

BRIDGING THE STRATEGY DESIGN-DELIVERY GAP: WHAT THE LEADERS ARE DOING

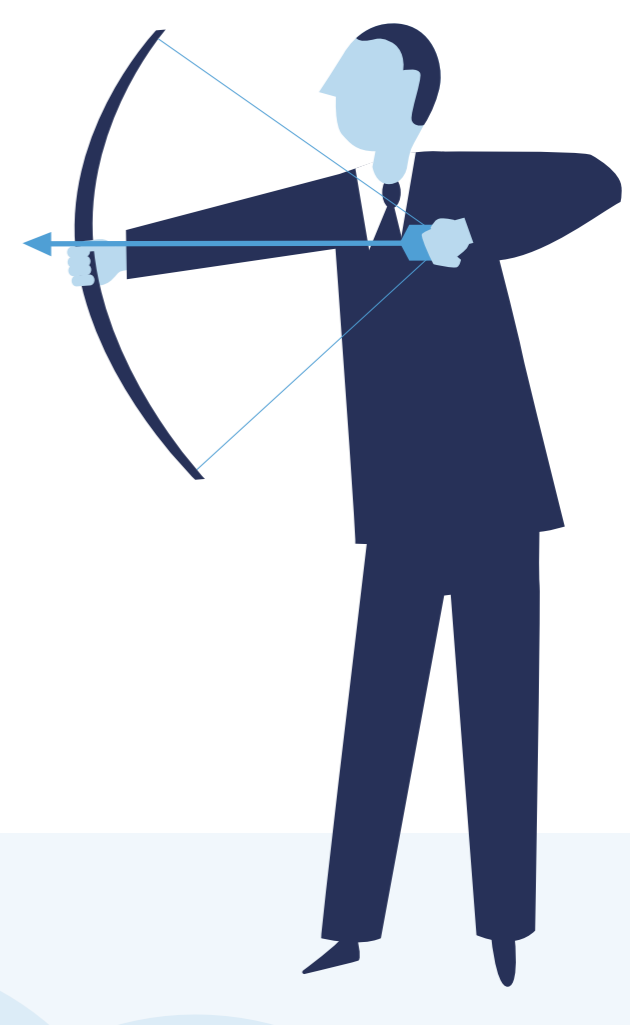
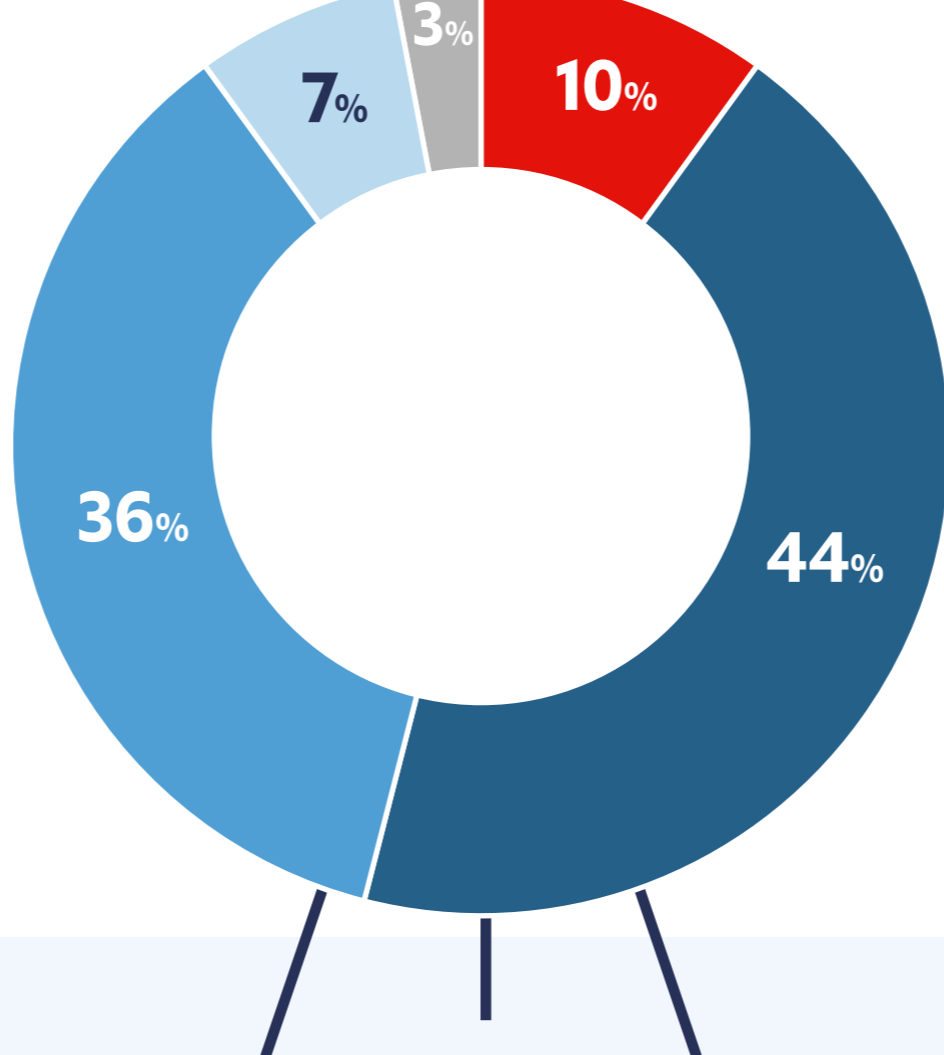


The benefits of bridging the gap between strategy design and delivery are unmistakable. A recent Economist Intelligence Unit survey finds that only 10% of respondents consistently achieve those benefits. See what sets these Leaders apart.

FINDING LEADERS

Over the last three years, what percentage of your organisation's strategic objectives was not met due to flawed or incomplete implementation?

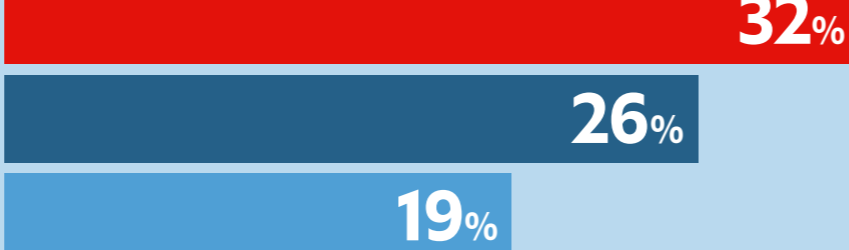
- None
- 1-20%
- 21-40%
- 41-60%
- Don't know



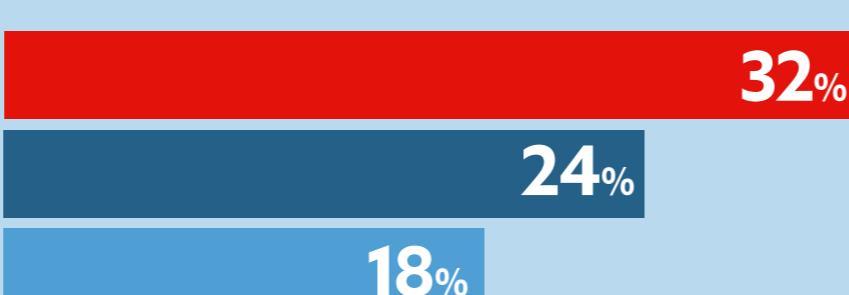
1. LEADERS DEVELOP MUTUAL UNDERSTANDING AND INTERACTION BETWEEN THOSE DESIGNING AND THOSE DELIVERING STRATEGY

Percentage of respondents in each group completely agreeing with the following statements

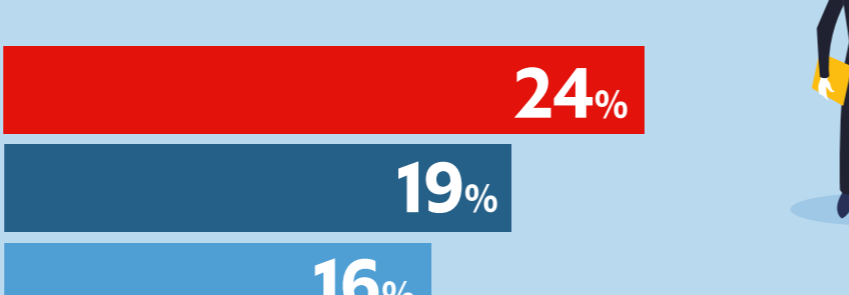
Those involved in strategy development are also actively involved in oversight of implementation



Those responsible for strategy development and those responsible for strategy implementation collaborate effectively



Those responsible for strategy development are aware of the challenges of implementation



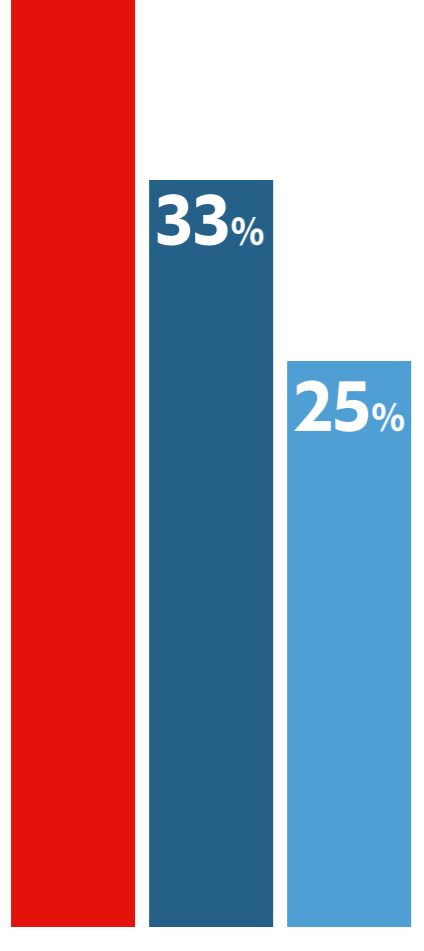
"Strategy is, by and large, a team sport. If you don't play as a team, it will be impossible to win [the game]."
Hilton Romanski, CSO, Cisco



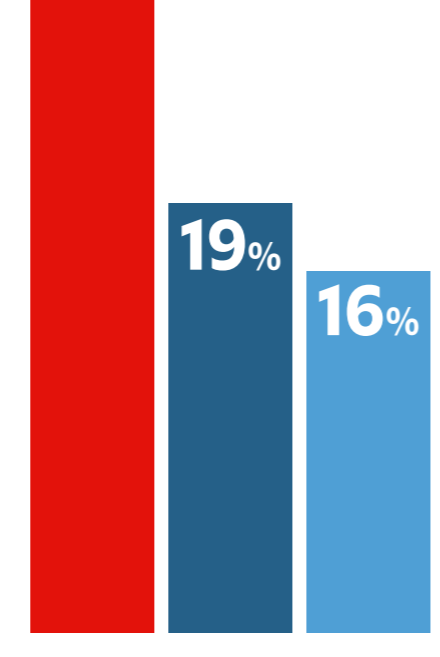
2. LEADERS COMMUNICATE BETTER WITHIN THE COMPANY, BOTH VERTICALLY AND HORIZONTALLY

Percentage of respondents in each group reporting a very effective flow of information needed for strategy delivery in each of the following ways

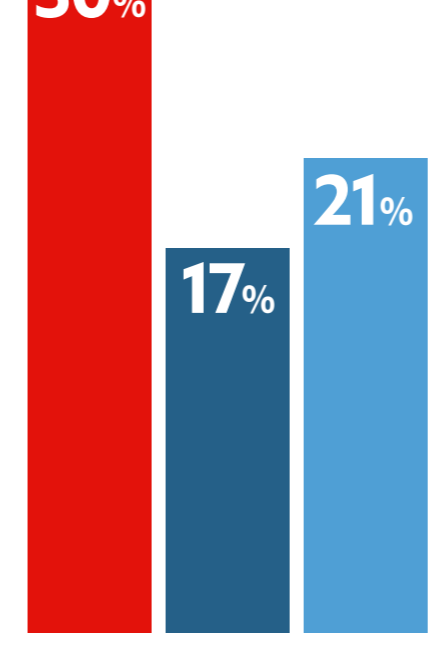
- Leaders
- Middle performers (miss 1-20% of strategic objectives)
- Worst performers (miss more than 20% of strategic objectives)



Across senior levels of the organisation



From more senior level to less senior ones



From less senior levels to more senior ones

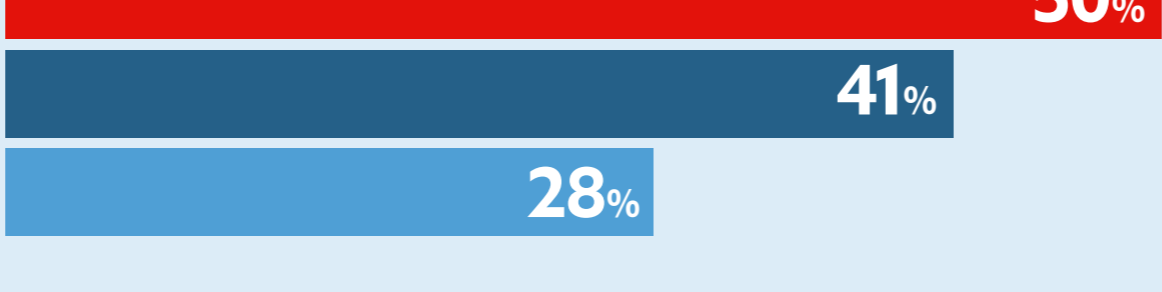
"You have to do a certain element of consultation and even co-creation. It is about making sure the strategy is right and remains right."
David Kamenetzky, Chief Strategy & External Affairs Officer, Anheuser-Busch InBev

3. LEADERS EFFECTIVELY USE CUSTOMER AND COMPETITOR INTELLIGENCE TO INFORM STRATEGY DELIVERY

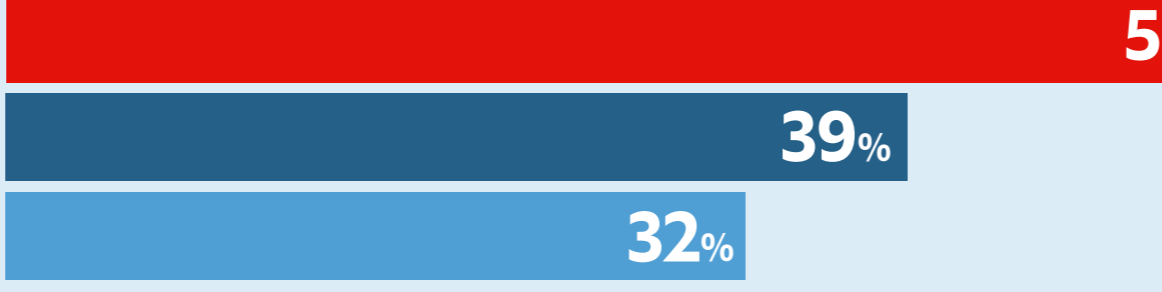
Percentage of respondents in each group saying their organisation provides the following

- Leaders
- Middle performers (miss 1-20% of strategic objectives)
- Worst performers (miss more than 20% of strategic objectives)

Effective feedback to allow those implementing strategy to take into account information from changing customer needs



Effective feedback to allow those implementing strategy to take into account information from evolving competitor landscape

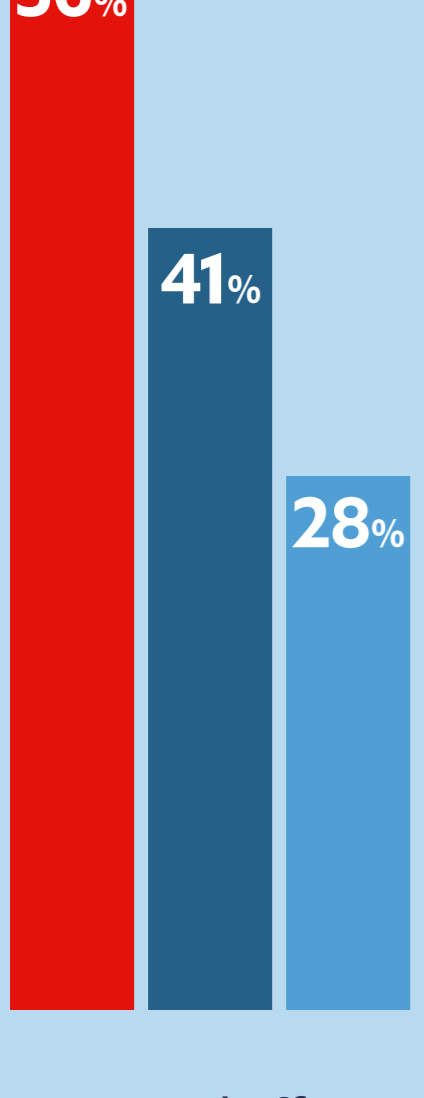


"In the real world, you have to do the same things to manage execution with external partners as you do internally."
Professor Donald Sull, Senior Lecturer at the MIT Sloan School of Management

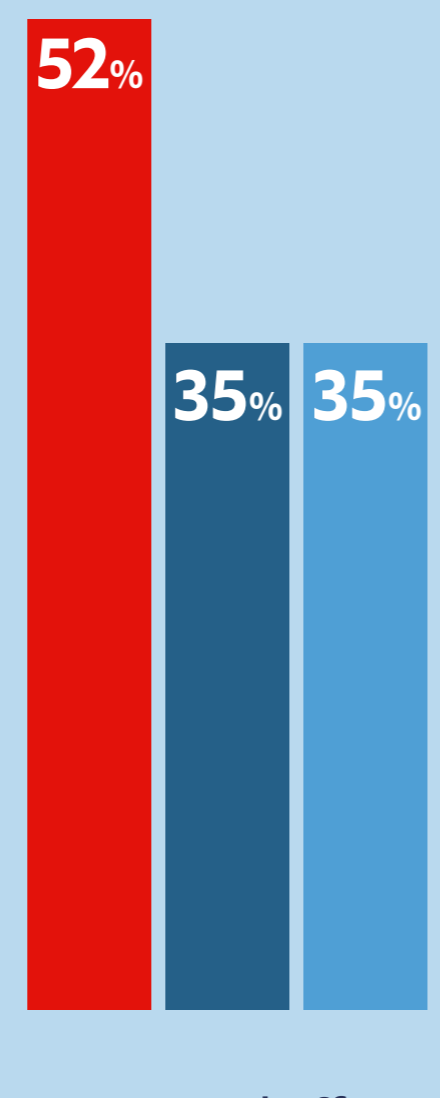
4. LEADERS ARE ABLE TO RESPOND QUICKLY AND EFFECTIVELY TO CHANGES IN THE ENVIRONMENT

Percentage of respondents in each group saying their organisation enables the following

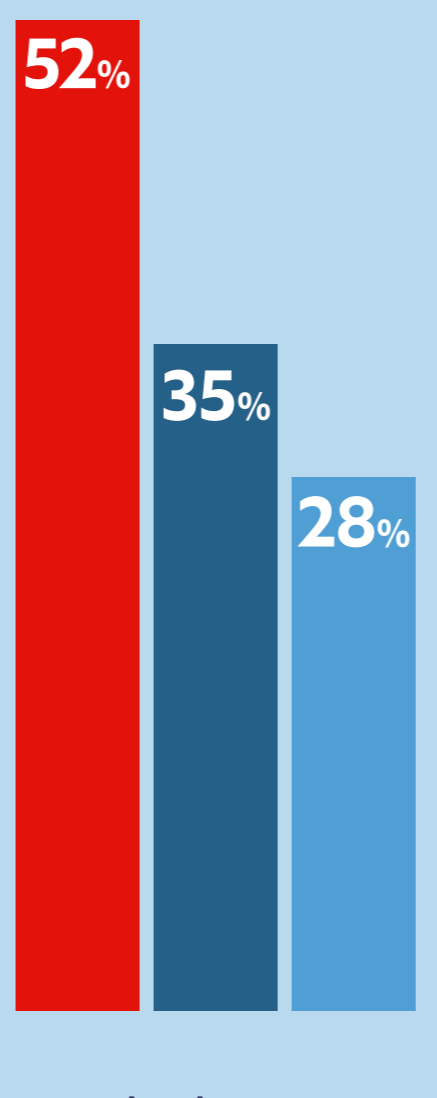
- Leaders
- Middle performers (miss 1-20% of strategic objectives)
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Prompt and effective reallocation of funding among strategy initiatives, when needed



Prompt and efficient reallocation of personnel among strategy initiatives, when needed



Rapid adjustment to strategy when implementation reveals new risks/opportunities

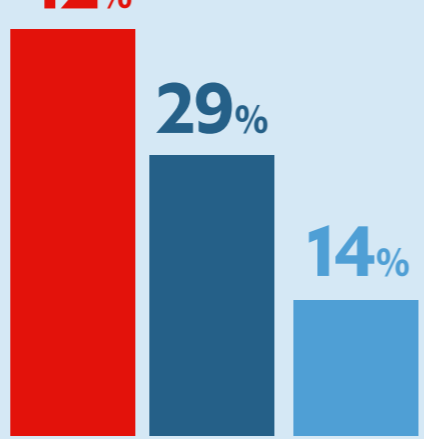
"A good understanding of the local reality gives you the ability to react fast, to put people on the job. Without this you cannot succeed."
Bernard Claveranne, Chief Transformation Officer, AXA

WHY LEADERSHIP MATTERS: FINANCIAL PERFORMANCE

The rewards for companies that follow the actions of leaders in bridging the strategy design-delivery gap are evident in the bottom line.

Percentage of respondents in each group reporting well-above average financial performance relative to peers

- Leaders
- Middle performers (miss 1-20% of strategic objectives)
- Worst performers (miss more than 20% of strategic objectives)



"A strategy might look good on a PowerPoint slide but it is only as good as its execution. That's where the rubber hits the road."

Peter Toth, Global Head of Strategy at Rio Tinto