



# Albu on Strategy

Winter, 2005

## Lights, Camera, ACTION

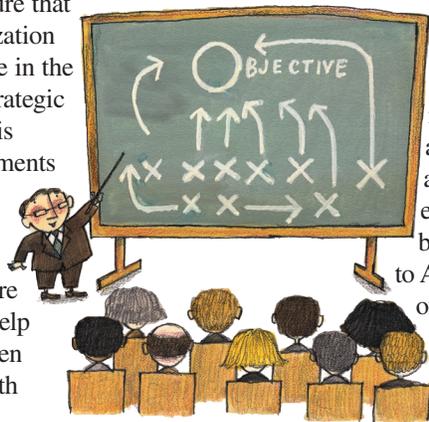
Managers often find the disciplines surrounding developing and setting vision and strategy to be stimulating and fun. However, the ultimate difference between success and mediocrity for any company is the ability to execute strategy with excellence. As Larry Bossidy and Ram Charan state in their book, *Execution*, "The ultimate difference between a company and its competition is, in fact, the ability to execute." The bottom line – **STRATEGY IS NOTHING WITHOUT ACTION.**

CEOs too often overlook the power of developing a detailed plan of action. It is the leader's job to "make it happen," aligning and linking the organization to the objectives. The detailed action plan provides a powerful tool to guide and monitor execution. It helps ensure that everyone in the organization understands his/her role in the grand scheme of the strategic plan, and that synergy is achieved across departments and business units.

Execution is a discipline unto itself that needs to be learned. Here are some questions to help guide your thinking when preparing to execute with excellence:

- What tactics (strategic initiatives) will be required to achieve the goals?
- Who will lead each strategic initiative?
- What resources will he/she require to be successful?
- How long will it take to complete each initiative?
- What metrics will be used to track success over the duration of the strategic plan?
- What are the milestones along the way, and when will they be reached?
- What are the key decisions that need to be made?
- What are the positive and negative consequences of success or failure?

The ultimate goal is to channel organizational energies, abilities and knowledge toward achieving the long-term strategic goals. The action plan is a working document, created to assign responsibilities and accountabilities and to ensure full commitment and buy-in. By linking Strategy to Action, it increases the odds of success.



Dear Friends,

In this issue we look at one of the most important steps in the strategic process – executing with excellence a carefully designed strategy.

Designing a sound business strategy is the essential first step. But translating those strategies into reality demands an equally well-conceived implementation plan. This is where you rally the organization behind a detailed action plan by which your strategic goals will be achieved. It identifies leaders for each strategic initiative, and establishing timelines, milestones and metrics that will guide you in managing the process and monitoring progress.

In this issue we provide insights to help guide you in developing your implementation plan. We discuss the importance of following through to make sure everyone involved remains focused on the ultimate goals. And, we recommend an excellent book that will further challenge your thinking about strategic execution.

As a leader, your job is to make things happen. Our goal is to help our readers achieve profitable growth. That is why I hope you will take some time to respond to our survey. Your answers may help one of our readers confronting challenges you have already successfully addressed.

Your comments and questions are always welcome. Simply drop an email to [info@albuconsulting.com](mailto:info@albuconsulting.com) or give me a call at 203/321-2147. I look forward to hearing from you.

Sincerely,

Dick Albu, President

## We'd like to know how you get it done...

Please answer any of the following questions.

1. How does your detailed execution plan link strategy to action (for example, by specifying the who, what, when and how of each key initiative)?
2. How do you communicate vision and strategy to your organization?
3. How do you follow up with your leadership team on each strategic initiative?
4. When and how do you update your strategies and tactics based on customer, consumer or market changes?

E-mail your responses to [info@albuconsulting.com](mailto:info@albuconsulting.com)

Your responses will be reported in future editions of **Albu on Strategy**:





## BOOK REVIEW

### Execution

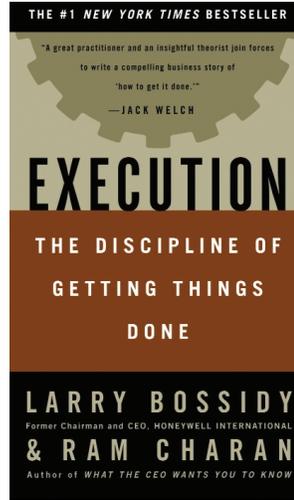
By Larry Bossidy and Ram Charan

Although written several years ago, the basic principles described by the authors are still as relevant as ever:

“Execution is the gap between a company’s goals and its ability to get results. No matter how grand and perfect a vision for a business might be, it will fail if it is not executed.”

“Execution is a discipline...it is a systematic process of rigorously discussing, questioning, tenaciously following through, and ensuring accountability.”

In this summary, Bossidy, the CEO of AlliedSignal, and Charan explain how to link the three core processes of any business — the people, the strategy, and the



operating plan — to get things done. Regardless of your industry or the size and type of business you are running, this book can provide you with timeless insights and ideas to help you deliver results.

“Strategy is not the consequence of planning, but the opposite: it is the starting point.”

By Henry Mintzberg

(Cleghorn Professor of Management Studies, at McGill University, in Montreal)

## Follow Up Relentlessly

Excellence in execution requires attention and commitment from the CEO and his direct reports. This leadership team should be held accountable to ensure the key strategic initiatives are kept at the top of everyone’s agenda. Consider the following guidelines when planning your follow up program:

- The CEO needs to stay committed by holding everyone accountable. When people see that the CEO is serious about a particular strategic initiative, they will get it done. Regular follow up should be scheduled on a weekly, monthly and/or quarterly basis depending on the level of activity, time frame and importance of the initiative.
- The strategic plan is a living document. Continuously challenge the underlying assumptions that validated the strategy. Ask if the original objectives are being met, and if not what new action steps are necessary to reload and re-energize the original plan. Make adjustments as needed to address unanticipated competitive, customer and market events.
- As a sign of your commitment, recognize employees that get behind the plan with enthusiasm and energy. Reward successes to motivate people to continue to focus on what is most important.

## Albuinfo

Albu Consulting is a business development and strategy consulting firm focused on helping companies ignite passions toward creating profitable growth. The firm specializes in optimizing business strategy and improving management effectiveness, thereby focusing resources to increase revenues and profits. Founded in 1994, Albu Consulting is well known for its collaborative approach to facilitating engagements, and has a successful track record of exceeding its clients’ expectations. The firm’s strength is its current and extensive knowledge of a range of products and markets, and expertise in dealing with strategic and operational issues. Recently, a satisfied client had this to say about the Albu Consulting:

**Andy Unanue, Chief Operating Officer, Goya Foods, Inc.**

“We were introduced to Albu Consulting when we initiated a search for a consulting firm to develop a growth plan. Albu Consulting worked with us, contributing new ideas, planned and organized the entire process, provided guidelines to simplify and unify our work, and united us under the new structure. Our management team now shares the same vision and is functioning as a true “team.” At Goya, we pride ourselves on our family atmosphere, so the personal hands-on approach was one of the things we enjoyed most about working with Albu Consulting. I can confidently recommend Albu Consulting to any organization looking for solid, professional results.”

If you would like more information about Albu Consulting, please contact:

Dick Albu, President  
**Albu Consulting, Inc.**  
1177 High Ridge Road  
Stamford, CT 06905

Tel: 203/321-2147  
Cell: 203/613-7212  
Fax: 203/321-2148

E-mail: [info@albuconsulting.com](mailto:info@albuconsulting.com)  
Website: [www.albuconsulting.com](http://www.albuconsulting.com)