



If your Strategy is clear, why don't they understand it?

Strategy is about being *different* and making choices. The intent of a business strategy is to define how the company can shape the future to its advantage and create and capture a greater share of the economic value. It outlines where and how the company will compete and gives structure to what you are trying to accomplish. It also *provides direction, guidance, and focus when you are faced with choices*. If people in the organization don't understand how the company is supposed to be different and what opportunities they are to pursue, how can they make the tough choices that they have to make every day? (Porter, 1980)

The strategy of the company should affect everyone's behavior in the organization. The work at the top of the company in creating the strategy and goals intended to drive results, have a significant impact at the senior management level. But despite the effort that goes into communicating deeper into the organization, just how the strategy should manifest itself becomes unclear.

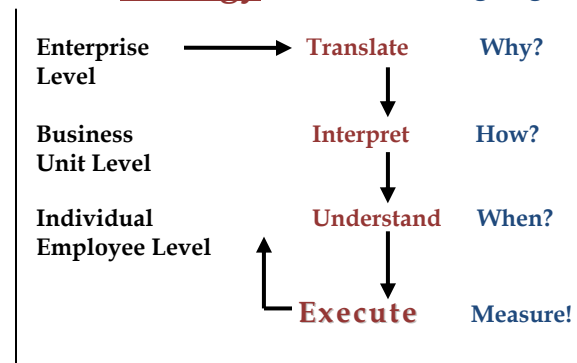
► Passing goals down without creating meaning causes frustration...

The responsibility for creating clarity around what the strategy means at the business unit, team and individual levels, and for ensuring that the strategy is executed is *shared by managers throughout the organization*. There are many dynamics within fast paced changing organizations that contribute to the lack of alignment. However, the *biggest obstacle appears to be "a lack of understanding."* Why is this? As the strategy is communicated deeper into the organization, *repeating the corporate strategy is easy* enough, but without managers *bringing the strategy to life by interpreting it for their team, it will have limited impact*.

Before **SMART** (Specific, Measureable, Attainable, Realistic & Time bound) goals can be written, *each manager has to redefine top level goals and strategies to make them real for the people they lead* who are expected to execute them; the simpler and more straightforward, the better. Engaging direct reports by involving them in discussions that connects individual and team performance to strategy greatly improves their commitment and ability to achieve measureable results.

► Translating strategy into clear goals creates commitment....

Strategy.....Where are we going?



Planning with the end in mind focuses on results...

Managers can facilitate the process by asking three questions:

1. How do we connect our work to the big picture?
2. What must we accomplish?
3. How will we accomplish it?

Through this process a shared language and framework for how to think and talk about alignment occurs among the team/department enabling them to match their behavior to a set of commonly understood goals and actions.

To create focus on the truly critical goals of the team and the organization, consider the following questions as a litmus test to each of the existing goals:

- What is the economic impact?
- How will achieving the goal affect customers and move the organization forward?
- Is it aligned with the company's strategy?
- How will it satisfy stakeholders?
- What is my level of passion, talent, and energy for it?
- Do we have the resources?

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