

Strategy *IS* Execution

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Introduction

Strategy is a term with many meanings. Efforts to devise or settle on a strategy can encounter difficulties owing to these different meanings. Consequently, at the outset of any such discussion it is usually a good idea to define the way the term is being used. This paper briefly explores some of the many definitions of strategy. It does not attempt to say that any one definition is better than another or the only correct one. All have their uses. If there is a central point to this article it is that *strategy as contemplated* and *strategy as realized* are often two very different matters. Strategy as realized is the outcome of efforts to execute strategy as contemplated. Hence the title of this paper: *Strategy is Execution*. Another way of saying this is WYDIWG – What You DO Is What You Get.

Strategy Is . . .

Strategy is many things: plan, pattern, position, ploy and perspective. As *plan*, strategy relates how we intend realizing our goals. As *pattern*, strategy is the "rhyme and reason" that emerges in the course of making the endless decisions that reconcile the reality we encounter with the aims we hold dear. As *position*, strategy is the stance we take: to literally take the high ground, to be the low-cost provider, to compete on the basis of value, to price to what the market will bear, to match or beat the price offered by any competitor, to let no threat go unmet. As *ploy*, strategy is a ruse, it relies on secrecy and often on deception: "Let not thy left hand know what thy right hand doeth." As *perspective*, strategy is part vantage point and part the view from that vantage point, particularly the way this view shapes and guides decisions and actions.

Strategy is ubiquitous. It can be found at the highest levels of corporate, governmental, military and organizational endeavor and in small, medium and large units. It is used to define the basis for competition and it can give rise to collaboration and cooperation. It can even be found guiding and explaining individual initiative. It is everywhere.

Strategy is an abstraction, a construct. It has no concrete form or substance. At best it can be communicated in words and diagrams. But, just as "the map is not the territory," the words and diagrams used to communicate strategy are not the strategy they convey.

Strategy is the art of the general. It is broad, long range and far reaching. In part, it is about the preparations made before battle, before the enemy is engaged. But it is also about avoiding battle and making combat unnecessary. It is as much about destroying the enemy's will to fight as it is about destroying the enemy in a fight. If that sounds too militaristic for you, consider the business parallel: a firm that raises such formidable barriers to entry that would-be competitors throw up their hands and walk away. Destroying the will to compete differs little from destroying the will to fight.

Strategy is a general plan of attack, an approach to a problem, the first step in linking the means or resources at our disposal with the ends or results we hold in view. Tactics, of course, is the second step. Together, strategy and tactics bridge the gap between ends and means. Strategy is concerned with deploying resources and tactics is concerned with employing them. Without some goal, some end in view, there can be no strategy and tactics will consist of aimless flailing about—action for the sake of action. Strategy, then, is relative, which is to say that it exists only in relation to some goal, end or objective. If someone asks you, "What is your strategy?" be sure to reply, "In relation to what?"

Strategy is direction and destination. At one and the same time strategy says, "We are headed *there* — *by this path*." Yet, as noted earlier, it is also ruse and deception; that is, our strategy takes us down a path with many branches and only we know our destination and the choices we will

make as we are confronted with them. In short, strategy is a way of confounding our enemies or, in less warlike terms, our competitors.

Strategy is a set of decisions made. What business are we in? What products and services will we offer? To whom? At what prices? On what terms? Against which competitors? On what basis will we compete?

Strategy is Execution

Strategy is getting it right and doing it right. On the one hand, we have to envision the right course of action. On the other hand, once chosen, we have to carry it out properly. The interplay of our envisioned strategy and its execution yields the consultant’s dream — a 2 x 2 matrix (see Figure 1).

If our strategy and its execution are both flawed, the effort is "doomed from the beginning." Our chances of success are zero, nil, nada, zilch.

If our strategy is sound but its execution is flawed, we are guilty of muffing it. We have botched the job. The real but hidden danger here is that we will be quick to blame an otherwise sound strategy. With the previous strategy condemned, a new one, perhaps of lesser quality, will be sought out. A series of events in which a sound strategy is botched during

execution can result in a series of shifts to increasingly inadequate strategies, leading to a downward spiral in the level of the organization’s performance.

An odd situation arises when our envisioned strategy is flawed but we execute it flawlessly. In this case, we are doing extremely well something we shouldn’t be doing at all. When this is the case, we are "flirting with disaster." We run the risk of shooting ourselves in the foot. For example, an organization with little in the way of competition and believing its products to be seriously under-priced in relation to their value, might elect to raise prices as a way of increasing revenues only to discover that very strong price sensitivity was there all along. The result is a sudden and unexpected loss in volume and revenue, perhaps also giving birth to serious competition.

Only when our envisioned strategy and its execution are sound do we stand a pretty good chance of success. Even then success is not guaranteed. If our competitors have better strategies and ex-

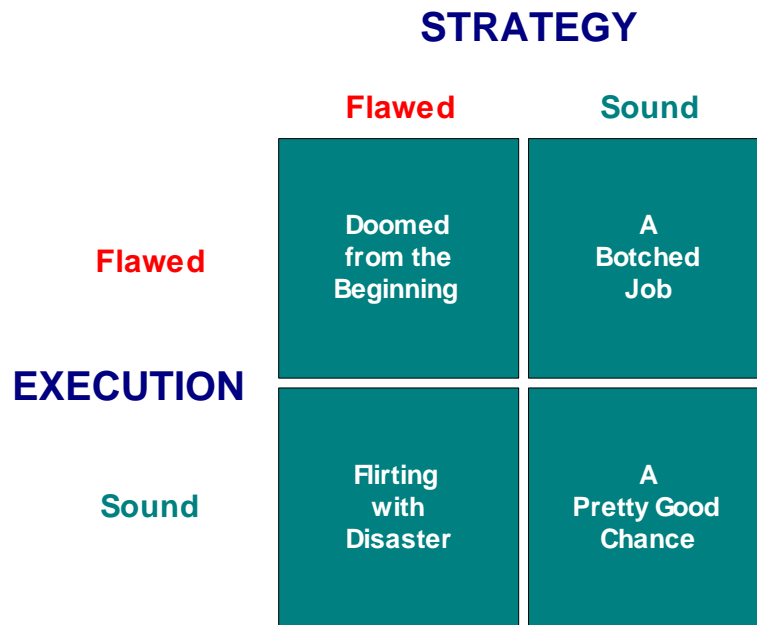


Figure 1 - Strategy & Execution

ecute them with more dispatch, diligence and dedication, we will lose the battle of business. So, even if we get the strategy right and even if we carry it out efficiently and effectively, all we can really say is that the odds are in our favor, that we have "a pretty good chance."

The matrix in Figure 1 emphasizes the importance of making certain that the right strategy is selected *and* that it is properly carried out. Three out of four possibilities lead directly to failure of one kind or another. Only one of the four possibilities holds forth any hope at all and it hinges on a sound strategy coupled with sound execution — doing the right thing right.

Strategy is . . . well, strategy is everything. Strategy is timing, then, because, as the comedians tell us, timing is everything. When the time is right, we use the word "opportune" and thus imply the existence of opportunity. This is how intention reconciles itself with reality and how tactics shape strategy.

In the early 1980s, Tom Peters made a presentation to a group of senior managers at AT&T in which he used a slide that read, "Execution *is* strategy." We can turn that around and also say that *strategy is execution*. In simpler terms, we adapt to changing circumstances and so does our strategy. Thus it is that strategy as envisioned or contemplated becomes strategy as executed or realized.

References

There are literally dozens of references regarding strategy, strategic thinking and strategic planning. See, for example, the bibliography on my articles web site. However, two sources are most relevant to this paper.

1. Liddell-Hart, B. H. (1967). *Strategy* (2nd Edition). New York, NY: Frederick Praeger.
2. Mintzberg, H. (1994). *The rise and fall of strategic planning*. New York, NY: Free Press.

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