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The Strategy Implementer - A workbook for mastering people and uncertainty in implementing strategy initiatives

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.The Strategy Implementer

A WORKBOOK FOR MASTERING PEOPLE
AND UNCERTAINTY IN IMPLEMENTING
STRATEGY INITIATIVES

.Why you should care

90% of senior executives say they do not implement strategy well. 59% of organizations struggle with the day-to-day of strategy implementation and fail on 1/5th of their strategic objectives (1). That is a trillion-dollar problem.

This workbook presents a practical guidance for running executive-to-shop-floor-level workshops for mastering two key challenges in strategy implementation: Uncertainty and People Impact. It helps you by differentiating your strategy work into four categories: Discover, Experiment, Transform and Excel. This Workbook is complementary to other resources developed by the Brightline Initiative, such as the 10 Principles (2) and the People Manifesto (3).

The Workbook is based on research carried out at the Technical University of Denmark (DTU), Engineering Systems Division and Engineering Systems RiskLab, by Prof. Dr. Josef Oehmen (PI), Prof. Dr. Joana Geraldi, Diana Velasco, Dr. Iben Stjerne, Line Christiane Lund Strøm, Pelle Lundquist Willumsen, Bzhwen A Kadir, Morten Wied and Verena Stingl.

.What you will get

In this workbook you will get a hands-on tool, the Strategy Implementer. It helps you in reducing the failure risk of your strategy initiatives by choosing an implementation approach that addresses the critical uncertainties and people impact of your initiative. This workbook is a guide for facilitators' preparing implementation workshops. You will find the necessary background information, tips and workshop material on the following pages.

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.The Foundation

This section introduces the foundation of the Strategy Implementer. The section covers: 1) the four categories of strategy initiatives, 2) the key uncertainty sources for strategy initiatives, and 3) the transition of a strategy initiative through these categories. You can find a more detailed description in the Thinkers50 / Brightline "CSO Playbook" on page 140: https://www.brightline.org/resources/thinkers50-cso-playbook/ (free download)

.Categories

The Strategy Implementer is divided into four categories of strategy initiatives: Discover, Experiment, Transform and Excel. These categories are placed in a 2by2 model according to two parameters: 1) degree of uncertainty and 2) degree of people impact. You will work with this part of the Strategy Implementer in exercise 1 and 2.

People impact. The degree to which your strategy initiative is going to impact people in your organization – both in terms of amount of people affected, as well as how seriously it affects them. The people impact covers both opportunities that are created, but also fear and resistance your strategy initiative may face.

Degree of uncertainty. The sum of uncertainties regarding market needs, technical feasibility and your capability as an organization to execute the strategy initiative (also see description on in two pages).

Degree of people impact

Transform

Discover

Excell

Experiment

Degree of uncertainty

.Categories

Transform

Strategy implementation impacting entire organizations

These strategy initiatives drive large-scale change into the organization. While not everything can be certain at this point, at least we are sure of the technical feasibility, market needs, and our fundamental ability to execute. The focus is on effectively engaging employees in driving the change into the organization.

Discover

Discovering possibilities for future business opportunities and threats to existing ones

Discovery-focused strategy work detects trends and ideas with the potential to generate new value for your clients, improve the efficiency of your operations, or create new market segments. It discovers the "unknown unknowns" and collects and describes them as "known unknowns" in the areas of technical feasibility, market needs, and your organization's ability to exploit the idea.

Excel

Implementing continuous improvements and operational excellence

These strategy initiatives happen within the context of "business as usual" and leverage incremental changes – identified and implemented at all levels of the organization – to improve day-to-day performance a step at a time. While implementing operations excellence does usually not lead to step changes, it contributes to the discovery of strategic ideas that have that potential.

Experiment

Reducing uncertainty cheaply until you seriously invest in the implementation of – or close down – a strategic initiative

This group of strategy initiatives creates knowledge to close critical uncertainties in your strategy implementation – regarding technical feasibility, market needs and your capability to execute. They prepare a sound business case to either significantly invest into an idea, or abandon it.

.Uncertainties

There are three significant uncertainties in strategy implementation: a) does the initiative address viable market need, b) is the technical element of the initiative feasible and c) do we as an organization have the capability to execute it effectively? These uncertainties must not be hidden under layers of assumptions. Their identification and reduction is a significant part of strategy work:

Uncertainties regarding market needs

Strategy initiatives must make financial sense. But the more daring they are, the more uncertain the market needs become. The three key questions are: Does the initiative help our customers to make or save money? Does it help us to make or save money? Or: Does it create an entire new market segment?

Uncertainties regarding technical feasibility

When strategy initiatives contain technology components, their technical maturity is a major risk factor in the successful implementation of the initiative. Technical feasibility includes the fundamental maturity of the underlying technology, its maturity in our application context (including the users ability to work with it), as well as the maturity of the overall system integration.

Uncertainties regarding ability to execute

Every strategy initiatives hinges on your organization's ability to execute it effectively and efficiently. The key uncertainties are a) our understanding of the needed critical competences, and their availability; b) the clarity of the implementation purpose and process; and c) our ability to engage and motivate the relevant stakeholders.

.Transition

Successful organizations have a healthy portfolio of strategy initiatives that cover all four areas. As strategy initiatives are implemented, they will change position in your portfolio. Many paths are possible: A common one is the "reverse N": An initiative focusing on, for example, discovering new technology trends will often lead to initiatives focusing on experimentation and prototyping to reduce critical technical and market uncertainties. Once validated, a transformation–focused activity kicks off, driving the new capability into the organization. And once that stabilizes, the focus will shift to operations excellence in the the fourth quarter.

However, there is no "one size fits all" path of implementing strategy initiatives. Some initiatives will be stopped after experimentation and prototyping; some will iterate between discovery, experimentation and transformation. Others will focus on operations excellence but discover a new trends on the way. You will get to meet this part of the Strategy Implementer in exercise 3.

Examples of transitions

.Workshop preparation

To support you in facilitating a workshop with the Strategy Implementer we have collected inspiration for how to run a workshop. First you will be introduced to three design principles. These are relevant to remember when preparing and running workshops in general. Next we have collected specific tips for facilitating a workshop with the Strategy Implementer.

.Tips to facilitator

The users of the Strategy Implementer

The Strategy Implementer is for all levels of the organization, from senior executives to managers and as well as operational staff.

The participants for the workhop

Spend some time before the workshop on finding the relevant people across the organization. We recommend between 10–50 participants with approximately 5 people in each group.

Duration of the workshop

You can design the workshop for a whole day, half day or a few hours, as you wish. It all depends on the degree of details you are aiming for, and the time available.

Material needed

Introduction presentation // post-its notes // pens tape // print-outs for the canvas (A3/A1)

.Design Principles

Remember the user. Seen from a strategy implementation point of view your employees are the 'users' of the strategy. They are the ones who will turn the strategy from paper into reality. They need guidance and assistance, but they also need someone who listens and learns. You need to design how the strategy implementation is going to work with them and for them.

Questions to consider

How can you create a good user experience?
How will the strategy affect the users work tasks and routines?
How can the strategy enable a better work life for the users?
How can you best address, maybe even utilize, the concerns of the users?

Co-create. It is not only important to understand your employees, but also to motivate and mobilize them. Co-creation with 'users' is a well-known method for creating a higher motivation, a higher degree of ownership, better understanding and more employee-driven initiatives. And most importantly, it is very effective at uncovering more implementation challenges earlier and at creating much better solutions.

Questions to consider

Why do you co-create?
When should you co-create?
Who should you involve?
How do you create creativity and trust?

Iterate and experiment. No strategy implementation starts with perfect knowledge, nor does the world stop changing as we implement. We need to learn – and we need to learn fast! An implementation process with iterations creates flexibility for adapting to changes. It also allows us to continuously evaluate and adjust our activities, to maximize the impact of the implementation . Done thoughtfully, experimenting and iterating is a way of uncovering and mitigating risk early and cheaply.

Questions to consider

How can you create a strategic direction that allows for an iterative process?
How can you ensure organizational learning?
How can you handle unknown situations that might arise?
What do you want to test or experiment with?
Who should be involved?
When should you do it?

.Guide to use the Strategy Implementer

In the next part you will be introduced to the Strategy Implementer. First you meet a user journey, explaining the three parts of the tool. This is followed by an explanation of the three parts; 01) Map, 02) Analyze, and 03) Taking action. All of these parts will contain a step-by-step description, an estimated timeframe and a list of materials needed. You will also find an example of the three exercises in use

.Your journey

The Strategy Implementer will guide you through three steps. First you need to identify where you are by mapping your current portfolio of strategy initiatives. Secondly you need to know how well you are doing and how well you want to do in order to identify strategy initiatives that help close the gap between these two. Thirdly you need to make these ideas and initiatives into concrete actions. The Strategy Implementer will help you do all three. Below you will find an overview of the three steps, and on the following page you will find a representation of the journey which you can print for the workshop.

01 Map

First step is to map your current strategy initiatives. It is a way of uncovering what your organization is doing today, and getting an overview of your strategy initiative landscape.

02 Analyze

Second step is to identify the performance gap of your organizations strategy initiatives. How well are your practices today? And how well do you want them to be in the future?

03 Taking Action

Third step is based on the previous two. According to the current performance gap which actions can your organization take to move forward with an existing or new initiative?

This is an example of your journey through the three exercises. You can use it for the workhop as an overview of the day. To print your own canvas, go to the back of the workbook.

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IMPLEMENT YOUR PORTFOLIO OF STRATEGY INITIATIVES

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01 MAP

MAP YOUR CURRENT
STRATEGY INITIATIVES

This step is for identifying your current portfolio of strategy initiatives.. Placing them in one or more of the four catego–ries Discover, Experiment, Transform, and Excell, can create an overview and perspective of the landscape of initiatives as well as the status of the individual initiative.

What are your currently doing?

Which strategy initiatives do you currently have?

//

How do they fit in the four categories according to their current status?

//

Do you have many initiatives in one category or are they distributed evenly?

02 ANALYZE

IDENTIFY THE PERFORMANCE GAP
OF YOUR STRATEGY INITIATIVES

This step is for reflecting on how well you are currently doing in the four categories, and which specific practices you have in place. Having done this, it can be a basis for reflecting on how well you want to be in the future and which practices could support this state.

How well are your practices today and in the future?

Which practices do you currently have for working on the four categories?

//

Are you masters in one, but lacking behind in others or do we have solid practices in place in all four?

//

How well do you want to do in the future? And which practices could support this?

03 TAKE ACTION

IMPLEMENT YOUR STRATEGY
INITIATIVES

This step is for identifying where a strategy initiative is now, and where it needs to go next, which significant uncertainties it has and how these change through its lifecycle. This supports identifying how to take action for moving the initiatve forward in the right direction.

How can you move forward with an initiative?

How does this specific initiative transition between the four categories? And which criterias do you have for knowing when it is ready to move on?

//

How significant are the uncertainties of market, technology and capabilities?

//

What actions do you need to take in order to implement this strategy initiative?

.Mapping

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Mapping your current strategy initiatives

This part of the Strategy Implementer is for mapping your current strategy initiatives. This can be big scale strategy initiatives, as well as smaller ones, which contributes to the overall strategy in different ways. We suggest that you map your initiatives depending on in which of the four areas you think they are in now (Discover, Experiment, Transform or Excel).

Steps

We recommend you to map it individually for 5 minutes and then discuss it with a partner or two for the lasting 10 minutes

1. Write all strategy initiatives you can think of on seperate post-it notes.
2. Place them in one of the four areas in regards to where they are now.
3. Is there anything about your project landscape that sticks out?

Time

This exercise can be of 15 minutes to an hour, depending on your goal and timeframe of the day. As a starting point we recommend 5 minutes explanations + 15 minutes for the exercise.

Materials

Post-its

Pens

Template in A3 (sitting at table) or A1 (standing by wall)

To print the template, go to the end of the workbook

This is a representation of how the exercise 01: Map looks like. The grey text is instructions, and will not feature on the canvas. To print your own canvas, go to the back of the workbook.

01 MAP | YOUR CURRENT STRATEGY INITIATIVES

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ⓘ Collect your current strategy initiatives and place them in the four categories according to where they currently are. Is there a pattern of where your strategy initiatives mainly are located?

TRANSFORM *Collect your strategy initiatives that change and transform large parts of your organization*

DISCOVER *Collect your strategy initiatives that discover and describe technology trends, market trends, and new ways of organizing*

WRITE YOUR STRATEGY INITIATIVES HERE

WRITE YOUR STRATEGY INITIATIVES HERE

EXCELL *Collect your strategy initiatives that drive operations excellence and continuous improvement*

EXPERIMENT *Collect your strategy initiatives that experiment and prototype, making your organization learn about critical technology, market and capability uncertainties*

WRITE YOUR STRATEGY INITIATIVES HERE

WRITE YOUR STRATEGY INITIATIVES HERE

.Analyze

STEP 02

Analyze the performance gap of your strategy initiatives

This part is for identifying the performance gap of your strategy initiatives. You do this by evaluating how well your practices are today, reflection on how well you want them to be in the future and identifying the gap between these two.

Steps

We recommend you to choose one of the four categories to focus on. You can do it individually followed by group discussion or as a small group from start.

1. Place yourself on the scale from 1–5 in regards to how well you are doing within a category of strategy work where 1 is poor and 5 is excellent.
2. Now place yourself on the same scale from 1–5 in regards to how well you want to do in the future. You can decide the timeframe of "future".
3. List initiatives and ideas which could support and enable you to close the gap between where you are and where you want to be.

Time

This exercise can be of 20 minutes to an hour, depending on your goal and timeframe of the day. As a starting point we recommend 5 minutes explanations + 15 minutes for the exercise.

Materials

Post-its
Pens
Template in A3 (sitting at table) or A1 (standing by wall)

To print the template, go to the end of the workbook

This is an example of how exercise 02: Analyze can be used. The grey text is instructions and examples and will not feature on the canvas. To print your own canvas, go to the back of the workbook.

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02 ANALYZE | THE PERFORMANCE GAP OF YOUR STRATEGY INITIATIVES

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(i) Start focusing on one of the four categories. Mark on the scale how well your are doing today and how well you want to to in the future. Discuss which new strategy initiatives, or which changes to existing initiatives could help you move in the right direction. Repeat for the categories which you find relevant.

TRANSFORM

1. How well do you scale your strategy initiatives to the entire organization today, and how well do you want to do it in the future?

1 —————— 3 —————— 5

2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAP

DISCOVER

1. How well do you identify new strategy trends today, and how well do you want to do it in the future?

New market trends   1 —————— 3 —————— 5
New technology trends 1 —————— 3 —————— 5
New capabilities trends 1 —————— 3 —————— 5
                       Poor   Excellent

2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAPS

EXCELL

1. How well do your operational excellence strategy initiatives perform today, and how well do you want them to perform int the future?

1 —————— 3 —————— 5

2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAP

EXPERIMENT

1. How well do you learn from experiments today, and how well do you want to learn in the future?

Market experiments   1 —————— 3 —————— 5
Technology experiments 1 —————— 3 —————— 5
Capability experiments 1 —————— 3 —————— 5
                       Poor   Excellent

2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAPS

.Take Action

Take actions to move forward

This part of the Strategy Implementer is for turning ideas and initiatives into concrete actions. Firstly, you will focus on how an initiative transition through two or more of the four categories and secondly you will map the initiative's uncertainty burndown profile. This supports identifying key actions and resources necessary for moving forward in closing the gap between where you are and where you want to be.

Steps

Choose one specific initiative to focus on. We recommend you to map it individually, or in groups working on the same strategy initiative.

1. Draw the initiative's expected transition through the four categories.
2. Discuss which actions you take in each area and which key criterias you have in each of the categories for moving to the next?
3. Reflect on how significant the uncertainties of market, technology and internal capabilities are as the initiative transition through the four categories. Draw it on the uncertainty burndown.
4. Discuss and note which actions you can take in order to move forward with the initiative.

Time

This exercise can be of 20 minutes to an hour, depending on your goal and timeframe of the day. As a starting point we recommend 5 minutes explanations + 20 minutes for the exercise.
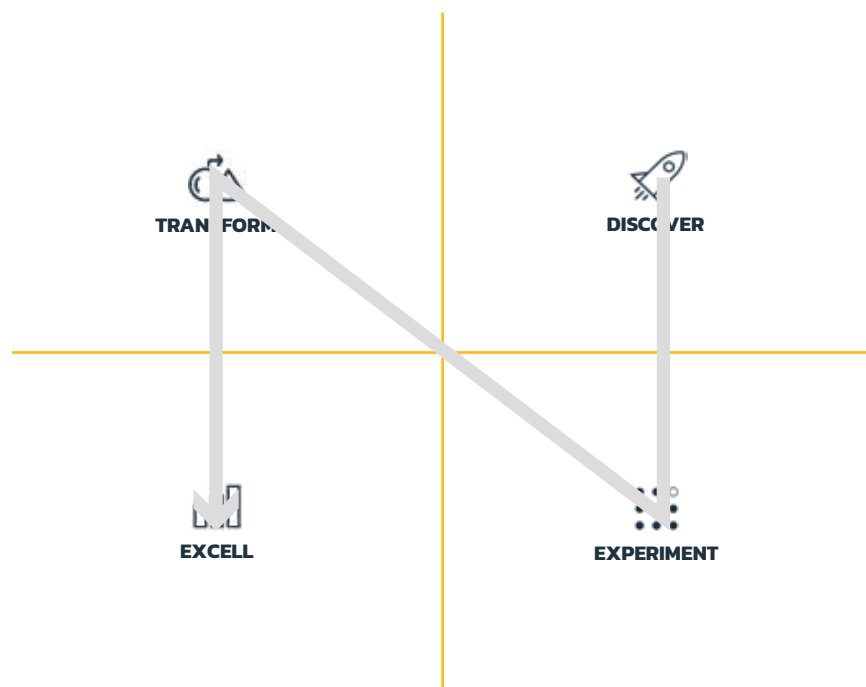
Materials

Post-its
Pens
Template in A4 for individual or A3 for group excersice

To print the template, go to the end of the workbook

This is an example of how exercise 03: Take Action can be used. The grey text is instructions and examples, and will not feature on the real canvas. To print your own canvas, go to the back of the workbook.
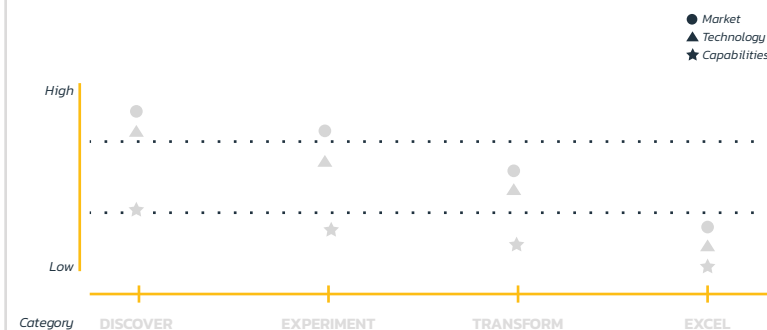
03 TAKE ACTION | IMPLEMENT YOUR STRATEGY INITIATIVES

(i) Choose a specific initiative to focus on. Draw the initiative's expected transition through the four categories. Discuss which actions do you take in each area, and which key criterias you have in each of the categories for moving to the next?

(i) How significant are the uncertainties of market, technology and internal capabilities as the initiative transitions through the four categories? And how do you expect them to decrease/increase as the initiative evolves? (Use the symbols to mark the degree of uncertainty for the four categories in the y-axis. Use the sequence of the transition from the previous exercise on the X-axis)

TRANSFORM

DISCOVER

EXCELL

EXPERIMENT

● Market
▲ Technology
★ Capabilities

High

Low

Category   DISCOVER   EXPERIMENT   TRANSFORM   EXCEL

(i) What can you do in order to move forward with this initiative?

Actions

What should you do?

Who should do it?

When should it be done?

What could be first step?

WRITE IDEAS FOR HOW TO MOVE FORWARD. MAKE IT AS CONCRETE AND ACTIONABLE AS POSSIBLE. SUPPORTING QUESTIONS CAN BE FOUND IN THE CANVAS.

READY TO PRINT

.The Strategy Implementer

Here you will find the Strategy Implementer ready to print. The journey overview and three exercises are attached in horizontal A4. They are made in vector graphic, so feel free to scale them as you like, and the quality will stay the same.

IMPLEMENT YOUR PORTFOLIO OF STRATEGY INITIATIVES

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01 MAP

MAP YOUR CURRENT STRATEGY INITIATIVES

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02 ANALYZE

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This step is for reflecting on how well you are currently doing in the four categories, and which specific practices you have in place. Having done this, it can be a basis for reflecting on how well you want to be in the future and which practices could support this state.

How well are your practices today and in the future?

Which practices do you currently have for working on the four categories?

//

Are you masters in one, but lacking behind in others or do we have solid practices in place in all four?

//

How well do you want to do in the future? And which practices could support this?

03 TAKE ACTION

IMPLEMENT YOUR STRATEGY INITIATIVES

This step is for identifying where a strategy initiative is now, and where it needs to go next, which significant uncertainties it has and how these change through its lifecycle. This supports identifying how to take action for moving the initiaitve forward in the right direction.

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How does this specific initiative transition between the four categories? And which criterias do you have for knowing when it is ready to move on?

//

How significant are the uncertainties of market, technology and capabilities?

//

What actions do you need to take in order to implement this strategy initiative?

(i) Collect your current strategy initiatives and place them in the four categories according to where they currently are. Is there a pattern of where your strategy initiatives mainly are located?

TRANSFORM *Collect your strategy initiatives that change and transform large parts of your organization*

DISCOVER *Collect your strategy initiatives that discover and describe technology trends, market trends, and new ways of organizing*

EXCELL *Collect your strategy initiatives that drive operations excellence and continuous improvement.*

EXPERIMENT *Collect your strategy initiatives that experiment and prototype, making your organization learn about critical technology, market and capability uncertainties*

ⓘ Start with focusing on one of the four categories. Mark on the scale how well your are doing today and how well you want to to in the future. Discuss which new strategy initiatives, or which changes to existing initiatives could help you move in the right direction. Repeat for the categories which you find relevant.

🔄 TRANSFORM

1. How well do you scale your strategy initiatives to the entire organization today, and how well you we want to do it in the future?

```
1        3              5
```

2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAP

🚀 DISCOVER

1. How well do you identify new strategy trends today, and how well do you want to do it in the future?

New market trends
```
1        3        5
```
New technology trends
```
1        3        5
```
New capabilities trends
```
1        3        5
Poor            Excellent
```

2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAPS

📊 EXCELL

1. How well do your operational excellence strategy initiatives perform today, and how well do you want them to perform in the future?

```
1        3              5
```

2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAP

⣿ EXPERIMENT

1. How well do we learn from experiments today, and how well do we want to learn in the future?

Market experiments
```
1        3        5
```
Technology experiments
```
1        3        5
```
Capability experiments
```
1        3        5
Poor            Excellent
```
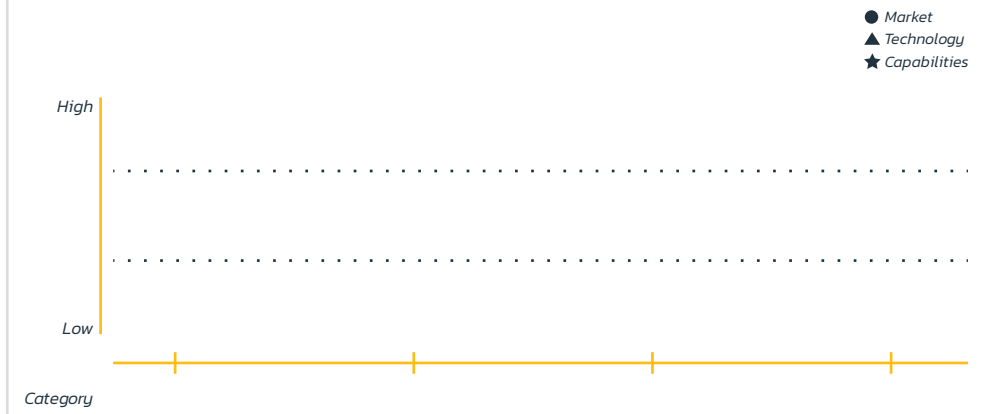
2. Which new strategy initiatives, or changes to existing ones, or do you need to close the gap between today and the future?

COLLECT IDEAS FOR STRATEGY INITIATIVES WHICH COULD CLOSE THE GAPS

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(i) Choose a specific initiative to focus on. Draw the initiative's expected transition through the four categories. Discuss which actions do you take in each area, and which key criterias you have in each of the categories for moving to the next?

(i) How significant are the uncertainties of market, technology and internal capabilities as the initiative transitions through the four categories? And how do you expect them to decrease/increase as the initiative evolves? (Use the symbols to mark the degree of uncertainty for the four categories in the y-axis. Use the sequence of the transition from the previous exercise on the X-axis)

TRANSFORM

DISCOVER

EXCELL

EXPERIMENT

● Market
▲ Technology
★ Capabilities

High

Low

Category

(i) What can you in order to move forward with this initiative?

Actions

What should you do?

Who should do it?

When should it be done?

What could be first step?

.Further reading

If you are interested in further reading please visit

– www.brightine-dtu.dk

– www.brightline.org

– www.risklab.dtu.dk

– www.es.man.dtu.dk

– Thinkers50 / Brightline "CSO Playbook" on page 140: https://www.brightline.org/resources/thinkers50-cso-playbook/ (free download)

– London School of Economics, The Four Types of Strategy Work you need for the Digital Revolution at http://blogs.lse.ac.uk/businessrevie-
   w/2018/09/28/the-four-types-of-strategy-work-you-need-for-the-digital-revolution/

References

(1) 'Closing the Gap: Designing and Delivering a Strategy that Works', The Economist Intelligence Unit, 2017.

(2) https://www.brightline.org/principles/

(3) https://www.brightline.org/people-manifesto/

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