

## Linking Strategy & People

Lots of companies spend lots of time trying to define winning strategies. The core of a good strategy – the establishment of competitive advantage and customer preference in a profitable formula – requires quality people to insure successful implementation. Therefore companies need a strategy to make sure they properly execute their strategy. The core of this strategy is linking people to operations in a manner that insures execution through expertise, motivation, and loyalty.

In developing an effective strategy a business must, first and foremost, take an honest assessment of the ability of the organization to actually execute the steps needed to meet the stated goals. To achieve this, the company should begin by identifying the core issues that drive the strategy, such as the positioning of the company within its business environment and its advantages and disadvantages vis-à-vis competitors. Most important, you also need to carefully and truthfully assess the soundness of the assumptions upon which the strategy is based. In doing so, you will create and eliminate strategy options based on their strengths and weaknesses, as well as your capacity to execute them to maximum efficiency.

Linking a strategy rollout to your people the critical step. You need to make sure you have the right people in place to execute properly. This includes not only the role of each individual and the quality and appropriateness of person and task, but also the matching of role to operational task so that every department in the organization makes the intended contribution.

The core of a strategy is in its components, which in turn are the ideas and actions that characterize it. When a company identifies these components it allows its leadership to understand the path to implementation, as well as the exact manpower needs required to insure success. This is true whether the strategy is being implemented on a business division level or across an entire company. The distinction between the two, which is important to understand, is that on the business division level the strategy focuses on execution of specific tactics and actions, as defined and supported by the corporate level. The strategy on the corporate level sets policy and goals and distributes resources for the business divisions.

In creating the strategic plan and the parallel manpower needs the company must ask some important questions. These are:

1. Does the company understand the market it operates in to the appropriate extent, including its competitors, their products and the subtleties of the market?
2. Do your employees, particularly those who interact with your customers, understand the needs and demands of your customers?
3. How well do those making financial allocation decisions understand the costs of doing business as they relate to the advancement and acquisition of stated corporate objectives?
4. Do the decision makers understand the obstacles to company growth and are they identifying, communicating, and executing programs to overcome the challenges?

5. Does the company have the manpower (or access to manpower), the resources, the products, the positioning (and exposure), and staying power to meet stated objectives?
6. Has the company properly communicated and enabled the business divisions to execute corporate strategy?
7. Does the company have a proper balance between its long term and short term objectives and is it allocating resources and manpower in a manner that reflects that balance?
8. Has the company set milestones and operational standards for the implementation of the strategy and are these milestones and standards realistic?
9. Does the strategy address and correct the critical challenges facing the company?
10. Does the strategy demonstrate how the company can make money on a continual basis?

Strategies fail because they are either ill conceived or poorly executed. If they are ill conceived then management, in the formation of the strategy, fail to ask, analyze, or address the critical questions. If it fails in execution it is because the individuals charged with implementation were either poorly prepared, poorly equipped, or poorly selected. The human resource element of strategy implementation cannot be overstated. You either link your strategy to your people or you watch your strategy fail.