

5 secrets of companies that execute well

This guest post is by Richard Lepsinger, president of *OnPoint Consulting* and author of *"Closing the Execution Gap: How Great Leaders and Their Companies Get Results."* His client list includes Bayer Pharmaceuticals, Citibank, Coca-Cola Company, ConocoPhillips and Johnson & Johnson.

Not so many years ago strategy was king. Leaders immersed themselves in planning how best to achieve their company's goals and assumed this strategizing would pay off. And yet, the results from many of these well-crafted visions went unrealized. Quite simply, they couldn't execute.

My company, OnPoint Consulting, studied more than 400 companies and found that 49% of leaders surveyed reported a gap between their organization's ability to formulate and communicate a vision and strategy and its ability to deliver results. What really shocked us was that only 36% of leaders who thought their company had an execution gap responded positively to the statement, "I have confidence in my organization's ability to close the gap between strategy and execution." That means a 64% of leaders who saw an execution problem didn't believe their company could fix it.

If a clear and inspiring vision, a realistic strategy, employee commitment, a skilled workforce, and high levels of quality and customer service don't lead to successful execution, what does? What sets the best apart from the rest?

Our research uncovered five characteristics and competencies, which we refer to as "The Five Bridges," that differentiate the companies that are consistently able to get things done from those that aren't:

- **The ability to manage change.** We all know change is inevitable. However, many companies can't seem to operationalize that knowledge and turn it into positive action. That's a dangerous shortcoming. Embracing the spirit of innovation and change can help you reach new levels of success, while being rigid and unwilling to change can cause serious, perhaps irreparable, harm. If you want to run a successful business, you have to be willing to create and implement innovative strategies and adjust to changes in the market. That's true of small businesses and international corporations alike.
- **A structure that supports execution.** Our research found that striking the right balance between centralization and decentralization differentiates top-performing companies. While many organizations emphasize developing a realistic strategy and engaging employees, the problem comes when leaders assume the current organizational structure will support the new strategy. Sometimes it's just not true. Don't assume that organizational structure is just about efficiency. The right structure can also enhance accountability, coordination and communication, and ensure that decisions are being made close to the action.
- **Involve the right people in the right decisions.** Involving employees in decision-making is controversial. Some leaders view it as a sign of weakness while others fear giving up control. In reality, though, the world is too complex for any leader to go it alone. To make good decisions, you must seek out the perspectives of a wide range of people. Involving people in decisions gets them focused on generating solutions to problems rather than complaining or waiting to be told what to do. If your employees don't have a sense of ownership, nothing truly great can occur.
- **Alignment between leader actions and company values and priorities.** No company should have two sets of values and expectations: one for the leader(s) and one for the employees. When leaders say one thing and do another, business suffers. It might surprise you to learn exactly how much execution depends on how consistent the leader's behavior is with organizational values and priorities. One, people watch the leader for signals about what is important and appropriate. They pattern their behavior after yours. Two, if how you behave signifies that "we are all in this together" people are more likely to be motivated and go the extra mile.
- **Company-wide coordination and cooperation.** Most employees approach their work with good intentions and want to cooperate with colleagues. Yet, ensuring that decisions and actions are coordinated across organizational boundaries requires more than faith and words alone. It takes shared goals and clearly defined roles. These provide the foundation upon which

cooperation and coordination can be built. In addition, people must be held accountable — for fulfilling commitments and taking responsibility for doing their jobs properly. This requires a combination of direct leader behavior and systems that encourage and reinforce the appropriate behavior.

Execution is not a single-point event; it's an ongoing process. But since your ability to execute well and consistently is the very fabric of success, I can think of no better place to focus your time and energy.