

# Perspectives for Managers

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## Successful project execution A users' guide

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From an etymological perspective, "execution" refers to following up on a decision, or transforming an idea into reality. Up to that point, ideas are only dreams. From then on, they become reality, with consequences. The results are up to us.

The fact is that execution is one of the least attended managerial capabilities. And as such, there is a good chance that somewhere along the line it will derail. For example, the percentage of failed efforts in new strategic projects is estimated at around 80 %.

However, you are in charge and know that you do not have the option of blaming others for their lack of executive skill. You are expected to make it happen yourself – it is your job. Here are a few guidelines that should help increase your chances of success.

### Why does execution fail in the first place?

A root cause of failure in execution is simply that it is not taken seriously enough. This lack of focus can manifest itself in a variety of ways, and these tend to accumulate and snowball into chaos.

More often than not, there is lack of clarity on what has to be executed, starting with the strategy itself.

- New initiatives are not supported by a clear rationale. Even in routine execution, what matters in achieving the expected outcome has been forgotten. There may not even be a clear expected outcome. This lack of clarity in operations can generally be traced back to a strategy that is itself unclear.

- Strategies are often expressed in general, sweeping statements, with little attempt to provide actionable directions. As a result, it is unlikely that they can be cascaded down to the level of execution. Local expediency, rather than a clear link to strategy sets the course.

- Sometimes, important projects are purposely kept fuzzy so as not to upset anyone. As a result, the project team is let loose in a political minefield, while higher echelons serenely look in another direction.

"Reality avoidance", a common organizational neurosis, endeavors to make execution almost irrelevant. Avoiding reality is standard childlike behavior: a tactic used to delay entering the adult world where one has to live with the consequences of one's actions. But reality avoidance is also frequent among adults who try to find shelter in organizations that, indeed, seem to have been designed specially to protect them from reality. This avoidance can manifest itself in a variety of ways:

- Entertaining fairy tales: fantastic strategies, with unrealistic goals, unavailable resources. ... Here, execution is clearly not on the agenda.
- Blaming the rest of the world: the dollar, headquarters, the desperate competition, incompetent team members. All these excuses eliminate accountability for the outcome of the execution.
- Hoping for the best: bold sales initiatives, not accompanied by the necessary

planning to deliver products that work and yield profits. Execution is entrusted to good luck.

- Denial: refusing bad news and killing messengers. When this happens, paralysis prevails; the entire energy is focused on entertaining false hopes, leaving no room for any remedial undertaking.
- No accountability: objectives may be consistently missed. It just doesn't matter. No corrective action is expected.

**Lack of discipline** is also an endemic cultural feature of many organizations.

- In some companies, whatever has been decided, the normal course of action is to ignore it. There is even a certain perceived elegance to it. And this behavior is accepted.
- Another reason is, like avoiding reality, childlike countering. Like a teenager, doing just the opposite of what is expected.
- There is also an urge to change directions and to complicate the process. "We have a better way here... Let's do it our way..."

**The aloofness** of "country-club-style" organizations.

- There is no peer pressure to get things done, and nobody loses face when matters are not completed. So, you are on your own. Working relationships are handled at arm's length. No one will challenge you, and no one will support you. Execution is not a common endeavor.
- Hands-off management is hidden in the guise of the latest management theory on governance. The fear of being associated with failure, and the obsession with keeping one's hands clean, lead executives to rationalize their withdrawal from execution into a role of remote censor.
- Under the pretense of not micro-managing, difficult decisions are avoided, conflicts are forwarded down the hierarchy, and breaking bad news is delegated.

- Simple, unadulterated laziness may explain this apparent casualness. Most people suspect execution to be a lot of hard work... so they had better not venture down that route. There are more gratifying lifestyles.

**Counter these pervasive organizational and individual tendencies with two non-negotiable rules:**

### 1. Insist on detailed preparation

Even in fast changing contexts, detailed preparation will ensure the necessary homework and preparedness for achieving your ultimate strategic objectives.

### 2. Apply systematic follow-up

Many executives find this unglamorous. However, the more you do it, the more you will develop a sense of achievement. It must become a lifestyle.

## Execution begins with a 10-step, detailed preparation process

These ten steps are presented in the context of a project. This could be a "one-off" initiative within the strategy, or simply standard operating execution of the overall strategy. It could be a turn-around, an acquisition, or the deployment of a new business model. Whatever the case, the same detailed preparation is critical. Without it, there is no execution, just improvisation, navigating without a compass.

### 1. Alignment with the strategic roadmap

How your project will contribute to the overall strategic roadmap must be crystal clear. If it is not, each step in the execution plan will be an independent unit without a sense of direction. This will create chaos. The strategic roadmap covers your business model, your execution priorities and your must-wins. Clarity as to where your project fits in the big picture will serve as a reference point that validates this project.

### 2. Defining your project's specific deliverables

These deliverables must be quantified. Impressionistic improvements are not good enough, simply because "what is not measured is not managed". Qualitative objectives remain subject to interpretation and personal

opinions. Quantified objectives, on the other hand, are a prerequisite to interim progress measurement.

### 3. Cascading down to the level of execution

This step consists of identifying all the detailed tasks that have to be performed to execute the project. There is often a tendency to cut corners and hope for the best. The argument that you don't want to be overwhelmed by details is not valid. Tasks that are not identified don't magically disappear. They catch up with you at a later stage, and you will be unprepared. To make a high number of tasks manageable, they can be regrouped into larger execution building blocks.

For each task, and for each building block, there must again be a quantified deliverable (a cost decrease, a market-share increase, etc.), as well as a person who is accountable, a deadline, an assessment of the required resources, and an assessment of the links dependent on other tasks.

### 4. Verifying the realism of the project versus capabilities

A capability assessment is required at this stage. Can you achieve what you have set out to achieve? Are the know-how, technologies, financial resources, assets and networks to obtain external capabilities available? This will potentially lead to identifying additional tasks:

Which capabilities do you have and need to foster?

Which capabilities do you need to develop, recruit, acquire? How? By when?

Which capabilities are simply unrealistic?

The detailed execution plan will need to be revised according to your answers to these questions.

### 5. Applying the financial acid test to the project

Many projects are launched without verifying their financial impact. For one thing, accounting systems don't always allow you to separately identify the costs of a project, particularly when a project is implemented across several business units. The sales growth may look promising, and the gross margin seems in line with expectations, even though the project

may end without having generated any shareholder value. Making sure that this does not happen is facing reality.

But that is not all. The most important test is the sensitivity analysis that allows you to identify the key financial performance drivers for your project. Is it more important to stick to the timing of revenues, even if it means overspending, or to contain costs according to budget even if it means being late to market? This is the most effective way of making everyone on the project team aware of what can make or break the execution.

#### 6. Putting the project team together

You have no excuse for not having the best possible team. Enrolling, developing, and off-loading are your responsibility, and you have to assess both technical capabilities and attitudes. The right technical capabilities with the wrong attitudes will be disruptive for the overall effectiveness of your team.

To recruit your team, also remember that, in addition to sound business rationale, members of a high performing project team will require higher-level, emotion-creating reasons for investing the extra effort. This could be pushing frontiers, or just surviving against all odds.

#### 7. Aligning personal performance objectives with project objectives

No one can expect a colleague to act against his or her personal interests for an extended period of time. Yet, many projects require exactly that. For example, if you try to enroll someone who is measured on sales growth in a project that aims to improve profitability of the product mix.

You must ensure that team members' individual areas of accountability in the project execution are reflected in their performance objectives. Disruptions may arise from different reporting lines. You have to clarify the consequences of delivering, and of not delivering, with everyone. Establishing this level of transparency will generally attract the best people to your project team.

#### 8. Preparing the follow-up plan

Execution follow-through doesn't receive much attention, nor generate much enthusiasm. This is why you need a plan to

support it. Which milestones will be required to measure progress, when, by whom, and with what consequences?

Two types of milestones are shown to be effective. Operational milestone reviews, with the project team, keep execution on track. The "all-hands" milestones, with a wider audience, provide a unique opportunity to show that it can be done, to disseminate best practices, to put high performers in the limelight, and to make what you really mean by "execution" clear to all.

#### 9. Preparing the mobilization and communications plan

Beyond the project team, there is a wider network of individuals who, in some way or other, can influence the outcome of the project. This includes the experts, the project sponsors, the resource owners, but also the supporters, opposition, no-sayers and bystanders. It is helpful to determine who is where ahead of time. The mobilization and communications plan is then targeted at the organization at large, but segmented according to the level of support needed from the various groups.

#### 10. Preparing your own agenda of execution priorities

Throughout the execution, you will have to relentlessly reinforce what you mean by execution, what you expect to be delivered, and how you expect people to behave. In order to do so effectively, you have to decide on a few non-negotiable expectations ahead of time, think about how you will repeatedly communicate them, and consistently walk the talk.

Making your expectations highly visible and unavoidable in three specific areas is critical:

**Execution discipline:** Make it known that delivering according to plan is not optional. In preparation for the moment of truth, this expectation is signaled through your insistence on numerous details: timeliness, no phones in meetings, no interrupting others and so forth.

**Facing reality:** Make it clear that the worst offense is not doing the wrong thing, but not doing enough, not providing early warnings,

and not volunteering solutions. You must confront the hidden agenda and make fact prevail over opinion.

**Supportive challenge:** Making execution a collective responsibility of the team, encouraging team members to challenge each other; to question, while still supporting each other with experience, ideas, suggestions, and resources.

### Second: Execution requires your systematic follow-up

Even with the best-prepared execution plans, there is simply no room for automatic pilot. Managers who think that their only role is to make decisions ask "How much time should I spend on follow-up, then?" and are surprised to hear "at least 80 % of your time! Otherwise, you are just not managing." Decision making can be shared; follow-up absolutely not. Follow-up is not only checking that projects are on track; it also represents a unique opportunity to develop your people in action. In the way you follow up, you signal what your execution expectations are.

1. You must rigorously monitor the progress of the execution plan, according to the follow-up plan. As soon as you ignore a milestone, you signal that execution is optional.

At the **operational milestone meetings**, you must:

- Review each deliverable that each team member has committed to for that date.
- Strongly discourage excuses. Make it clear that, instead, you are expecting corrective actions to have already been initiated.
- Obtain or provide explicit deadlines for getting back on track: "Show me how and when you will deliver."
- Use the project team to generate improvement opportunities in every area.
- Expect team members to be clear on their own performance level,

*“In execution, managers who cannot lead are not very useful, and leaders who cannot manage probably don't offer much leadership.”*

according to what they have committed themselves to.

- Systematically apply the agreed consequences to each individual's performance.
- Coach team members as required, both on technical and on behavioral matters. Improving the performance of a team member is often more effective than replacing him/her:

2. You must use every opportunity to reinforce your expectations and to induce execution-related learning, for the team and for the organization at large. At the “all hands” milestone meetings, you must:

- Demonstrate progress to the wider audience
- Present and discuss best practices
- Ensure the wider audience generates ideas and suggestions for improvements
- Reinforce the communication on what you consider key strategic priorities and must-win battles
- Reinforce the communication on what you consider the most effective behavior and modes of operation
- Place the high performers in the limelight

3. Relentlessly, leveraging every formal and informal opportunity...

- Walk the talk, with respect to objectives, discipline, realism, supportive challenges
- Show progress-related interest and ask progress-related questions
- Ensure behavior and performance have consequences
- Use every opportunity to communicate your execution expectations

4. Finally, you must protect the space that is required for the project team to succeed. Specifically, you will:

- Roll up your sleeves and get your own hands dirty to help the team work its way around problem areas
- Ensure that resources are available according to plan
- Mobilize organization-wide support for the project
- Help the team overcome team difficulties
- Maintain the level of enthusiasm and emotional commitment.

### **When it comes to execution, there is no difference between managing and leading**

In execution, managers who cannot lead are not very useful, and leaders who cannot manage probably don't offer much leadership. Strong execution leader/managers are likeable persons; they are boringly systematic and disciplined, as a watchmaker. Yet they take people a long, long way, as visionaries do. They are handicraft masters.

The secret is that doing a job well drives them. They stand for the development and progress of their people, rather than saving their own face or personal glory.

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