

Working Paper

Strategy execution: the five drivers of performance

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Abstract

What are the strategies of managers to implement their strategy? What are the strategies to execute organizational objectives? In this paper, we are going to approach what we call the *drivers of performance* that is the driving forces which imply the performance of a Manager in the execution of the objectives of a Manager. That is the strategies, which you have as Manager to be capable of executing your objectives and to obtain better results with your working unity. We discuss the five drivers of Performance , that of Rules, Emotions, Initiatives, immediate action, and integrity. The research findings are presented with a discussion on the usefulness of the Drivers.

1. Introduction

Strategy execution is often described in the literature as complex and difficult. In this context, Bigler (2001) argued that a study shown that 90 percent of formulated strategies of firms in the USA and Europe are not implemented on time and with the intended results. Freedman (2003) mentioned that if strategy formulation is glamorous, but unfortunately *implementation often gets short drift*. If the majority of the current literature explains the “why”, Speculand, (2009) has argued that leaders are now beginning to state that they understand that it is important to implement as well as design the strategy and are asking “What do I need to do differently” .

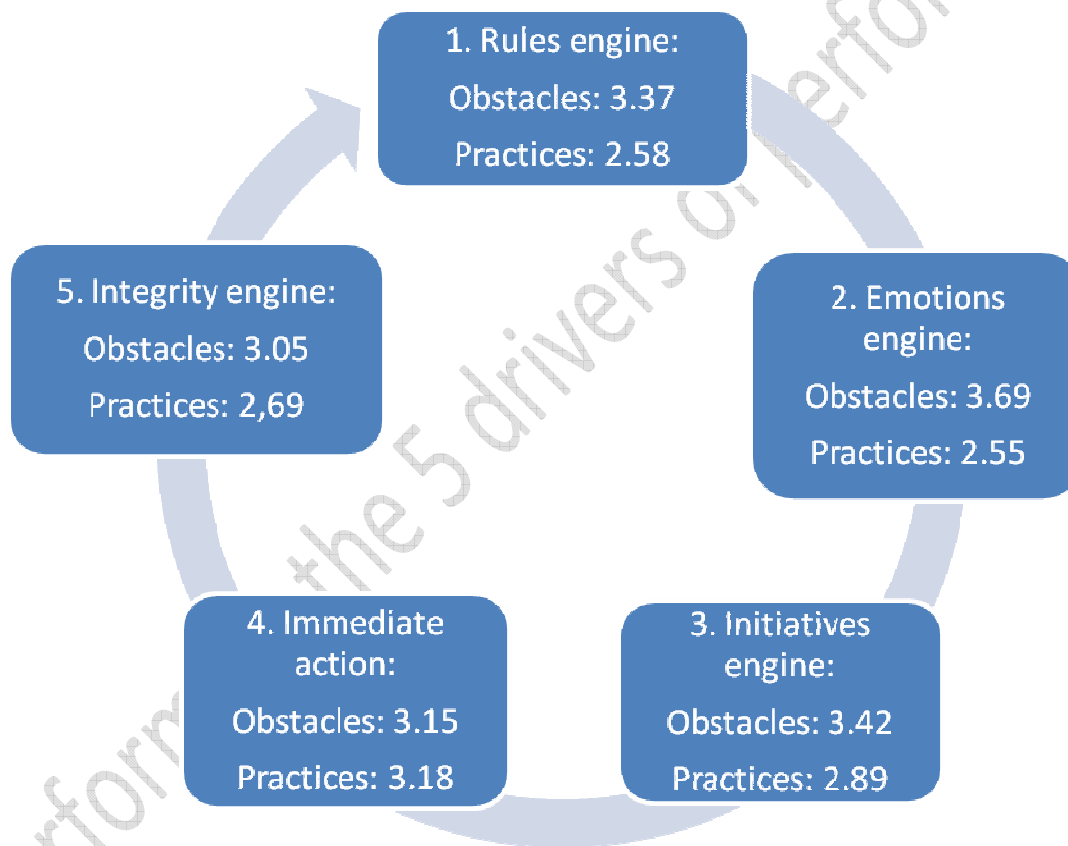
As Manager, you incline 5 different manners to obtain better results with your working unity. These five strategies are different. It is what we call in American of the *strategies of execution*. By strategy of execution we understand the processes with which you can implement your strategy. Let us examine briefly each of these strategies of execution.

We find first of all what we call the “driver of *rules*” which bases on the clarification and the adaptation of your objectives. The second driver is that of the “*emotions*” and aim at gluing in your objectives by developing a commitment. The third driver is that of the “*initiatives*” who allows to give responsibilities by the implementation of concrete projects. The fourth driver of performance is that of “*immediate action* ”. It is the capacity to take action at once in urgent situations. Finally, the fifth and last driver is that of “*integrity* ” of your values and principles of the actions which you take as manager.

If each of these five drivers of performance represents a strategy of particular execution which you have and which allows you to obtain different results, it is the complete cycle integrated by these 5 strategies of execution which establishes the key of complete and successful execution of your objectives. It is what we call a “complete execution:” of five drivers of your performance. In this context, every driver of performance represents one of the stages of a cycle of execution that you will have to maintain to obtain better results from your working unity. Having resumed the control of your results, we shall see that you will have to clarify and align your objectives with your working team, obtain the membership of your employees in your objectives, give responsibilities to your employees by initiatives, face the urgencies in the execution of your objectives and implement your objectives in the integrity of your values and your principles of functioning. We shall see in the following chapters how to master each of the stages to obtain better results.

2. Research Findings

The following figure illustrates the cycle of these five strategies of execution and the average score obtained by our research based on a component analysis. We did component analysis to determine what the residence Strategies of executions of managers are. We found five mentions that represent a cycle of Strategy execution.



In terms of **Strategy execution** the **most important set of obstacles** gain from the **emotion drivers**. The emotion driver deals with processes to get the comic men to the Manager's objectives. With an average score of 3.69 this driver was the most important for managers. The **second most important driver** in terms of obstacle was the **initiative Driver** with a score of 3.42. this driver deals with the translation of the manager object is into concrete project. The capacity to translate his objects increases the sense of responsibilities. This was a significant objective for most managers. The rules driver deals with the lack of clarification of the objects and a lack of understanding of the Managers objectives with a score of 3.37. The **second least important driver** in terms of Strategy execution was the **immediate action** which received a score of 3.15. Finally the **least important driver** was integrity, the capacity to a Manager with objective to save within the values and principles of the organization point .This driver received the lowest score in terms of obstacles with a score of 3.05.

In terms of **Management practices**, the **most important driver** was clearly **immediate action** .It means that the weight manager gives to their objectives is to take immediate action rather than to clarify and align objects is into rules of the organization or trying to get a commitment from employees. All of the other drivers were fairly new in terms of practice intensity. The driver that had the **highest score following immediate action** was the **initiative driver** which is the translation of objectives into concrete projects with the score of 2.89. That **third driver** in terms of importance was **integrity** which is scored for practice of 2.69 and **finally the driver rules** and the **driver of emotion** with respectively 2.58 and 2.55.

To facilitate the understanding, let us make an **analogy with the human body**. **Rules** correspond to the **head**, the **emotions** in the **heart**, the **initiatives** in **arms**, **immediate action** in **feet** and **integrity** is the **soul**.

Every driver of performance allows you to answer a different question. The driver of performance of **rules** rests on the question - **How?** *How do we have to take ourselves there to reach our objective?*

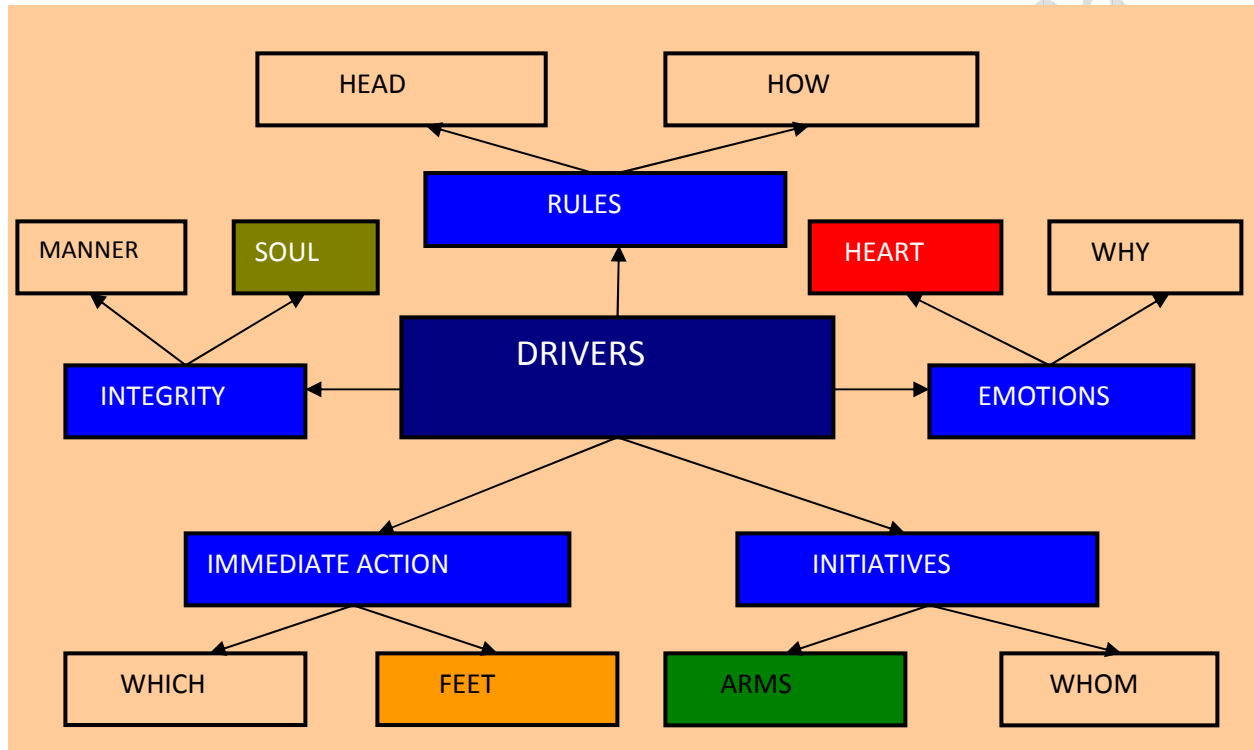
The driver of performance of **emotions** in the question - **Why?** Why our people should make things in a different way?

The driver of performance of **initiatives** to the question – **Whom?** Who have to be the champions and the bearers of our initiatives?

The driver of performance of immediate **action** to the question - **Which?** What are the urgent or pressing situations?

The driver of performance of **integrity** to the question - **Which manners?** From which manners let us expect for our objectives to assure us to respect the integrity of our values and our principles.

Figure 1: The 5 drivers of performance



These drivers of performance bring a new light on the question of the strategies of execution of your objectives as Manager with your working unity. While we tend to work more hardly to make more of what works for us and that we use more, Our study puts in light the fact that, make more the same thing do not generally lead to better results. **The more you obtain success from a single driver of performances and the more you will tend not to use that.** That is why we say that **your present success contains the own germs of the destruction of your leadership.**

What means is that, all the techniques of fashionable management will not give you better results if they are not integrated into a complete cycle of execution of your objectives. Techniques as dashboards, *benchmarking*, management of the talents, the management of projects, the *kaizen* and the elaboration of a statement of mission will give results only as far as these techniques come to complete the various facets of the execution of your objectives.. So in their article, Nohria and colleagues identified about two hundred methods of management which allows to obtain a superior performance. The authors obtained surprising results. They showed that the great majority of techniques used in an individual way had not enough impact on the performance of an organization. What determines the performance of a manager, it is the mastery integrated by the whole certain number of practices of management that can seem rather simple but whose successful managers have an excellent mastery.

3. DISCUSSION - USEFULLNESS OF THE DRIVERS

We now go to see in a summary way how you can use each of 5 drivers in the realization of your objectives.

3.1. Driver No. 1: the driver of rules: clarifying and aligning the objectives

A first way of obtaining the best results as Manager, consists in clarifying better your objectives and in aligning them with people with whom you work. It is what we call the driver of rules. In our observation, the managers who obtain results thanks to this strategy make a "programming" of the results which they have to reach and make an economic planning of their objectives, clarify and more detailed. By means of an economic planning of their objectives, they set up clear rules of functioning.

The driver of performance of rules recommends the implementation of rational rules of functioning. It is the mainspring of the head. This driver of performance rests on the question of *How?* This corresponds to several practices to build a set of rules of functioning. This strategy allows you to organize into a hierarchy, the objectives of the organization between the Head Office and the units. This driver of performance allows to set up decomposed objectives then to lower in the organization. This often leads to the establishment of a *business model* resulting from an analysis and from a rational reflection. By using this driver of performance, you use rules and principles with the aim of integrating them into the system of functioning of the organization.

These managers set up objectives not only well articulated, but are capable of aligning their objectives between the various departments with which they work. This driver rests on an observation and an analysis precise and detailed with the aim of clarifying rules of the game. So, certain managers clarify and improve rules to find durable solutions in the complaints, in the abnormalities and in the incidents. Other managers attack the lack of strategic adaptation in the chain of service of the departments of an organization by establishing contracts of performance between departments' suppliers and department's customers of their organization to measure the quality of service. This clarification and this adaptation of rules have for objective to correct the system and to offer services and products of better quality.

One of the dominant characteristics of the managers which obtain better results by means of this driver of performance is the incomparable care which they put clarifying the objectives which they have to reach and to measure regularly the results. We shall see more in detail that the successful Managers speak rather about results while the majority of us speak rather about objectives and how to centre more on the results to be reached. The driver of performance of rules is notably the one of the driverers, and the analysts who works to a rational.

3.2. Driver No. 2: the emotion driver: obtain a commitment by the development of real convictions

A second driver of performance allowing you to obtain better results is the driver of emotions. The managers use this second strategy to fetch a commitment in the realization of their objectives rather than to impose their objectives. The successful managers set up strategies of execution of their objectives before obtaining a real commitment rather than to clarifying the strategies of the game. They fetch a commitment of their co-workers notably by creating positive emotions as a reliable climate, common perspectives which see to it that people have the necessary motivation to carry out the objectives.

In a general way, we found in our observations that this driver of performance of the emotions allows to fetch a real commitment rather than a simple support. It is a question of transforming his co-workers and his customer's influencers of its objectives. It is a question of explaining why he in their interest to make it so. It is the mainspring of the heart. To do it, this driver of performance requires that people develop their own convictions as for the objectives to carry out. To execute our objectives, nothing better that people is convinced of it and sees their own interest there. This driver of performance has preliminary important one. It bases on relations of confidence and respect. To obtain a commitment, we have to first of all as a Manager understand the problems, reconcile the divergent points of view and to establish consensus, all this with the aim of obtaining a real commitment rather than a simple implication. To do it we need a good relational capital with our co-workers.

These managers master generally a set of techniques allowing to create a commitment, as the following ones: establish consensus, create of the nearness with the aim of decreasing the social conflicts and the tensions, resolving complex problems between departments, making converge the discussions on consensus, use the social pressure of the colleagues, all this with the aim of obtaining a commitment. In a general way, these managers try to bring departments to find their own answer to the question *why? Why to make this rather than it? Why can we make a difference by our actions on the quality of services which we offer to our customers?*

3.3. Driver No. 3: the driver of the initiatives: translating objectives into concrete projects

In the third time, when you planned your objectives and glued your co-workers in your objectives, people with whom you work are going to ask you, what your objectives change concretely for me? When you wish to carry out objectives, the great majority of your co-workers consider that your objectives are yours and not theirs. It is the objective aimed by this third strategy of execution is the mainspring of performance of the initiatives which consists in translating your objectives into concrete projects for your co-workers. The successful managers who use this third strategy of execution developed strategies to translate their objectives into concrete projects and give responsibilities to their co-workers. It is what we call the driver of performance of the initiatives which allows you to give responsibilities to your co-workers.

This third driver of performance of the initiatives bases on an active experiment of new manners to make, as fact to realize strong projects and to improve in a continuous way the existing activities. If we make reference to the human body, it is the mainspring of arms. This driver aims at translating the objectives of the organization into concrete projects by giving responsibilities each of the teams and ideally each of the members of the organization. Such initiatives have the effect of increasing considerably the sense of the responsibilities and the initiative of the employees. This driver returns the more capable and more voluntary employees in the realization of your objectives. When you use this driver of performance, you carry out your objectives by an active experiment of the new manners by translating your strategies and your objectives into concrete initiatives. To do it, this driver of performance rests on the implementation of new ideas and improvements. By using this driver of performance, the managers experiment new manners to make and make a decision following the feed back of the project.

So, paradoxically, in our observations we found that the objectives of the unity for which we are responsible are often carried out by only 25 % of the persons of an organization who represent 75 % of the value. In this context, this driver of performance aim at making more capable and more voluntary people of the organization by making concern the responsibility of the execution a bigger number of persons. This driver aims at increasing the sense of direction of the initiative and the responsibilities of the co-workers and at obtaining results of team rather than a source of individual results. He aims at making an individual translation of the objectives of the organization in concrete initiatives, by introducing practices of auto-resolution of the problems and by allowing a more decentralized functioning. It is these projects which come to give responsibilities to the persons.

3.4. Driver No. 4: the driver of the immediate action: facing the urgencies with immediate actions

Afterward, when you work on the realization of your objectives, you face unforeseen, urgent or pressing situations. You then have to take action in an immediate way to reach your objectives. It is generally to answer in an effective way the immediate urgencies which appear to you. It is the fourth driver of performance - that of immediate action. To pursue the analogy with the human body, it is the mainspring of feet. This driver of the immediate action allows to you act in a concrete way in small scale to obtain results quickly. When we use this driver of performance, we privilege a fast decision-taking, without respect in an established plan or in consensus. So, we make consultations only as far as it gives results quickly. This driver of performance is often justified by urgent and pressing situations.

This driver of performance allows us to obtain results by taking immediate actions. We act on activities for which we have a direct control and are capable of having an immediate impact. We fit at once according to the result which they obtained rather than by means of a pre established plan. As mentioned to us Managers in our works, it is only by making that we are going to know it.

3.5. Driver No. 5: the driver of integrity: execute your objectives in the integrity of your values

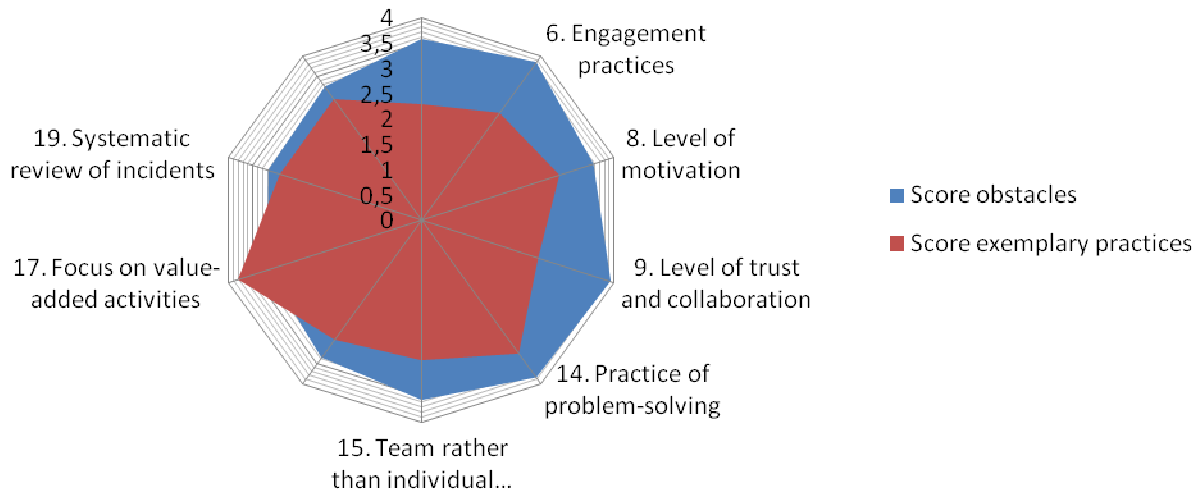
Finally, when we work to reach our objectives and when we and our employees have pressure, we have to make sure to work on the realization of our objectives in the respect for the integrity that is in harmony and in a coherent way with our values and our principles of our organization. We then have to appeal to the drivers of integrity. It is the capacity to realize our objectives in the respect for our values and for those of our organization.

To pursue our analogy with the human body, it is the mainspring of the soul. This driver of performance aims at seeing to it that the values and the reason for being of the organization become updated in the actions of the organization in an honorable way. The integrity rests on the fact of *internalize* and to interiorize the values of the organization. The integrity becomes particularly important when the organization is under pressure. However the driver of the integrity is often also for many managers the least frequented road because it gives results to average and long-term. This driver of performance is often wrongly collected as a constraint of functioning of the organization. It is so regrettably often the perception of the codes of ethics and of behavior which maintain too often the managers. To realize their objectives in the respect for the values and for the principles of the organization becomes more difficult. The numerous scandals as those of *Enron* and that of sponsors illustrate in a blatant way a lack of internalization of the values and principles of the organization.

The execution of the objectives by means of the driver of the integrity rests not on the immediate and outside bonus, but rather on an intrinsic motivation. The managers try to develop a long-term and internal motivation of their co-workers. The members of the organization have to find in themselves their motivation to realize the objectives of the organization. The driver of the integrity rests on the emotion to work for the construction of the good. This situation prevails in spite of the tendency of many organizations to set up an incentive payment. It is the paradox of the player of baseball Babe Ruth. This last one asserted that it was more difficult to him to know for which reasons he played the baseball since the owner of the team had decided to pay him a million a year!

The integrity of the values is the mainspring of performance powerful. It is particularly used by the organizations which require a vocation or voluntary help. Often in these organizations, the employees have to promote the cause which is that of the organization. In a big cooperative, the director organizes regularly big charismatic meetings where the objective is to reaffirm its values and to revalue the cause. As said by one of the Senior Managers, it is necessary to have the blood of the good color to work at home . In a Hospital, the General Manageress makes regularly meetings on the questions of ethics to make sure of an integration of the values of professional responsibilities. In a foundation for the cancer of the children, the relatives who often become employees are engaged in the cause and come to testify regularly of its importance and the way every citizen can make a difference.

Selective obstacles and practices in strategy execution



Performex: the 5 drivers

3.6 The value of Strategy Execution and the formula of 5 drivers of the performance

In our investigation the actual organizational average score given by managers was of 61.15. They saw a significant potential for improvement with the implementation of exemplary practices and estimated that the organizational score would increase to 77.80. In previous estimates we found that this represent opportunity late a month a year and an average of one full-time job for a team of 12 people. This means in other terms that removing obstacle that managers face when achieving their objectives and implementing exemplary practices could significantly improve the management qualities of an organization.

The formula of the successful managers rests on an integration of five drivers of the performance. The successful leader is capable of clarifying and of aligning rules. He is also capable, not only to mobilize his people, but to obtain a commitment. He is capable of giving responsibilities to his co-workers by initiatives and of translating his objectives into concrete projects. He acts in a concrete and immediate way in pressing situations and it is capable of executing its objectives in the respect for the integrity. However, the successful manager also developed and is capable of developing employees and teams which is autonomous, that is of people who are capable of reaching the objectives and are also voluntary in the realization of its objectives.

In end of track, a Manager is responsible for managing a team. Too often in the daily life, the state of our strategies of execution brings us to make we even the work rather than set up processes to make our people more autonomous i.e. more capable and more voluntary.

4. CONCLUSION

In conclusion, the managers who make a success of the application of their objectives use five drivers of performance. Among these five drivers, we note that rules establish only a single driver of performance. Only by the integration of 5 drivers of performance allows a complete and successful execution of the strategies and the objectives of the organization. It is what we call a *complete execution*. This complete execution of five drivers of the performance is the one of a strategy of well integrated execution. It is so situated beyond the traditional arbitrage between the productivity of the short-term results and the harmonious relations with the employees and the customers. In this context, the managers and the leaders set up complete strategies of execution for their organization. The success of these Managers and Leaders, relying on their capacity to use the various drivers of the execution, and to combine strategies of execution, leads to a successful integration.