hard	_ Reward 'intelligent' failure	_ Reward results
_ Encourage revolutionaries	_ Encourage drivers	_ Encourage execution heroes
		_ Punish low performers

What band are we talking about?

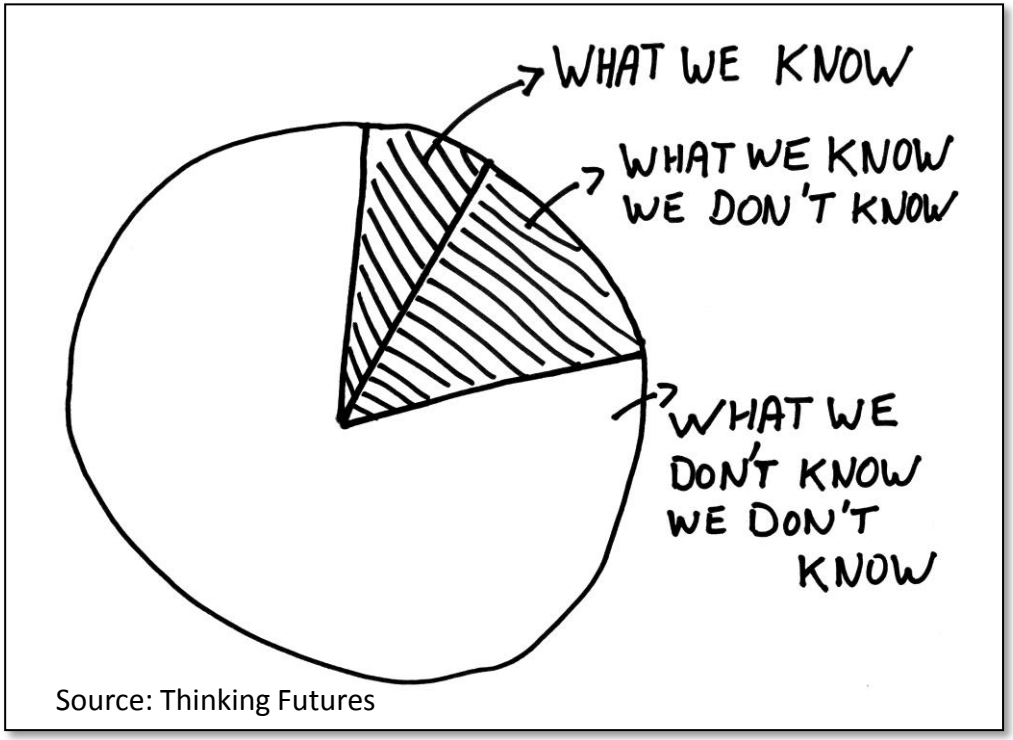
"We don't like their sound, and guitar music is on the way out"

What band are we talking about?

"We don't like their sound, and guitar music is on the way out"

-- Decca Recording Co. rejecting the Beatles 1962 --

Remember, the future is hard to predict



Source: Thinking Futures

1. Keep an open mind!! Learn to ask questions
2. Confront your views with others, communicate your hypothesis
3. Learn to put your ideas on paper without bias
4. Fight your way to the surface

Where to find strategic growth vectors…

1. Don’t forget to look for ways to continue to improve the current value proposition and make the current strategy more distinctive.

   Introduce new technologies, features, products or services that leverage other part in the value chain and fit with the current strategy.

   It works, it’s needed, it’s faster and it’s less disruptive.

2. What combination in my value chain is unique and can I copy to another business unit?

3. Shared Value (environment, society,…) is ‘the next big thing’ in strategic thinking. And it’s much more then CSR.

Where to find strategic growth vectors…

4. Don’t focus only on the product or service. A risk, especially in an engineering environment
5. Recapture company heritage
6. Take fast action in times of crisis. What you do during the crisis determines your strategic position when it’s over

   Harvard Management Update (Baveja, Ellis, Rigby March 2008): a study of more than 700 companies over a six-year period found that “twice as many companies made the leap from laggards to leaders during the last recession (90-91) as during surrounding periods of economic calm. And most of these changes lasted long after the recession was over. “

7. Strategy execution as a competitive advantage

Where to find strategic growth vectors…

8. Learn to play with the value chain/business model

- Transactional versus recurring revenues
- Niche market versus mass market
- Capital expenditure versus partnership
- Product versus service
- Direct sales versus indirect sales
- Scale versus scope
- Personal versus automated
- Disruptive versus incremental
- Acquisition versus retention
- Human intensive versus system intensive
- One customer segment versus another
- Physical versus virtual
- Tailor-made versus mass production
- Fixed versus variable costs
- Paid versus free
- Distributed versus centralised
- In-sourcing versus out-sourcing
- Marketing versus sales
- New versus copy-paste

Test your Strategy: Key Learnings

1. Strategy is all about choices
2. Strategy is about being UNIQUE, not about being the best
3. Define your WHO (customer) and WHAT (value chain)
4. The essence of strategy is choosing what NOT to do
5. A successful innovation process has 3 phases: Search, Incubate & Execute
6. You need 3 different profiles: the Strategist, the Entrepreneur & the Manager
7. Disruptive innovation: manage the business model, customers & human side
8. Encourage the right innovation behaviour
9. Create the right environment
10. The future is hard to predict – 4 action point
11. Know where to look for ideas

Read. Share. Do.



SEH	Learn more about strategy, p227
SEB	Strategy Focus scores
Book	Understanding Michael Porter by J.Magretta
Article	7 Things Every Leader Should Know About Strategy
Canvas	Complete your List of NOES
Extra	Write down strategy core 'WHO' and 'WHAT'

MODULE 3

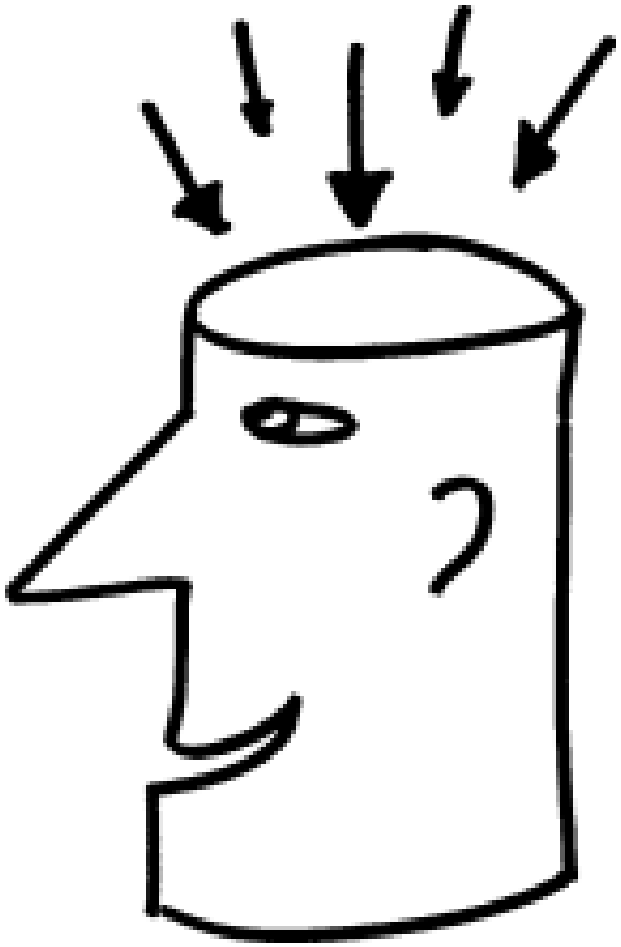
Communicate your Strategy

Discover the H3-concept: how to get your ideas into the Heads, Hearts, and Hands of your followers

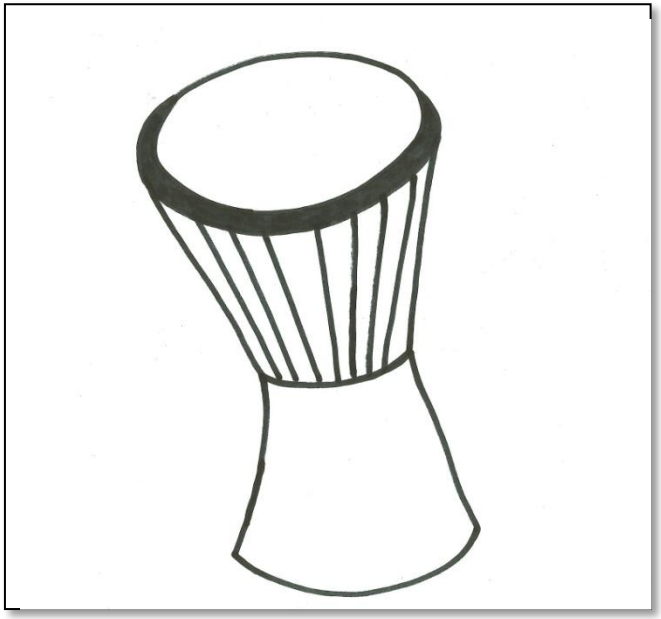
—

Learn how to combat Message Distortion and defeat The Curse of Knowledge

Do not tell people to execute the strategy …



Bad Guy The Curse of Knowledge



Tapping Experiment

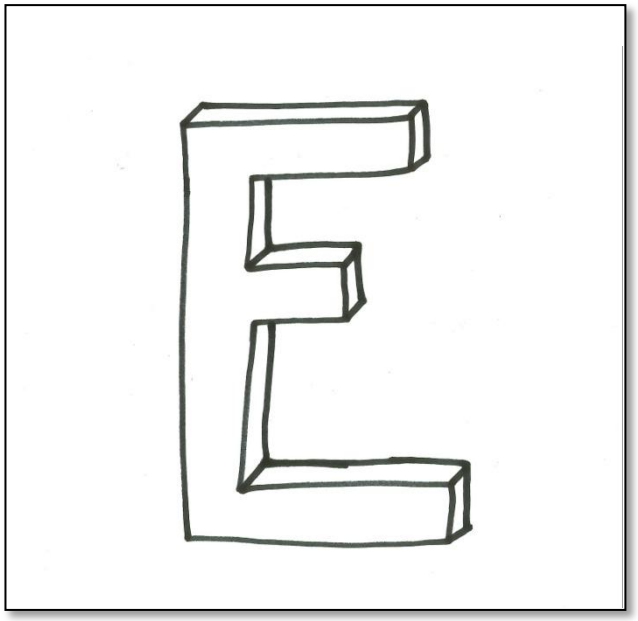
"When you think you're done communicating the strategy story, you've reached 3% of your target population"

The Tapping Experiment

The Tapper:	60 out of 120 (50 percent)
The Listeners:	12 out of 120 (10 percent)
Reality:	3 out of 120 (2,5 percent)

Conclusion: We misjudge the effectiveness of our strategy communication with a factor 20!

Are you a great communicator?



The ‘E’ Experiment

“Draw an ‘E’ on your forehead “

The ‘E’ Experiment

Opening on the left or on the right?

Conclusion:

High-power participants are 3 times more likely as low-power participants to draw a self-oriented ‘E’.

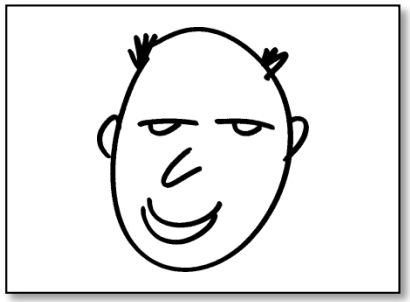


How to beat The Curse of Knowledge?

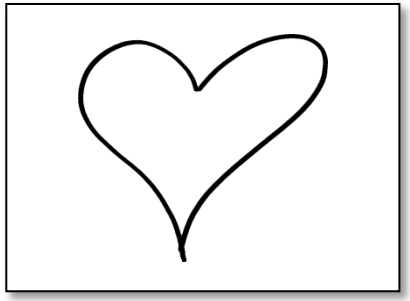
Tip!

(Surprisingly) Repetition doesn't work...

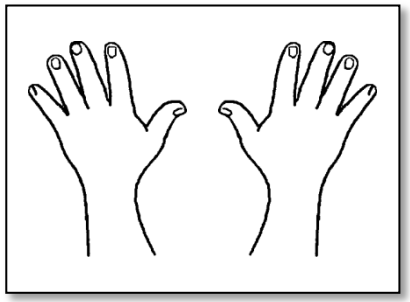
Combat plan: reach for the Head, Heart & Hands



People need to be *aware*



People need to *care*



People need to *do*

Canvas Exercise #2 "H³ Communicator"



How to improve your strategy communication?

Heart .....

.....

Head .....

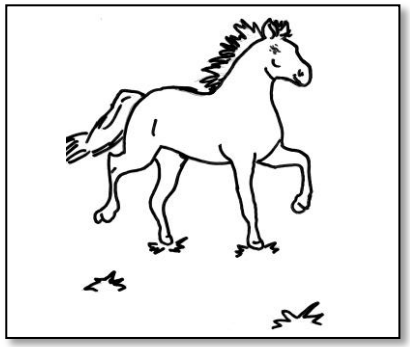
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Hands .....

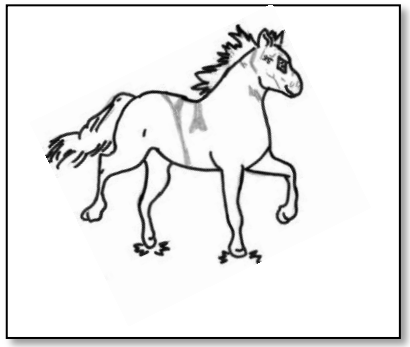
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Bad Guy Message Distortion

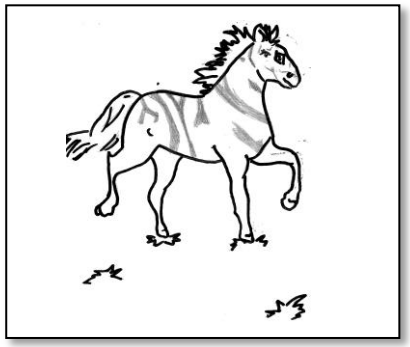
A horse is not a zebra!



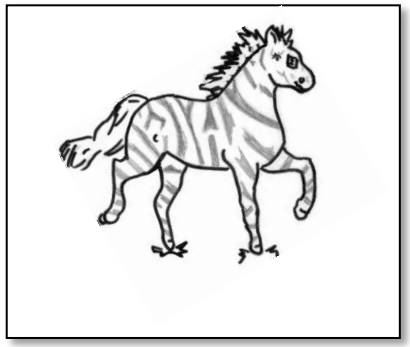
Your strategy



.. you told someone



.. who told someone



.. who told someone



Bad Guy Message Distortion

AS IS	…… …… …… *Current Threat Level* 0 1 2 3 4 5 6 7 8 9 10
Combat Plan	…… …… …… ……

Bad Guy The Curse of Knowledge

AS IS	…… …… …… *Current Threat Level* 0 1 2 3 4 5 6 7 8 9 10
Combat Plan	…… …… …… ……

Bad Guy Decision Paralysis

AS IS	…… …… …… *Current Threat Level* 0 1 2 3 4 5 6 7 8 9 10
Combat Plan	…… …… …… ……

Communicate your Strategy: Key Learnings

1. The Curse of Knowledge: we overestimate our communication abilities drastically
2. Combat plan: repetition doesn't work! Use the H3 approach instead
3. It's the emotional bond with an idea that motivates people to contribute, not the brilliance of the idea itself
4. Stories are excellent emotional conductors and make messages stickier
5. Use The Pyramid Principle to improve the Head connection
6. Provide context and decision guidelines to improve the Hands connection
7. Message Distortion: does the core of your idea survives?
8. Combat Plan: think like a brand manager

Read. Share. Do.



SEH	Communication, p61
TES	Curse of Knowledge, across the book
TES	Message Distortion, p33
SEB	Communication scores
PPT	The Pyramid Principle Training
Canvas	Complete the H3 assignment
Canvas	Combat plan Curse of Knowledge & Message Distortion

MODULE 4

Cascade your Strategy

9 things every leader should know about the Balanced Scorecard

—

4 crucial questions to break down your strategy into smaller chuncks, ready for the budget process

The Balanced Scorecard

The battle between the upstream and downstream kingdom

Cascade your strategy using 4 perspectives



Canvas Exercise #3 “The Balanced Scorecard”



Write down your team objectives:

F	▪ …… ▪ ……
C	▪ …… ▪ ……
IP	▪ …… ▪ ……
L&G	▪ …… ▪ ……

9 things you need to know…

1. Don’t believe IT companies
   - It’s a process, not a tool
   - It’s about cascading strategy, not KPI’s
2. Get your vocabulary strait : An objective is not a measure is not a target
3. The BSC is not the end station… so don’t stop!
4. BSC ≠ ideal solution for improving individual performance
5. Automate with care!
6. The project members have limited or only theoretical knowledge
7. There are not enough links to the strategy and planning processes
8. The content of the BSC is unrealistic
9. The scorecard stays too long in the development stage before it’s launched

What is a strategy map?

A strategy map is...

*... **a summary of distinctive elements in your strategy** that you like to put in place reinforce to be unique and outperform the market*

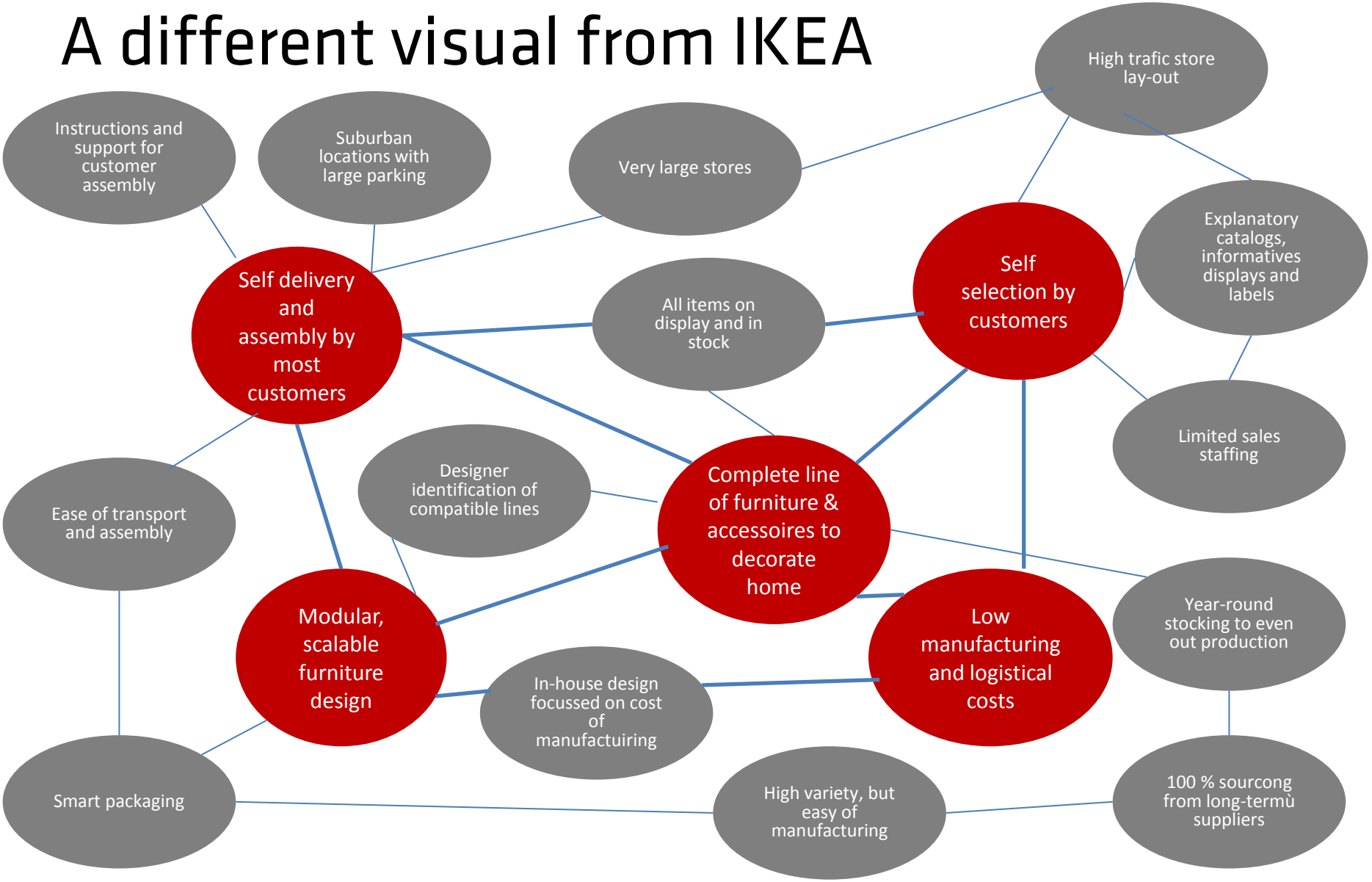
‘We have a strategy map’ is not the same as ‘We have a strategy’

From the book ***Strategy Execution Heroes***:

When I see a strategy map, my favourite question is “Where’s the strategy?”. Just because you have a strategy map, doesn’t mean that you have a strategy. A strategy map often looks fancy but mostly it’s a lot of ‘map’ and very little ‘strategy’. I like a written strategy document in Word format with all the hypotheses clearly explained. I like a document where there is no hiding behind an arrow and people saying ‘But that’s what that arrows means’ when you point out something that isn’t clear.

I’m not against strategy maps at all. In fact, they can be quite useful to communicate strategy and create involvement. But I’ve seen too many sexy PowerPoint presentations that look strategic from a distance, but are far from strategic if you take a closer look and start questioning the content. So I advocate prudence. Each strategy map should include a written two or three-page Word document that captures customer and industry insights and the choices that you have made based on this information (the Who), plus a clear overview of the way you deliver unique value to your customer (the How) using your value chain

A different visual from IKEA



What does a strategy map do?

First ...	*You choose WHO your client is and decide WHAT (strategic drivers) you are going to offer them (unique value)*
Second...	*You order your strategic drivers (WHAT) into a coherent story that is easy to repeat*
Third...	*You define the success currency (measures) and define how much you want (targets)*
Fourth...	*You cluster major actions into groups (Initiatives)*
Fifth...	*You define the individual contributions that drive performance (individual objective setting)*

... and only then the real work starts.

What's the difference between **a business model** and **an operating model?**

Business Model

- Clear choice **WHO** you are going to serve
  - a unique value proposition for a customer segment
- Clear choice **WHAT** you are going to serve
  - the distinct activities of the value chain

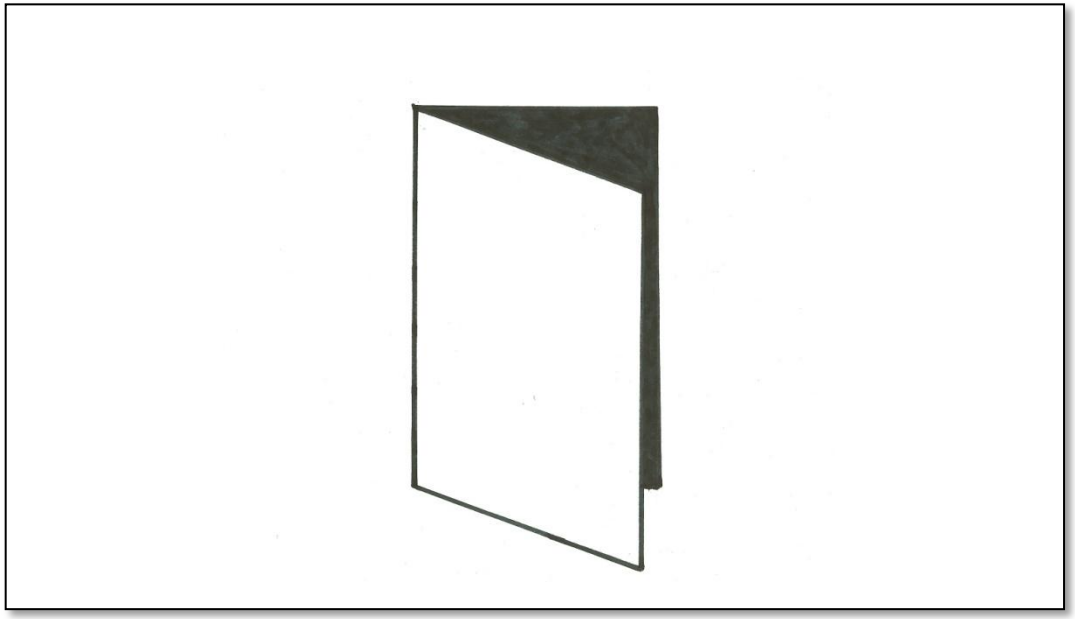
Operating Model

- **HOW** you are going to organize your internal activities to successfully deliver what you promise in your business model

Challenge your operating model

1. Get it on paper
2. Mastering the matrix = organisational design
3. Include size and growth rate in the equation
4. Dare to change the power balance
5. A necessary topic at your next management team meeting
6. Rotate
7. Steer projects together
8. Take care of strategic planning.
9. Relationship-building takes time
10. Learn to live with it
11. Who's the boss?

Bad Guy Complexity



Paper Folding Experiment

“If you had a sheet of paper, and folded it in half 50 times, how thick would it be?”

Paper Folding Experiment

The answer: about 100 million kilometers, which is about two thirds of the distance between the Sun and the Earth

The best way to get me *ANGRY!*

VERY ANGRY!!

"Oh, but this action demands only 1 hour

... every quarter

... from each employee"

1 hour every quarter in a company with 1000 employees

=

2.6 full time equivalents !

"Any intelligent fool can make things bigger and more complex. It takes a touch of genius – and a lot of courage – to move in the opposite direction"

- Albert Einstein

The Rule of 150

Groups bigger than 150 people need formal structures.

Conclusion:

We have to scale strategy execution for size



Bad Guy Complexity

AS IS	…… …… …… *Current Threat Level* 0 1 2 3 4 5 6 7 8 9 10
Combat Plan	…… …… …… ……

Cascade your Strategy: Key Learnings

1. The Balanced Scorecard is a popular management instrument to cascade strategy
2. Detail your team objectives using four simple questions
3. The Balanced Scorecard is not the end goal, so don't stop the execution cascade.
4. Having a strategy map isn't the same as having a strategy
5. Know the different between a business model (WHO & WHAT) and an operating model (HOW)
6. Complexity: do we walk the simplicity tightrope?
7. Combat strategy: Rule of 150 + clean up

Read. Share. Do.

SEH	Balanced Scorecard, p191
TES	Complexity, p113
Article	101 Balanced Scorecard tips (SlideShare)
Canvas	Write down your Team Objectives
Canvas	Combat plan Complexity

MODULE 5

Measure your Strategy Progress

Re-measure: the value of KPIs is overrated. Learn a different approach to measuring success

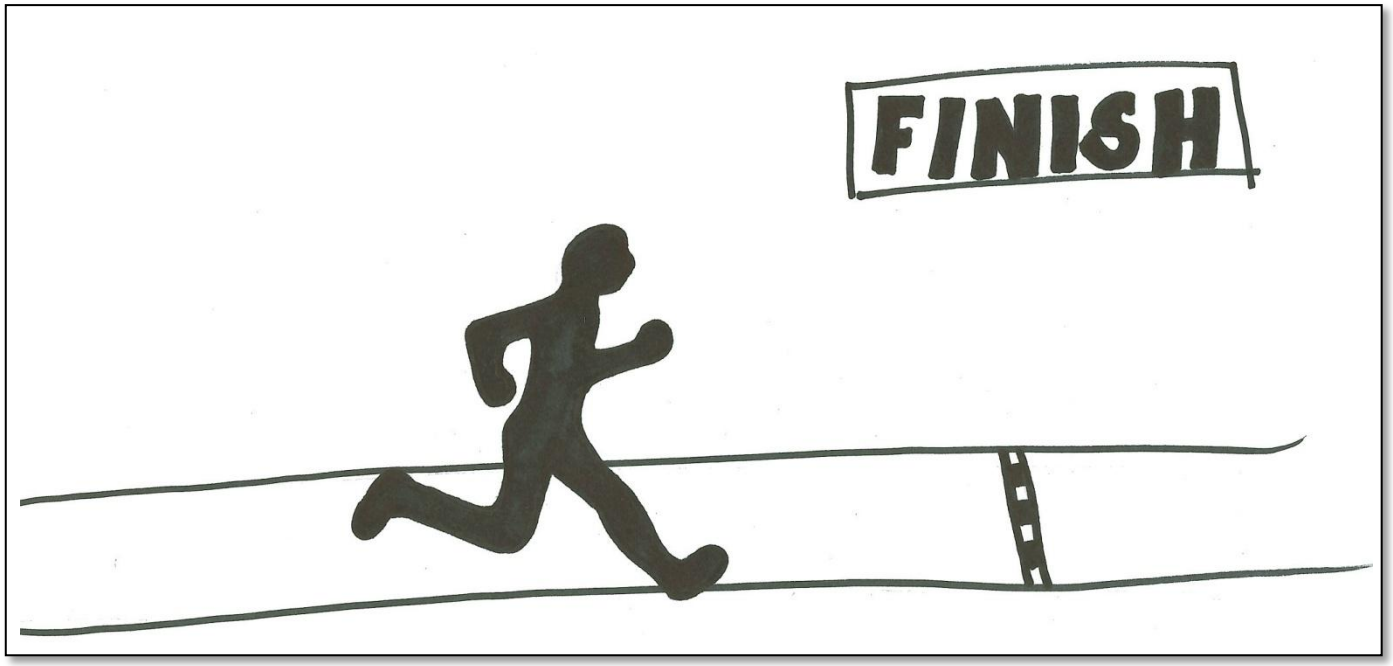
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Find out how to clean your dashboard and keep only those indicators that matter

Are we using KPI's the right way?

"What's the value of measuring speed if you are driving in the wrong direction"

First: draw a finish line



Second: identify signposts



Marathon Experiment

“What’s the best way for marathon runners to predict the time on their next marathon? “

Yasso 800m

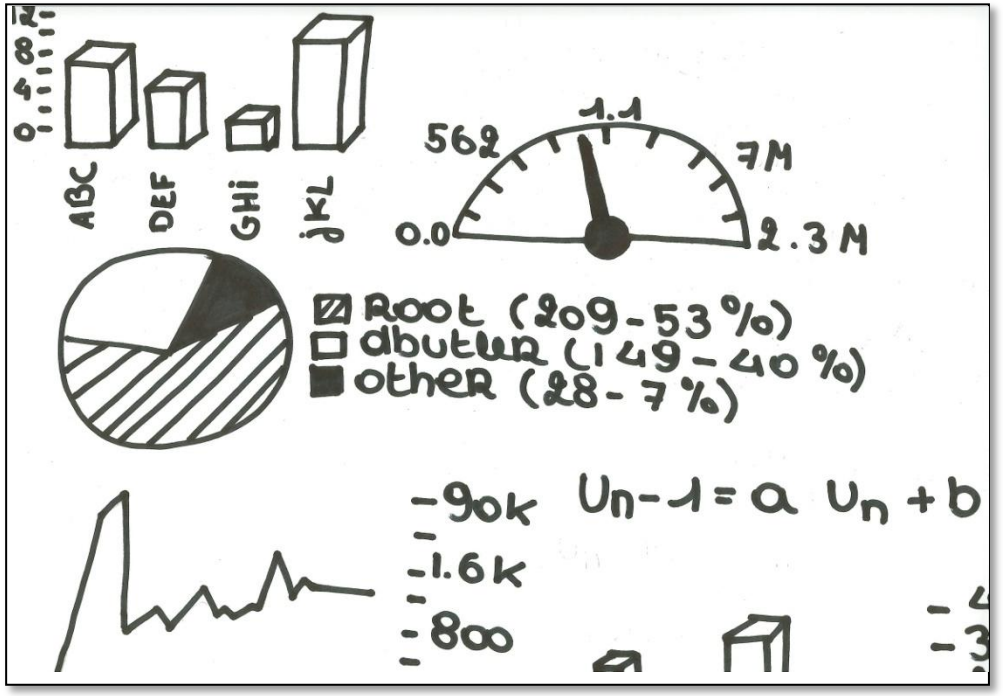
Your time in minutes and seconds for a workout of 10 times 800 meters (2 laps) with equal recovery time, is the same as the hours and minutes of your marathon time.

For example, if you can run 10 times 800 meters in 3 minutes and 20 seconds with 3 minutes and 20 seconds of recovery, this predicts that you can run 3 hours and 20 minutes for your marathon.

Conclusion:

Find lead indicators that show you the way to success

Player versus Coach



What dashboard do you need?

Canvas Exercise #4 “Finish Line & Sign Posts”



Summarize your strategy in a motivating finish line:

Finish Line: ……

……

……

Identify your lead indicators:

1. ……
2. ……
3. ……

Measure Strategy Progress: Key Learnings

1. A finish line tells us *when* we are successful and motivates us. Signposts tell us *how* to be successful
2. First, draw a finish line to show everyone what winning looks like. Successful strategists choose a challenging, but realistic finish line that captures the strategy core
3. Identify a limited set of signposts – the lead indicators - that predict success at the finish line. This feedback mechanism helps people take the right decisions along the way
4. What's the dashboard look like? Think player and coach

Read. Share. Do.

TES	Finish Line,p45
TES	Sign Posts,p53
Canvas	Draw your Finish Line
Canvas	Select Signposts (by Job Family)

MODULE 6

Choose Projects Set Objectives

Beyond SMART: how to set great objectives for yourself and others

—

Why most companies struggle with strategic projects and what to do about it

Initiative Management

- Improve initiative management in your organisation, division or team.
- Identify the five fundamentals, select one or more of the proven tips provided and get to work.
    - Collect, select and prioritise the right initiatives
    - Optimise your resource allocation and planning
    - Develop your project managers
    - World-class project and program management
    - Manage your strategic initiative portfolio

"Initiative prioritisation doesn't mean distributing all available resources to all known projects"
– Volker Voigt

Canvas Exercise #5 “Project on 1 Page”



Select 3 projects and detail:

1. Project Background
2. Problem Statement
3. Objectives
4. Deliverables
5. Core members
6. Assumptions / constraints
7. Issues / risks

Boost individual objectives setting

1. Promote benefits / not mechanics
2. Keep it simple
3. Set goals for goal setting
4. Develop the necessary skills
5. Make sure the top also have individual objectives
6. Make sure it all adds up
7. Don’t be too SMART
8. Don’t assume a yes is always a yes
9. Get the leadership objectives right
10. Build a feedback culture
11. Monitor the quality

Do I break the strategy chain?

Ask yourself the follow 5 questions:

1. Do I understand the overall strategy?
2. Do I understand the objectives defined on the organisational level above you?
3. Do I communicate the strategy to my team / stakeholders?
4. Do I visualise the link between lower – and higher level objectives?
5. Do I take responsibility to align objectives across hierarchical levels?

Great objectives: 3 focus areas

The right objective + **Awareness & Acceptance** + **Res-ponsability**

"What's your contribution to the overall strategy"

"Do you understand the strategy and your contribution? + do I get a YES?"

"What are both of you doing to improve performance?"

Choose projects/Set Objectives: Key Learnings

1. Initiative management is the point where organisational performance meets individual performance, where people are added to the equation
2. Secure the outcome of your initiative management exercise. Make a solid link with the individual objectives and keep the strategy cascade flowing
3. Individual objective setting is the final step of your strategy cascade – therefore a crucial ingredient for successful Strategy Execution
4. Setting challenging goals that motivates is one of the best things you can do to improve performance
5. Great goals = 3 focus areas

Read. Share. Do.





SEH	Initiative Management, p145
SEH	Individual Objectives, p41
Article	Great Project Managers Facilitate Choices
Canvas	Identify 3 Must Win Projects
Canvas	Select 3 individual Objectives

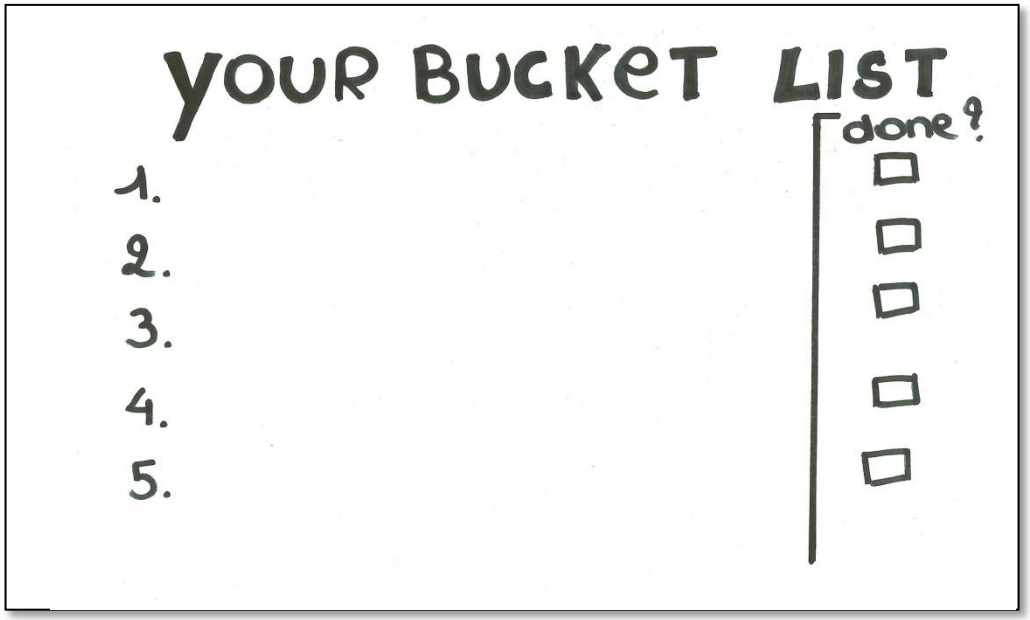
MODULE 7

Create Awesome Habits

Learn 5 things successful people know about habits and apply this for your own success

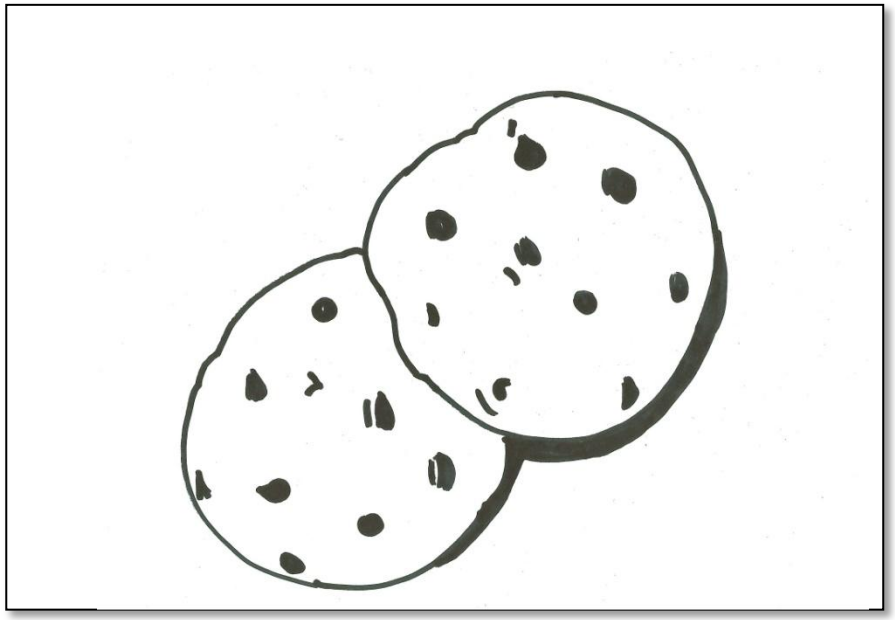
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Why 88 percent of the people don't succeed in building great habits and what you can do to be part of the happy few



Why 88 percent of the people don’t succeed in building great habits

Bad Guy **Willpower Depletion**



Cookies Experiment

How to combat Willpower Depletion?



Christmas Experiment

Implementation intentions help combat Willpower Depletion

What do you think this quote means?

"Culture eats strategy for breakfast, every day"
– Peter Drucker

Culture is….

…automated decisions (habits) shared by a group

What are **the habits** you need to change or develop?

"You can never have an impact on society if you have not changed yourself. "
Nelson Mandela

Canvas Exercise #6 “+2/-2 Habits”



Identify new habits & old ones that need to go

+

1. .....
2. .....

–

1. .....
2. .....



Bad Guy **Willpower Depletion**

AS IS	…… …… …… *Current Threat Level* 0 1 2 3 4 5 6 7 8 9 10
Combat Plan	…… …… …… ……

Create Awesome Habits: Key Learnings

1. Willpower Depletion: each decision we take demands mental strength and when there're too many decisions to take, our reserves run out. *We become tired*.
2. Habits are nature's way of combating Willpower Depletion. Habits help us to protect one of our body's limited resources—rational decision-making. By automating small, repetitive decisions—such as what we do first in the morning, how we drive to work, or tie our shoe laces—we safeguard our mental energy.
3. Culture = automated decisions (habits) shared by a group.
4. For each individual objective, we should define a set of routines to avoid Willpower Depletion.
5. To develop habits, we need Implementation Intentions in our agenda.

Read. Share. Do.





TES	Willpower Depletion, p126
TES	Implementation Intentions,p137
Canvas	'2+ / 2-' Team Exercise
Canvas	Add matching habits & fit into agenda
Bad Guy	Battle Plan Willpower Depletion

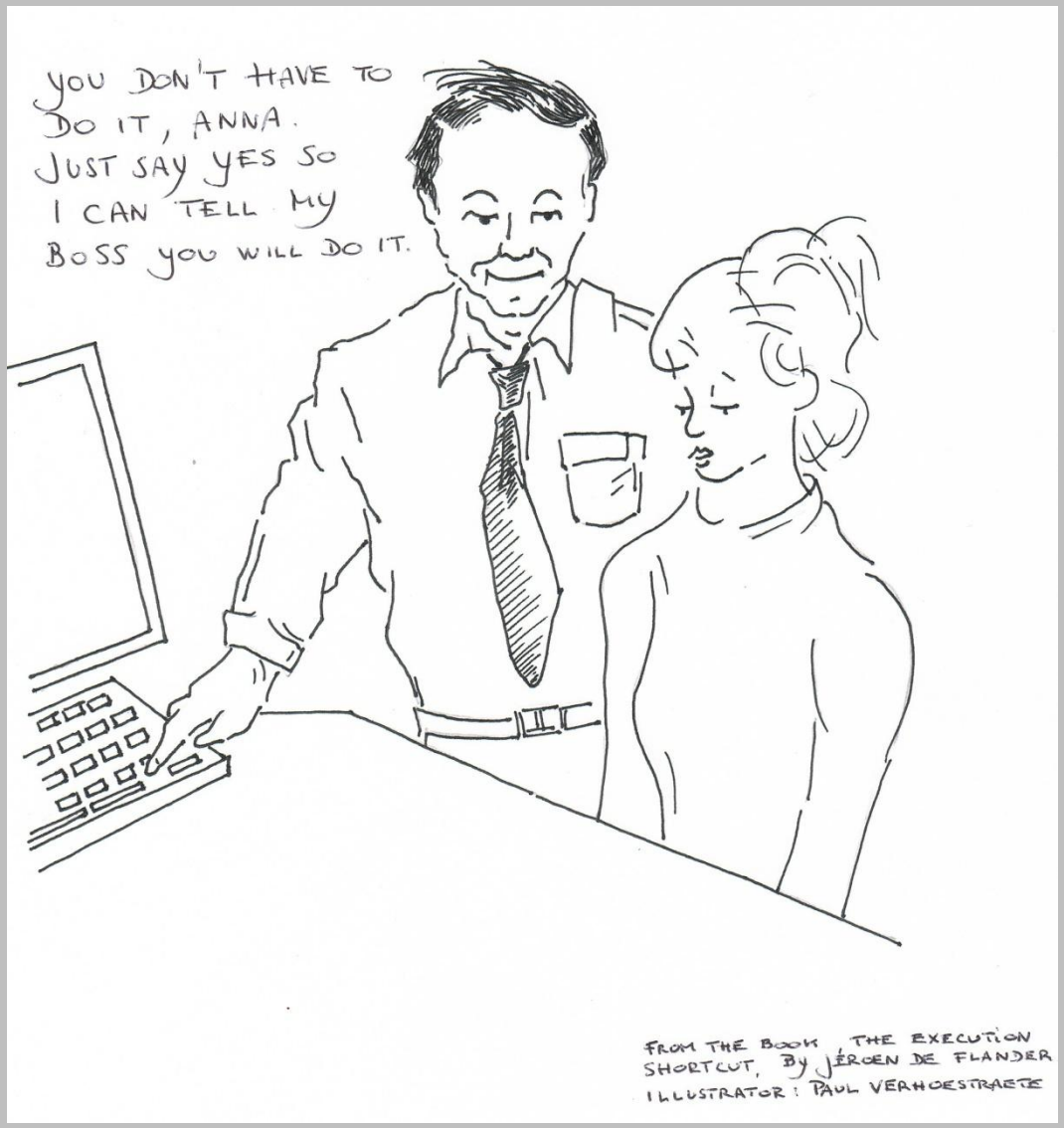
MODULE 8

Motivate People to Reach the Finish Line

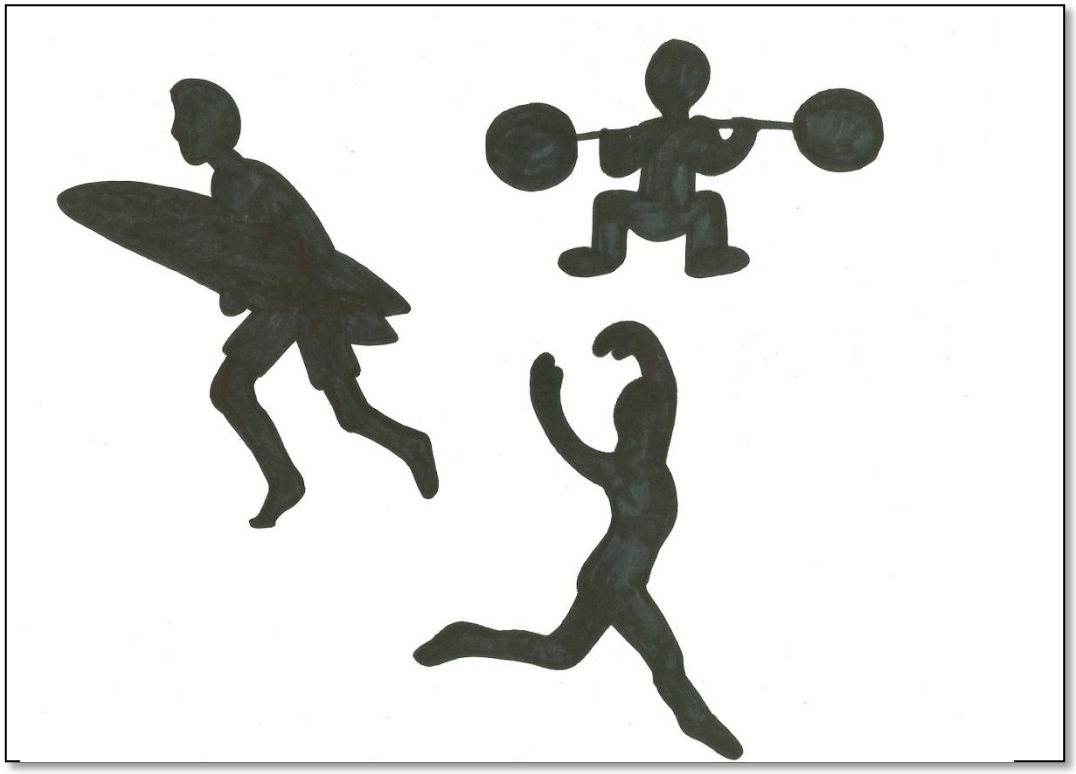
Raise micro-commitment: learn about the crucial execution battles and how to win them

—

Why Change Management will become more important and how to become really good at it


YOU DON'T HAVE TO DO IT, ANNA. JUST SAY YES SO I CAN TELL MY BOSS YOU WILL DO IT.
FROM THE BOOK, THE EXECUTION SHORTCUT, BY JÉRGEN DE FLANDER
ILLUSTRATOR: PAUL VERHOESTRAETE

Lauren



What's the biggest sport accomplishment from the 20th century?

Bandura's Theory

1. Past Successes — *"I've done it before, so I can do it again"*
2. Modeling — *"If he can do it, I can do it as well"*
3. Verbal Persuasion — *"You can do it!"*
4. Emotional Arousal — *"The discomforts I feel are just discomforts"*

Bad Guy The Pygmalion Effect



The Army Experiment



Bad Guy The Pygmalion Effect

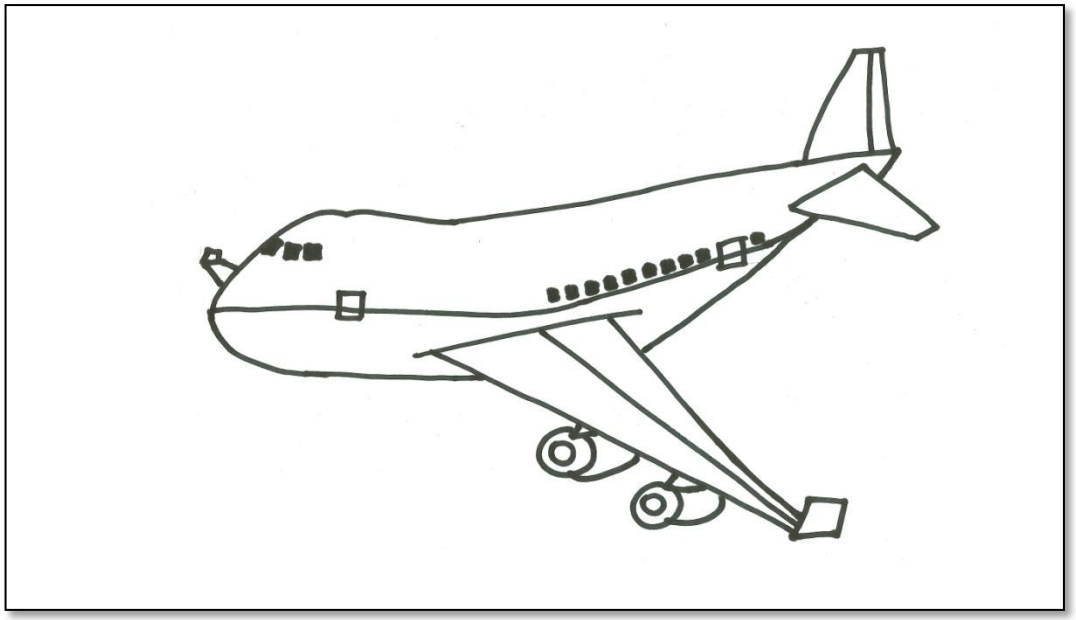
AS IS	…… …… …… *Current Threat Level* 0 1 2 3 4 5 6 7 8 9 10
Combat Plan	…… …… …… ……

Don’t assume a ‘yes’ is always a ‘yes!’

When your employee says ‘yes’ to the strategy....
....what does (s)he really say?

I will make the strategy happen, no matter what
or
I will work hard (effort) to implement the strategy
or
I see the benefits of the strategy and will contribute to the implementation
or
I don’t see the benefits but don’t want to loose my job
or
I’m against the strategy, don’t want to implement but I don’t tell it in your face

Bad Guy Mitigated Speech



The Airline Disaster



Bad Guy Mitigated Speech

AS IS	…… …… …… *Current Threat Level* 0 1 2 3 4 5 6 7 8 9 10
Combat Plan	…… …… …… ……

Motivate People: Key Learnings

1. The Pygmalion Effect is *a leadership phenomenon*. If we want to increase strategy success, we have to reconsider the relationship we have with *all* our team members.
2. Tweak the environment to *boost micro-commitment*. We should offer only Big Yeses ourselves and challenge others to do the same.
3. We can help travelers climb the Micro-commitment Ladder by making 'no' an acceptable alternative for the fake yeses.
4. Make a NO acceptable. Combat Mitigated Speech. Empower individuals to challenge decisions effectively.
5. Finally, *boost belief.* We've seen that it's possible to make runners run faster and soldiers fight better. Surprisingly, the key to success is belief.

Read. Share. Do.

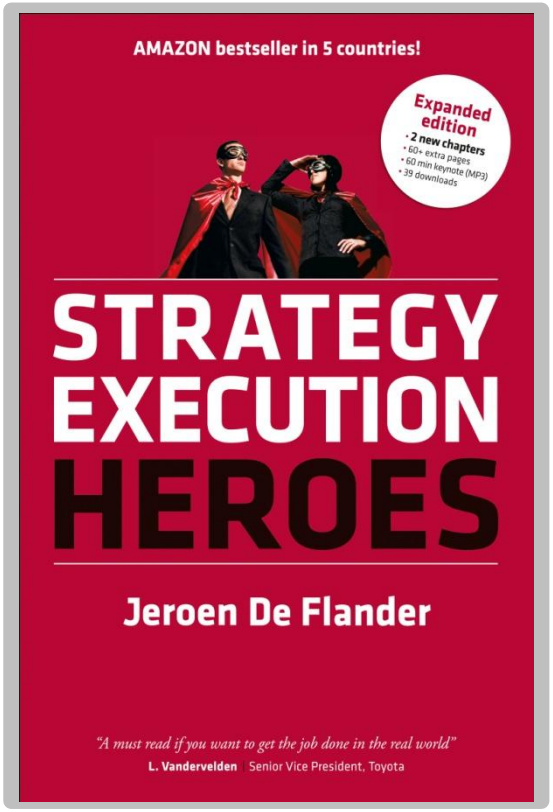




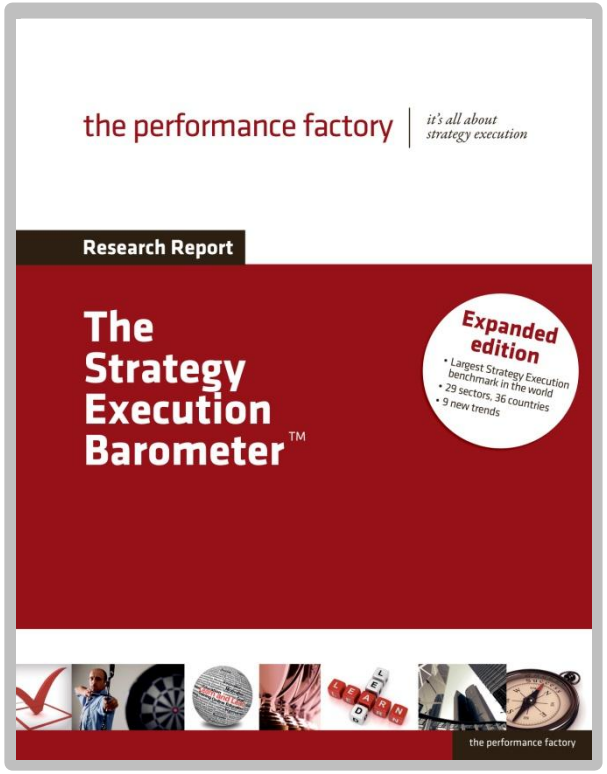
TES	Bandura's Theory, p98
TES	The Pygmalion Effect, p103
TES	Mitigated Speech, p89
Video	Don't assume a 'Yes' is always a 'Yes'
Bad Guy	Combat Plan Mitigated Speech
Bad Guy	Combat Plan The Pygmalion Effect

The execution challenge – our contribution

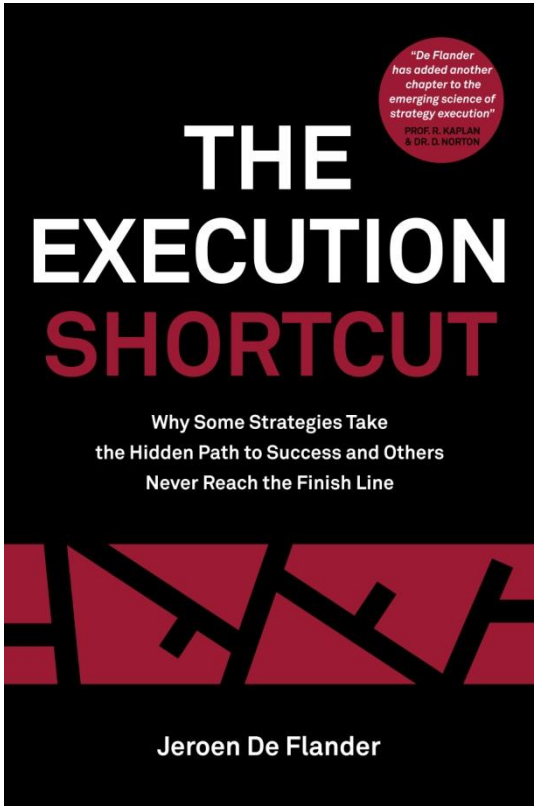
300+ Usefull Implementation Tips



Actionable, Up-to-date Benchmark Information



Beat the 7 Execution Villains



Jeroen De Flander – Strategy Execution Ambassador



Read his weekly article on **LinkedIn Pulse**

Jeroen De Flander is one of the world's most influential thinkers on strategy execution and a highly regarded keynote speaker. He has shared the stage with prominent strategists like Michael Porter , Bob Kaplan & Roger Martin and reached out to 25,000+ leaders in 40+ countries. His first book *Strategy Execution Heroes* reached the Amazon bestseller list in 5 countries and was nominated for Management Book of the Year 2012 in the Netherlands. His second book, *The Execution Shortcut*, reach the #3 spot in its category on Amazon.

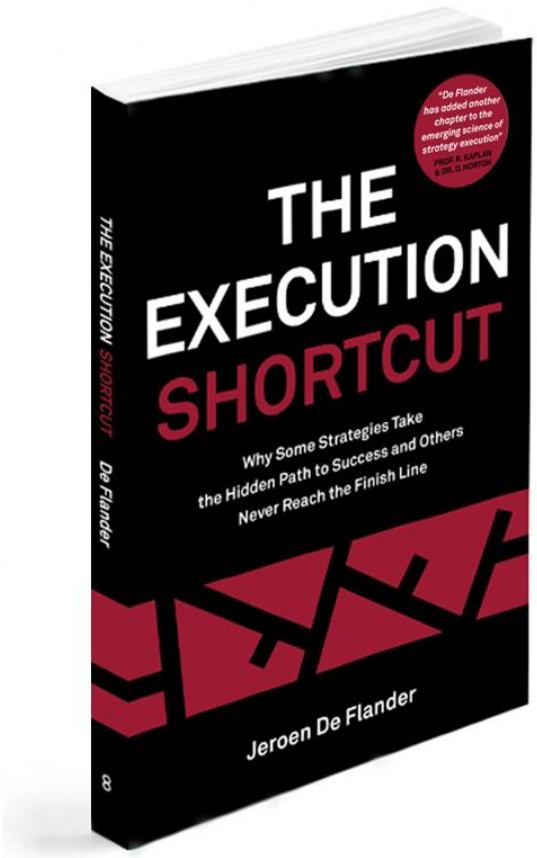
He is co-founder of *the performance factory* – a leading research, training and advisory firm specialized in Strategy Execution.

He has advised 75+ companies including Atos Worldline, AXA, Bridgestone, Brussels Airport, CEMEX, Credit Suisse, GDFSUEZ, Honda, ING, Johnson & Johnson, Komatsu, Microsoft, Nike and Sony on various strategy and strategy execution topics.

To book Jeroen to speak at your next event or to run a strategy execution seminar for your company, please contact him through his blog www.jeroen-de-flander.com or jeroen@jeroen-de-flander.com.

Follow him on LinkedIn.

The Execution Shortcut



"De Flander has added another chapter to the emerging science of strategy execution."
-- **Prof. Robert Kaplan, Harvard Business School & Dr David Norton**

"The Execution Shortcut is a fantastic read! It is full of wonderful advice and practical examples and explains in a clear and engaging style how to get your ideas or strategies implemented."
-- **Costas Markides, Professor of Strategy & Entrepreneurship, London Business School**

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"I can recommend this book to any leader."
-- **Patrick Bodart, Principal Director, European Patent Office**

Strategy Execution Master Class

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