

## Strategy Implementation Falling Short of the Mark?

Many companies experience significant headwinds executing new strategies. Roadblocks pop up that stall progress and send signals that the company is unable (or unwilling) to make desired and necessary changes to get on the path to their desired future state. Fears related to a short-term drop in sales volume, potential disruption of key partner or customer relationships, and/or pending organizational shake-ups can create blocking activity that derails the <a href="mailto:smart strategic planning">smart strategic planning</a> done by your team. Especially in an environment of uncertainty, unanticipated delays in delivering on a key component of your strategy could be costly on many levels.

And disruption happens fast. Second guessing by a key internal stakeholder group can seriously delay movement on a critical strategy adjustment needed to anticipate—or respond to—changing market conditions. Valued customers and partners become confused and disheartened by their supplier's inability to follow through on resolving material issues affecting their businesses. Loyalty bonds weaken with some of your brand's strongest supporters. The landscape shifts a bit in the direction of competitors.

Navigating the initial struggle to implement your company's new strategy is critical to setting your business on the course to long-term success. Lynn Cullotta Consulting (LCC) recommends keeping these five tips in mind.

- 1. Make the first change an "easy win."
- 2. Don't promise anything that you are not 100% sure you can deliver.
- 3. Simplicity trumps complexity.
- 4. Speed can kill confidence and credibility.
- 5. A scorecard is how you will *know*—not think, not hope—execution is happening as anticipated.

LCC has worked with many companies that move into implementation with a solid, market-based strategy in hand. Some struggle early to get their strategy execution on track. Others encounter many, fewer roadblocks out of the gate. Below are our observations about factors that make a difference.

LYNN CULLOTTA CONSULTING TIPS	RATIONALE
1. Make the first change an "easy win."	Identify something that is both meaningful, but also relatively easy to do from a resource and time standpoint. Get a "win" under your belt early. This will demonstrate commitment to the new strategy, build confidence in your team's ability to execute, and create positive momentum. A history of success gives the team confidence to tackle larger and more significant changes as the company progresses toward its longer-term goal. Credibility builds with partners/customers.

## Five Tips for Implementing Your New Strategy

LYNN CULLOTTA CONSULTING TIPS	RATIONALE
2. Don't promise anything that you are not 100% sure you can deliver.	At the outset of implementing a change in strategy there is always a risk of overpromising and underdelivering. We believe a company sets itself up for failure by prematurely promising an action or an outcome to the market. What trips them up is that the upside benefits are clear to internal stakeholders, but downside consequences have not been fully acknowledged or explored.  In the early stages of executing a new strategy, risks can become more visible (and threatening) to parts of the organization that are most impacted by the strategy change. These concerns may cause them to pull back support for a planned change that has already been communicated to the market. Flip-flopping behavior erodes the trust and goodwill the brand has built over time with customers and channel partners.
	LCC's advice is to initially focus on initiatives that your team has control over (e.g., what is delivered, how it is done and when it is completed.) Communicate clearly with stakeholders so that if/when challenges come up, they know your team is working through them.
3. Simplicity trumps complexity.	<ul> <li>Early execution efforts can stall under the weight of complexity. Here are two examples we see all the time:         <ul> <li>An elegant solution (in concept) is defined. However, this perfect solution will be virtually impossible to implement within the resources and/or time available. Better to acknowledge that a simpler approach is good enough for now and can be enhanced over time. Most customers will be ok with a simpler solution if they understand where your company is headed with these programs</li> <li>The first strategic initiative prioritized requires a significant restructuring of the organization. Or it requires a substantial change in the way the company interfaces with channels or customers. In either case, the magnitude of change required will take too long to show meaningful progress and excite stakeholders about the promise of the longer-term strategic vision.</li> </ul> </li> <li>In LCC's view, simplicity is the key to getting early execution efforts on the right track.</li> </ul>

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4. Speed can kill confidence and credibility.	Once the goal is clear, the tendency is to move fast. While urgency is laudable, rolling out a half-baked program creates its own problems. The team's focus shifts from proactive to reactive, as attempts are made to shore up or fill gaps on the fly. A better approach is to take sufficient time to create, test and refine new offerings so that customers and channels gain confidence in the direction and pace of new strategic initiatives.
5. A scorecard is how you know — not think, not hope — that execution is happening as anticipated.	Creating a scorecard as a way to track and measure performance throughout implementation is an effective way to maintain an objective view of progress. Implementation programs tend to driftunfortunately often to the point of derailment. A scorecard is one of the best mechanisms to ensure alignment with the stated goals of the strategy, as performance is measured against predetermined metrics.  A scorecard system also allows you to replicate the process for additional changes or new strategies that follow.

Implementation of new strategies gets more challenging in periods of market uncertainty, like today. More pivots may be required. Actions may need to be accelerated under certain conditions. If you are looking for experienced advisors to help you get on the right path to your company's future, we would love to talk to you. Please reach out to Carl Cullotta at 224-239-2525 or <a href="mailto:cpc@lynncullotta.com">cpc@lynncullotta.com</a>.

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