IMPLEMENT

Doing It Right in a Digital World

Robin Speculand

Implement: Doing It Right in a Digital World

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Knowing what to do and doing
it are two different things.

Dedicated to GraceKelly, my partner in life's journey who lives her life to the fullest.

Endorsements

"*Implement: Doing It Right in a Digital World* masterfully guides leaders through the daunting challenges of transforming their organizations for the digital era. Robin equips leaders with an arsenal of tools, tips, and techniques essential for steering their companies toward unprecedented success. With a keen focus on the pivotal leadership behaviors required to excel in the digital world, this book emphasizes the critical balance between strategic planning and its execution. It will be indispensable for leaders seeking to navigate the complexities of digital transformation with confidence and create lasting impact for the success of their teams and organizations."

– **Dr. Marshall Goldsmith**, Thinkers50 #1 executive coach; *New York Times* best-selling author of *The Earned Life*, *Triggers*, and *What Got You Here Won't Get You There*

"Implement offers a pragmatic approach that demystifies the complexities of change in our digital world. Filled with proven frameworks and practical tools, Robin Speculand's newest book provides a clear, actionable path to achieving your strategic objectives. A must-read guide for leaders to accelerate and succeed in digital transformation."

– **Ron Kaufman**, *New York Times* best-selling author of *Uplifting Service*

"Robin Speculand shows you need the right combination of leadership competencies and management skills to succeed with major change programs. While each organization has its unique context, leaders need a compass to guide them through the complex process in a structured and pragmatic way. While there is no one-size-fits-all approach, proven frameworks and tools can help you think through the challenges and opportunities of digital transformation. This is exactly what Implement provides—a great step to further enhance the practice of management for our time as Drucker defined it."

– **Richard Straub**, president, Global Peter Drucker Forum

"Organizational transformation is frequently overwhelming, frightening, and expensive; plus, very few organizations get it right. All too often, the seeds of a transformation's failure can be found in the hows, not the whys. Robin Speculand's *Implement* provides the how by offering canvases, tools, and frameworks for leaders. It is exactly the sort of self-guided tour into digital transformation that any managerial team will savor!"

– **Bill Fischer**, professor emeritus, Innovation Management, IMD; senior lecturer, Sloan School of Management, MIT; member, Thinkers50 Hall of Fame

"*Implement* provides relevant visual tools and frameworks for supporting strategy implementation in the digital world, including the Strategy Implementation Canvas. It's an essential playbook for any leader involved in digital transformation."

– **Yves Pigneur**, co-author, *Business Model Canvas*

"While many books out there develop digital strategies, this 'doing it right' book is unique in addressing implementation issues that often derail digital transformation projects. The frameworks provided are concise tools that enable executives to keep their focus on what matters for implementation and success in the digital world."

– **Serguei Netessine**, senior vice dean for Innovation and Global Initiatives, Dhirubhai Ambani; professor, Innovation and Entrepreneurship, and professor, Operations, Information and Decisions, The Wharton School, University of Pennsylvania

"Whatever you do, implementation really is everything. The mechanics of turning ideas into reality, strategies into action, dreams into fact has fascinated Robin Speculand for decades. *Implement* is the culmination of his life's work and passion. Grounded and practical, this book will help you make things happen."

– **Stuart Crainer** and **Des Dearlove**, co-founders, Thinkers50

"Organizations navigating the stormy seas of digital transformation need a compass to guide them to the promised land of improved performance. Robin Speculand's new book *Implement* does just that—and more. This book not only provides a Strategy Implementation Compass and Canvas, it is chock full of simple, practical tools to help leaders successfully leverage technology to implement their strategies."

– **Dr. Tony O'Driscoll**, Fuqua School of Business, Pratt School of Engineering, Duke University

"Many leaders focus on creating strategy but neglect its implementation. What they lack is the discipline to balance strategy and implementation, along with the necessary tools and methodologies.

Robin Speculand's new book offers exactly that. It is an indispensable guide for all leaders seeking to transform their organizations."

– **Nir Eyal**, best-selling author of *Hooked* and *Indistractable*

"Crafting a great strategy for an organization is the first step. Implementing it, however, is what makes the difference. To define right actions and do it right, CEOs must be the key drivers of the digital strategy. They must inspire their digital project leaders to act with great courage and a high degree of discipline while supporting them by providing the practical toolbox that enables them to transform the culture."

– **Andrew Grant**, executive director, Tirian Innovative Solutions

"Mr. Speculand has rich experiences with digital transformation and reveals the hidden challenges on this often-perilous journey. His new book is one of the first to provide an excellent framework for talking about how to implement digital strategy. It gives busy leaders valuable tools to convert strategy to successful action in a digital world."

– **Songtao Wang**, regional president, Asia Pacific, Bosch Mobility Aftermarket

"*Implement* offers a game-changing approach to digital transformation, providing an essential framework and tools to ensure your organization's success. Backed by years of research, real-world insights, and experience, this book equips leaders with the discipline and strategies needed to navigate common challenges and drive tangible results."

– **Ben Robinson**, chief executive officer, Raffles Quay Asset Management Pte Ltd

“Having worked with Robin to support our bank’s digital transformation, I can recommend how the frameworks and resources in the book accelerate your transformation as well as align everyone behind the digital purpose and drive the discipline of the right actions being taken. Digital transformation is a journey, and leaders should not be left on their own to work out what needs to happen. *Implement* provides them with the critically missing structure and resources.”

– **Deribie Asfaw Hurissa**, CEO, Cooperative Bank of Oromia, Ethiopia

“Companies may be innovative in developing new strategies and ideas, but they often lack the capability to implement them. This book fills that significant gap by providing the much-needed missing framework and tools for leaders to know how to implement. It is a wonderfully practical guide from a respected strategy implementation specialist, and a must-read for anyone involved in strategy and digital implementation.”

– **Gaia Grant, PhD**, University of Sydney Business School; executive director, Tirian Innovative Solutions

“This book is an essential guide for leaders to navigate the complexities of transforming organizations for the digital era. It develops the discipline needed for effective strategy implementation and offers the much-needed suite of implementation tools, including the Implementation Compass and Canvas. Implement is a key driver for leaders aiming to equip themselves and their organizations with the capabilities to thrive in today’s digital landscape.”

– **Antonio Nieto-Rodriguez**, World Champion Project Management; member, Thinkers50; speaker, author of *Harvard Business Review Project Management Handbook*

"Implement provides you with the structure, frameworks, and tools to create your own organizational playbook. Robin is one of the world's thought leaders in supporting organizations to implement strategy. In this book, his deep experience and insight are demonstrated through numerous use cases, best practices, and resources. With two of three digital transformations failing to deliver their targets, I can think of no better resource to pick up and read."

– **Michael Netzley**, PhD, CEO, Extend My Runway

"Two out of three strategy implementations still fail. Where can you find guidance to help you succeed? Look no further than this insightful, clear, and action-oriented book from Robin. Packed with frameworks, case studies, and tool kits, this book changed my thinking and approach—as well as being a thoroughly enjoyable read."

– **Jeremy Blain**, CEO, Performance Works International; best-selling author of *Unleash the Inner CEO: Make Distributed Leadership a Reality*

"Companies are looking to accelerate their digital transformation and find ways to outperform their competition. This book comes at the right time. It guides leaders with hard-won insights, actionable techniques, and easy-to-use frameworks for implementation in today's digital context. Robin has written *the* book for leaders to implement in the digital age. You can start on any page and get great insights quickly. Don't just read—do!"

– **Liang Yu**, MBA 虞亮; director, Executive Education and Government Programs 高管教育及政府项目主任, Duke Kunshan University| 昆山杜克大学

"In a world of constant change, organizations are navigating an increasingly complex technological landscape. Generative AI is a prime example. With the potential to transform how organizations do business, it raises critical questions about practical implementation. Now more than ever, leaders must master the discipline of 'doing it right.' Packed with tools and much-needed tips, Robin's latest book sheds light on how to turn ambitious strategy into practical action."

– **Elisa Farri**, vice president, Capgemini Invent; member, Thinkers50

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Foreword by Piyush Gupta, CEO of DBS Bank

A quote by Lewis Carroll says: "If you don't know where you're going, any road will get you there." Having a clear strategy and knowing where true north is are essential to running a company. But that is only the beginning. The more difficult part lies in the execution.

In view of this, Robin's book could not have come at a better time. *Implement* approaches transformation from a practitioner's lens, providing useful frameworks and practical handles for leaders seeking to digitally transform their companies. It examines why so many companies fail in their transformation efforts and suggests clear, actionable steps that can be taken to overcome the obstacles that often stymie the best-laid plans.

> "Many of the observations and practical tips in this book resonate deeply, because they mirror DBS' approach to our own transformation journey. For us, that journey spanned three 'waves.'"
>
> – **the Asian Wave (2009 to 2014)**, when we sought to become the Asian Bank of Choice; the Digital Wave (2015 to 2018), where we leveraged digital technology to make banking joyful for customers; and the Sustainability Wave (2019 onwards).

While the three "waves" provided strategic direction, the devil is in the details. In his book, Robin makes the point that implementation is tougher in a digital world. I could not agree more. The reasons are many. Let me share a few.

First, for the transformation to be effective, it needs to be pervasive—for legacy companies, that entails transforming everything from the technological architecture in the backend to customer interfaces at the front end. Second, it requires moving away from product siloes to thinking customer journey. Third—and this is arguably the most challenging feat of all—it often necessitates culture change such that the workforce embraces innovation, experimentation, and some degree of risk-taking. Fourth, a system of measurement needs to be put in place to measure success. Given how massive the undertaking is, the challenge is in getting everyone onboard the transformation, aligning the entire organization behind a common purpose, pacing the change, and staying the course.

DBS embraced all of the above with a systematic program of change starting in 2014 and focusing on these three pillars: being digital to the core, embedding ourselves in the customer journey, and thinking and acting like a start-up.

In being digital to the core, we scaled cloud migration, invested in automation, and industrialized our use of data to become an AI-fuelled bank. We embedded ourselves in the customer journey through innovation or ecosystem partnerships. In recent years, we took our commitment to customer-centricity up a notch by embracing "Managing through Journeys" (MtJs). With MtJs, we re-architected our most important customer processes horizontally, forming cross-functional squads guided by data-driven control towers and becoming more responsive to customer pain points and needs in the process.

We also focused a lot of attention on effecting culture change. While conventional wisdom says it is difficult for a legacy company to transform at scale with some organizations preferring to keep the old and new organizations separate, we were committed to the idea that we had to take all our employees along in the journey. Culture does not change automatically. It changes by design, and we put in place processes and frameworks to create an environment where employees felt empowered, and innovation is mainstream. We also equipped our people with hands-on training via hackathons and reverse mentorships, and we rewarded the spirit of innovation with "Dare to Fail" awards.

Finally, we put in place a measurement system that allowed us to quantify the outcomes from our digital transformation. This was programmed into the Group and unit-level scorecards, aligning the entire organization behind a common purpose in a systematic way.

While we've had many successes, we did not always get things right. There were strategy pivots and implementations that we had to fine-tune. The transformation process never ends, and we continue to learn along the way.

In the pages ahead, you will find insights, tools, and techniques that will help you decode the complexities of implementation in a digital world. Remember, effective execution is not merely about the strategy itself but about the belief, adaptability, and alignment of the people who bring it to life.

I believe Robin's book will serve as a trusty guide on your journey to realizing your organization's fullest potential.

– Piyush

INTRODUCTION

Nobody Crafts a Bad Strategy

An elderly father in Egypt is lying on his deathbed with his three sons gathered around. Coughing and struggling for breath, the father turns toward his eldest son and says, "I want you to take one half of all my camels." Owning camels was a great privilege. To the middle son, the coughing and struggling father says, "I want you to take one-third of my camels." And while still straining to breathe, he says to his youngest son, "I want you to take one-ninth of all my camels." Shortly after, the father passes.

After mourning their father's loss, the three sons proceed to divide up the camels—17 of them. The eldest son asks, "How can I take half of 17?" The middle son asks, "How can I take a third of 17?" And the youngest son asks, "How can I take a ninth of 17?" They want to respect their father's last wishes but, alas, they cannot find the solution to this dilemma.

After some time, they approach the wise woman of the village for her advice on dividing the camels into a half, a third, and a ninth among the three sons. The wise lady ponders on a solution for this seemingly impossible situation, then says, "I have no solution. All I can do is lend you one of my camels."

With that, the sons now have 18 camels. The oldest son takes half—nine camels. The middle son takes one-third—six camels.

And the youngest son takes one-ninth—two camels. Discovering they have one camel left over, they give it back to the wise woman.

The moral of this story?

Identifying the implementation solution for the sons was not easy; they had to work hard to find it.

Today's leaders navigate an ever-shifting strategic landscape, marked by the swift pace of digital transformation. They are increasingly tasked with not only crafting but rapidly implementing strategies in a digital world. Finding a solution for the three sons took commitment, perseverance, and tenacity—three traits leaders need to successfully implement in a digital world, which is not easy. Companies, however, that are successful in strategy implementation can unlock immense value.

Digital transformation has globally reset the competitive starting line.

Companies that were lagging behind their competition can now leapfrog them by articulating what digital means to their customers, marketplace, and business and by responding faster in becoming digitally driven. Yet, in an unprecedented shift noted in research since 2000, Bridges (the organization I founded and lead) has identified a worrying trend in leaders' ability to implement strategy.

Initially, our studies in 2002 indicated a high failure rate of 90 percent in which failure is defined as not achieving at least 50 percent of the strategy's objectives within the specified time frame. The period of improvement that followed saw the failure rate decrease to 48 percent by 2020.

Alarmingly, recent findings have revealed a reversal in this trend. For the first time in our research, the success rate in strategy implementation has declined, with the failure rate escalating to 67 percent. This is because . . .

Implementation is even tougher in a digital world.

Not only does a company need to transform but simultaneously it has to identify and adopt the right digital technologies. Previously, these were two separate implementation initiatives, with each one providing its own unique challenges. Today, digital transformation requires leaders to embrace transformation and adopt digital technologies simultaneously. This involves redesigning their customer proposition, business model, and technology platform and having to potentially compete in new markets as they build ecosystems.

Part of the challenge is also that leaders historically have been taught how to *plan* but not how to *implement*, creating an *implementation skills gap*. In the digital world, this gap has widened even more, with skills such as data analytics, design thinking, and customer science (the fusion of data, behavior science, and technology) being required for success.

In addition, I have asked over 5,000 leaders around the world why digital transformation fails, and fewer than 3 percent include any reason about the technology in their answer. The reason for failure, they state, is because of the challenge of transforming their company.

Digital transformation predominantly fails not because of technology but because of the challenges of transforming a company.

Implement: Doing It Right in a Digital World provides a detailed playbook on how to successfully transform a company in a digital world by improving leaders' and employees' ability to implement. This requires the often-missing implementation frameworks, tools, and methodology, which this book provides, based on research and extensive work in the field. Implementation also requires leaders to have a different mindset and approach. For example:

- Strategy implementation is still a relatively new subject that requires leaders to move from *understanding* its nature to *knowing* how to close the *Implementation Knowledge-Action Gap*. (See chapter 1.)
- Leaders often know why strategy implementation fails, but they habitually repeat previous mistakes. What's missing is the discipline of doing. (See chapter 2.)
- A plethora of tools and templates are available to craft strategy, but few exist to guide leaders through their organization's implementation. This book sets out to change that. (See chapter 3.)
- Leaders require a detailed framework to guide them through their implementation journey. Part 2 of this book provides that framework, which is supported by research, use cases, and hard-won insights to deliver world-class implementation.

The majority of strategy implementation in the literature states "why" it is challenging but omits the detailed "how to" that can guide leaders through their company's implementation.

Endless strategies exist, but few are successfully implemented. For those with the right thinking and approach, implementation becomes a business differentiator with potentially phenomenal financial returns. Yet, the spotlight today still shines more on crafting strategy than implementing it. That's why:

Implementation is the Achilles heel of strategy.

High levels of performance come from *striking the right balance* between crafting strategy and implementing it. Although leaders agree with this statement, many have an adverse attitude toward strategy implementation. Consider that when leaders are asked by their CEOs to participate in formulating the organization's new strategy, they feel recognized as valued thought leaders. In contrast, when they receive a call to become part of the implementation team, they think, "What did I do wrong?" Although this is an exaggeration (but only slightly), it is not far from the truth. Crafting strategy is seen as stimulating and intellectually challenging—a privilege. Yet being responsible for implementing strategy is regarded as a burden—an interruption, even a punishment!

Top-performing leaders fall in love with both the strategy and its implementation.

Leaders do not go into their boardrooms saying, "Let's craft a bad strategy." They all believe they have crafted a winning strategy. But how do they know for sure? You can have the greatest strategy in the world, but it remains useless until it's successfully implemented. That's why the spotlight needs to shine equally on both.

Another reason to fall in love with both the strategy and its implementation is because:

Customers notice your implementation, not your strategy.

Implementation impacts the customer. But as the opening quote in the book says—*knowing what to do and doing it are two different things*—leaders often know what they *should* do, but they don't do it. Getting caught up in the day-to-day activities, they run from one meeting to the next and click from one email to another. They focus on solving problems and providing answers, which feels good, yet they allow these activities to consume their day, their week, their month, and eventually their year. *This is not what senior leaders are paid for.* Rather, they are responsible for crafting the strategy and overseeing its implementation to secure the organization's future. A disciplined mindset is required to focus on what is ultimately important.

Jeff Bezos, executive chairman of Amazon, explains it this way[1]: "As a senior executive, what do you really get paid to do? You get paid to make a small number of high-quality decisions. Your job is not to make thousands of decisions every day. A start-up is different, but in Amazon all of our executives work the same way I do; they live and work in the future. None of the people who report to me should be focused on the current quarter. When Amazon has a good quarterly conference call and Wall Street likes the quarterly results, people will congratulate us on our quarter. I thank them but, in my mind, I'm thinking 'that quarter was baked three years ago.' Leaders need to be two to three years out in advance. If I make three good decisions a day, that is enough."

Implementation in a digital world requires a different thinking and approach by leaders.

This book aims to change leaders' thinking and attitudes by providing the definitive playbook with the tools and templates that guide a company's implementation. It deconstructs implementation challenges and presents research-based solutions. Each chapter provides proven resources to guide leaders and show how to avoid common hazards.

Chapters 1–5 make up part 1, which stresses the importance of avoiding repeating past mistakes, developing an implementation discipline, and taking the right actions. It provides a proprietary framework via the Implementation Compass™ as well as the Implementation Canvas©, the Ticking Clock Model©, and the IDCLA© Framework.

Chapters 6–13 make up part 2, which delves into details in the form of techniques, use cases, stories, research, and hard-won best practices structured around the Implementation Compass™ to deliver world-class implementation. The Compass guides organizations through their strategy implementations, highlighting the eight areas that are critical for excellence in execution. (The words implementation, execution, and transformation are used synonymously in this book.)

Each chapter in part 2 provides relevant resources while also featuring:

- *Usual Roadblocks* – provides an overview of the most common implementation challenges.
- *Usual Suspects* – tells how the fictional Xylogs company failed in implementing its strategy. The story brings to life the most common implementation mistakes and shares "what happens" within Xylogs.
- *Unusual Practices* – offers insights, best practices, and secrets from companies that have succeeded in crossing the Action Gap.
- *Doing It Right* – concludes each chapter with summary actions.

Implement concludes with chapter 14, which summarizes doing it right in a digital world.

I have been living, breathing, consulting, and teaching leaders to implement strategy my whole career. *Implement*, my ninth book on the topic, provides support you need to face your leadership challenges.

May you use it to apply the proven practices, methodologies, and new ways of thinking as you strive to succeed in today's fast-paced and demanding digital world.

– Robin Speculand
Specialist in Strategy & Digital Implementation

AUTHOR PROFILE
Robin Speculand

Robin Speculand lives and breathes strategy and digital implementation. He supports C-suite and boards in transforming their organizations and is well known for his innovative approaches and passionate delivery.

Robin is among the world's most prolific writers on the subject, having published nine books that include Amazon number-one bestseller *World's Best Bank: A Strategic Guide to Digital Transformation* (available in seven languages).

In 2000, after recognizing that executives talked "strategy" with little focus on "implementation," he started Bridges Business Consultancy Int to support leaders in their implementation journey. He later co-founded and co-runs the Strategy Implementation Institute and Digital Leadership Specialists.

Robin has pioneered a number of breakthrough methodologies and techniques that feature the Implementation Compass™, a proprietary framework built on the eight areas for excellence for execution; the Implementation Canvas© for identifying an organization's right actions; the Ticking Clock© Model, a framework for creating a digitally driven organization; the Digital Maturity Index, a self-assessment; and the Digital Best Practices Benchmark.

In 2014, while working with two client early adopters of digital transformation—the world's best bank and the world's largest luxury company—Robin recognized that digital transformations presented different and sterner challenges than previous strategy implementations. In 2019 and again in 2024, he conducted research with over 4,000 leaders across four continents. This resulted in the publishing of the highly acclaimed business white papers "Transforming Your Company into a Digital-Driven Business" and "The Digital Leadership 2024 Perspective."

Robin's innovations have been featured in such media as BBC World, CNBC, and *Forbes*. A TEDx speaker, adjunct faculty at Singapore Management University, and educator for Duke CE, IMD, National University of Singapore, he is also a Harvard-listed and award-winning case study writer.

In 2021, Robin was co-nominated with Piyush Gupta, CEO of DBS Bank, for the Thinkers50 Ideas into Practice Award. In 2021 and again in 2022, he was awarded the Business Strategist Singapore title. Constantly included in the Top 10 list of Global Management Gurus, he was invited to address the prestigious Global Peter Drucker Forum in 2023.

The First Minister of Scotland has named this Scotsman a GlobalScot for his passionate contribution to international business. Outside of work, Robin competes in Ironman events.

PART 1

Take the Right Actions

CHAPTER 1

Defining the Right Actions

Five birds sit on a fence and three decide to leave. How many birds are left on the fence?

When I ask an audience this question as I introduce strategy implementation, I receive a variety of answers including zero, two, or five.

Why is the right answer five? Because *deciding* is not the same as *doing*.

The "birds" attend a three-day leadership offsite to discuss the organization's new strategy. They have a conference call on the first Monday of every month to understand how to implement the strategy they created. All team members even read an excellent new book on implementing strategy! But alas. *None of them take the right actions.*

Implementation is about taking the right actions.

> **IMPLEMENTATION TOOLS**
>
> ✓ Implementation Knowledge-Action Gap
>
> ✓ Boil the Pot, Not the Ocean Technique
>
> ✓ 3M Rule of Thumb

Crafting a new strategy involves making choices such as markets to compete in, growth strategies to pursue, customer segments to target, sustainability and social responsibility to incorporate, technology to invest in, and the ecosystems to participate in.

Implementation moves the organization from planning to doing, from thinking to achieving, and from choices to actions. It requires employees to work differently, as by default a new strategy means doing things differently. Employees, however, are already busy every day. Therefore, the challenge for leaders is to ensure they are busy doing the *right* things—that is, taking the *right* actions.

Strategy is about making the right choices; implementation is about taking the right actions.

This book emphasizes cultivating the discipline to take the right actions within an organization by providing the often-missing frameworks, techniques, and tools.

IMPLEMENTATION KNOWLEDGE-ACTION GAP

A critical gap in leaders' ability to implement continues in business today. Its origin goes back to the failure of tertiary education and in-house leadership training to provide implementation frameworks, techniques, and tools. MBA courses, for example, include lessons and modules on crafting strategy but not on its implementation. (Note: change management is not the same as strategy implementation; rather, it's a subset of it.)

Over time, the significance of *strategy* has increasingly been recognized by leaders who prioritize it correctly. Then a wealth of information on why *implementation* was important became available. This revelation led many leaders to understand the necessity of not only devising the right strategy but also possessing the skills to implement it. With this, the Implementation Knowledge-Action Gap started to close.

Gaining knowledge isn't the problem; it's what we do with the knowledge that matters.

Knowledge, though, is now free and readily available on multiple platforms. But successful implementation does not come from knowledge; it comes from applying that knowledge by taking the right actions. Leaders today need to not only have the knowledge but also the ability to *move from knowledge to action* to deliver stakeholder performance.

People are intrigued by successful organizations. But if success only required knowledge, information, and best practices, then everyone would succeed. Consider the numerous books that have been written on strategy implementation, and yet two out of three implementations still fail.

There's a significant difference between acknowledging the importance of implementation and truly understanding what it takes to achieve it.

High-performing leaders leverage knowledge by crossing two bridges: the Knowledge Gap and the Action Gap.

Figure 1.0: Implementation Knowledge-Action Gap

Much of the existing literature on strategy implementation concentrates on bridging the Knowledge Gap, often exploring the reasons for its frequent failures and underlying causes. This book shifts the focus to the crucial aspect—the Action Gap. It offers a suite of resources that empowers leaders to successfully navigate the strategy implementation path.

Closing both the Knowledge Gap and the Action Gap requires transferring what's learned into the right actions.

When to Start Thinking About Implementation

Implementation is about taking the right actions and identifying what needs to be done. This does not happen *after* launching the strategy but *during* its crafting. This is because, to implement a strategy, leaders must change how their employees work. Part of crafting a good strategy is understanding that change and defining what actions they must take. Implementation must be part of a company's strategy planning.

> "Organizations that excel at implementation tend to outperform their peers financially. These organizations are more likely than others to install a comprehensive, rigorous slate of implementation practices over the program's life span. They also achieve most of their people-oriented transformation goals and commit enough resources to the effort."
>
> – **McKinsey & Company**

> The greatest of strategies will fail if not executed well, and execution is a discipline that can be learnt."
>
> – **Piyush Gupta**, CEO, DBS Bank

The Strategy-Implementation Debate

Consider this question. If you had to choose, would you prefer to have:

- A good strategy implemented badly, or
- A bad strategy implemented well?

I have asked this question to thousands of leaders, and they debated the pros and cons of each scenario. When they have to choose, four out of five say they prefer to have a good strategy implemented badly.

Their rationale is this: "At least if we have a good strategy, we are heading in the right direction. A good strategy gives us a sturdy foundation on which to build. If we need to make corrections, we can make them along the way."

This is the wrong answer.

Their logic sounds good, but it doesn't work in practice. Thinking that corrections will be made along the way, for example, does not happen in reality, as leaders become caught up in managing the day-to-day business and don't have the discipline to stay focused on both managing the business *and* implementing the strategy.

Also, when an organization isn't good at implementation, its leaders don't know if it's heading in the right direction or what corrections need to be made.

But why does this make having a *bad strategy* with a *good implementation* the correct answer?

Consider that leaders do not go into the boardroom to craft a bad strategy. They believe they've created a good strategy, but how do they know if that's true? *They can only know once it's implemented.*

Good implementation also means, for example, that the systems, structure, measures, communication, tracking, and other components have been put in place. Therefore, when you have a good implementation, leaders are able to track the actions, and they not only know when it is not performing; they also guide the corrective action.

A good strategy includes implementing it well.

Leading professors hold a strong belief that many organizations don't even *have* a good strategy. As Richard Rumelt, professor emeritus at UCLA, states[2]: "One major reason for the lack of action is that 'new strategies' are often not strategies at all. A real strategy involves a clear set of choices that define what the firm is going to do and what it's not going to do. Many strategies fail to get implemented, despite the ample efforts of hardworking people, because they do not represent a set of clear choices."

Michael Porter, professor at Harvard Business School, adds[3]: "'Strategy' is a word that gets used in so many ways with so many meanings that it can end up being meaningless. Often corporate executives will confuse strategy with aspiration. For example, a company that proclaims its strategy is to 'become a technological leader' or to 'consolidate the industry' has not described a strategy but a goal. Strategy has to do with what will make you unique."

Porter also notes: “Companies make the mistake of confusing strategy with an action, such as a merger or outsourcing. Is that a strategy? No. It doesn’t tell what unique position you will occupy.”

Robert Simons, also a professor at Harvard Business School, states[4]: “You have probably seen stories of businesses with great strategies that have failed. There are many stories like this. In each we find the business strategy which was well formulated but poorly executed and while you can find lots of advice on how to devise better strategies, there is very little guidance on how to execute those strategies.”

Being good at implementation by having the discipline of *taking the right actions* is an uncommon quality. This book focuses on building an understanding and the discipline of *what it takes to do it right in a digital world* by providing the frameworks and tools to support your implementation journey.

BREAKING DOWN: *TAKING THE RIGHT ACTIONS*

In the phrase “taking the right actions,” “taking” means having the discipline to do what one is supposed to do. But this is not easily accomplished. For example, we know eating healthy is good for us, but after studying the menu, we order hamburgers and fries rather than a salad. We know exercising for a minimum of 20 minutes a day is good for us, but we sit on the couch and binge episodes of our favorite TV series rather than go to the gym.

Despite our good intentions, somewhere between thought and action, we lose our focus.

Consider these examples:

1. After having potential life-threatening heart surgery, people know they need to change their daily actions, but most do not. Dr. Edward Miller, dean of the medical school and CEO of the hospital at Johns Hopkins University, says: "If you look at people after coronary-artery bypass grafting two years later, 90 percent of them have not changed their lifestyle."[5]

2. The *International Journal of Environmental Research and Public Health*[6] indicates that as many as one in five doctors smoke. Despite knowing the risks of smoking—and supposedly setting an example for their patients—they still smoke.

3. Even though people know it's good to exercise and eat right, by 2030, an estimated one half of the American population will be obese.[7]

> "Just because people understand what to do doesn't ensure that they will actually do it."
>
> – **Marshall Goldsmith,**
> executive leadership coach and author

> "The truth of the matter is that you always know the right thing to do. The hard part is doing it."
>
> –**General H. Norman Schwarzkopf,** U.S. Army

It's this kind of discipline in everyday life that leads to exercising and choosing healthy food—and the same is true in business.

Eastern philosophy has this expression: "The way you do anything is the way you do everything." That means when discipline is developed in one's personal life, it carries over into their work life and vice versa.

According to a Deloitte 2023 analysis[8]: "Organizations often struggle to determine which actions drive the most impact and which investments yield the most enterprise value. We found that the link between strategy and action is the determining factor in a company's ability to derive the most value from its digital transformation. The right combination of digital transformation actions can unlock as much as US$1.25 trillion in additional market capitalization across all Fortune 500 companies. But the wrong combinations can erode market value, putting more than US$1.5 trillion at risk."

According to an Insead article[9]: "There is often a gap between our good intentions and our actual behavior. Alarmingly, we're sometimes not even aware of the difference between what we think we're doing and what we're really doing. Aligning our actions with our intentions is challenging, as our unconscious mind can influence and even derail our behavior and decision-making. While we may think our actions are guided by conscious, rational thought, only a small part of our brain is actively engaged in conscious reasoning."

Because employees are busy with more work than they have the time to do it, consider what launching a new strategy means to them. Despite leaders promising a new future, greater opportunities, improved performance, happier customers, and better working environments, in reality launching a new strategy means two words to employees—*more work!*

For a period lasting from a few months to a few years, employees have to transform from the old strategy to the new one, while also carrying out their daily responsibilities.

In my workshops, I ask participants to try this exercise. Do it as you read this: Raise a finger on your preferred hand and draw a circle. Bring your finger down and raise a finger on your other hand and draw a square. Now raise both hands and, with your preferred hand, draw a circle. With your other hand, simultaneously draw a square.

In this scenario, everyone finds it easy to draw a circle with the finger from one hand but difficult to draw a circle with a finger from one hand and a square from the other. *This is how employees feel when asked to continue doing what they do every day (the circle) while simultaneously taking the new implementations actions (the square).* Doing this requires high-level coordination and control over both hands. Also, a circle and a square involve distinct motor patterns. A circle requires a continuous, smooth motion while a square involves straight lines and abrupt changes in direction. Coordinating these different movements is difficult because each shape requires a unique set of muscle movements and control. Similarly, while business leaders are running the business, they must encourage employees to take the new right actions and support them in their efforts.

The right actions every day keep your strategy in play.

IMPLEMENTATION'S HIGH FAILURE RATE

Implementing strategy by taking the right actions continues to be a struggle for most organizations.

Various research shows that . . .

Two out of every three strategy implementations fail.

What makes those failures (failure is defined as when an organization does not meet a minimum of 50 percent of its strategic objectives within a stated time) painfully bad is that leaders know what to do, but somewhere between thought and action, they lose their momentum. I ask leaders when working with them why implementation fails, and they cite poor communication, lack of employee engagement, poor measures, and so on.

Yes, leaders know. Yet strategy implementation keeps failing because organizations lack the *discipline to do it right*.

Implementation is not rocket science; it's common sense. But just because it's common sense doesn't mean it's common practice.

Many leaders have been involved in previous strategy implementations and, despite failures, they keep adopting the same failed approaches! With blind optimism, they believe that "this time it will be different." It's like the cartoon character Charlie Brown. Every time he goes to kick the American football that Lucy holds on the ground for him, he believes that "this time" she won't pull the ball away as he's kicking. Yet, every time he approaches the ball, Lucy pulls it away, and Charlie Brown falls on his backside.

McKinsey & Company report that transformations' "long-term impact is rarer than one may think."[10] While 56 percent of respondents say their organizations have achieved most or all their transformation goals, only 12 percent report sustaining these goals for more than three years.

The same report also cites a big payoff for those who succeed with implementation. Survey respondents who say their companies have achieved their implementation performance goals *and* sustained their transformation gains for more than three years report twice the rate of financial growth as their peers.

Part of the challenge in identifying the right actions is not overreaching.

BOIL THE POT, NOT THE OCEAN TECHNIQUE

This expression means choosing *small* right actions and not trying do too much at once. Trying to "boil the ocean" is how many employees feel about the implementation challenge because of the way it is communicated to them by their leaders.

For example, at a town hall strategy launch, leaders innately focus on desired outcomes and grand objectives but fail to articulate what small right actions employees need to do differently to start implementing it.

As a result, after the town hall, they continue doing the work they were doing before. In effect, they go back to implementing the old strategy.

When launching a new strategy, the objective is not only to build awareness but to explain to employees what's expected from them and the right actions to take. Yet this rarely happens, and employees come away with a "boiling the ocean" perception.

By comparison, "boil the pot" actions are specific, not vague, and small, not large. Consider the common New Year's resolution to "get healthier." What is wrong with this resolution? It is not specific enough and too large a challenge. To state the small right action, the resolution needs to go something like "visit the gym three times a week." This goal leaves no ambiguity. It's both achievable and measurable.

To break down resistance, overcome inertia, and create engagement and confidence, leaders must convey both the achievable and manageable small right actions for employees to take to start building implementation momentum.

Why Small Actions?

A "small action" appears manageable and achievable to employees. It also helps build that critical initial momentum of early successes and belief in the new strategy. For example, if employees are expected to:

- Participate in a sustainability strategy, they can be encouraged to switch off dripping taps
- Participate in our customer centric strategy, they can join a customer journey mapping
- Participate in operational efficiency, they can identify one thing within their area of responsibility to improve
- Participate in digital transformation, they can choose a learning course to enhance their digital knowledge

> "Business outcomes clarify the macro context for culture change, but employees also need to understand the micro aspect—what needs to change in their daily work and how they function as a team. To keep from overloading employees, this should be limited to a critical few target behaviors, which will allow for measurable results."
>
> – **Luna Corbetta** and **Margo Stokum**, principal and director, PwC

Thus, the success equation for implementation in an organization is:

Successful implementation = lots of people X small right actions

Leaders initially identify the small right actions during the strategy planning, and then provide support, encouragement, and resources so employees take them.

Once employees start to embrace the implementation and understand the strategy, leaders can then empower them to identify the right actions themselves. This is when leaders switch to guiding and coaching employees through the implementation journey.

How can you encourage employees to participate? Look to the following parable by the ancient Greek philosopher Socrates.

Socrates Parable

Can one coin make a person rich? A person who was given a pile of 10 coins wouldn't claim to be rich. But what if that person got another coin? And another? And another? At some point, you have to admit that no one can become rich unless one coin can make them so.

Similarly, one small right action by an employee doesn't transform an organization, but lots of small right actions by lots of employees will.

The Holy Grail of transformation is not a percent improvement but lots of people making small changes that create thousands of improvements.

James Clear, author of *Atomic Habit*, states[11]: "Various research has shown that implementation intentions are effective for sticking to our goals. Also being specific about what you want and how you will achieve it helps you say no to other things that derail and distract your attention and progress." He also says[12]: "Researchers estimate 40 to 50 percent of our actions on any given day are done out of habit."

Articulating the right actions and then breaking them into small steps is a critical because it:

- Translates the big-picture strategy into being meaningful and viable for employees
- Explains to employees how they can participate in the strategy
- Encourages greater participation across the organization
- Acknowledges that behaviors are contagious while ensuring right actions are being adopted
- Has more control over the actions employees are taking rather than waiting to see the eventual outcomes
- Ensures the organization is spending its energy, time, and focus on the right areas rather than on actions that don't create the right results

Creating the Right Levers for the Right Actions

BJ Fogg is an American social scientist, author, and adjunct professor at Stanford University. He developed the Fogg Behavior Model[13] to show the three elements that must converge at the same moment for a behavior to occur. They are:

Motivation – people need to see the benefit. (In business, this is sometimes referred to as WIIFM—What's In It For Me.)

Ability – people must have the ability to complete the behavior.

Triggers – people require prompts, queues, or calls to action that tell them to perform a behavior now.

Without the right trigger in place, the required behavior will not happen even with high motivation and ability. In a digital world, these triggers can be automated, which is explained in chapter 2 under Digital Nudges.

When a behavior does not occur, at least one of those three elements is missing. Therefore, leaders need to ensure:

Employees are motivated to participate in the implementation, have the required skills, and are prompted with the right call to take the right action.

ACTION TRIGGERS

Action triggers prompt a particular action and can be adopted within a company to motivate employees to take the right actions. An example is setting up notifications when tasks are overdue or a milestone is achieved within a project. Another example is in marketing to set up an automated email campaign so customers receive personalized messages based on their behavior on the company's website.

Peter Gollwitzer, a psychologist at New York University, has done pioneer work in this area and was featured in the book *Switch: How to Change Things When Change Is Hard* by Chip Heath and Dan Heath.

Researchers in one of Gollwitzer's studies tracked college students who had the option to earn extra class credits by writing a paper about how they spent Christmas Eve. But there was a catch: To earn the credit, they had to submit the paper by December 26. Most students had good intentions of writing it, but only 33 percent of them got around to writing and submitting it on time.

Other students in the study were required to set action triggers to note, in advance, exactly *when* and *where* they intended to write the report. An example was "Christmas morning in my dad's study before everyone gets up." Using nudges, a monstrous 75 percent of the students wrote the report.

Gollwitzer says the value of action triggers is preloading a decision—that is, setting specific intentions about when, where, and how to act toward a strategy or a goal before encountering the situation in which the action is to be taken.

He has also shown that action triggers are most useful in difficult situations. One of his studies analyzed people's success in accomplishing easy goals compared with hard goals. With easy goals, the use of action triggers increased their success but only slightly—from 78 to 84 percent. But when implementing tough goals, action triggers almost tripled the incidence of success, with completions skyrocketing from 22 to 62 percent.

Another Gollwitzer study highlighted in *Switch* was conducted on patients recovering from hip surgery. The average patient was 60 years old and had been in pain for a year and a half before the surgery. The road to recovery is long and painful. Although patients aspire to get back on their feet as soon as possible, most don't follow their doctors' orders. The study shows patients who adopted action triggers such as writing down when and where they were going to walk or do their exercises were able to bathe themselves without assistance within three weeks. Other patients who didn't use action triggers took seven weeks to get to that point. The action trigger patients were also able to stand within three and a half weeks while others took seven and a half weeks. In just over one month, the action trigger patients were getting in and out of a car on their own while it took the others two and a half months to be that agile.

Adopting Action Triggers

Adopting action triggers to support your implementation involves six steps:

1. **Know your strategy objectives.** The first step is to be clear about what outcome you want from the actions.
2. **Identify both the actions and conditions.** Determine the specific actions you need employees to take and the identifying trigger condition. These conditions may be based, for example, on time, events, or meetings.
3. **Set up trigger mechanisms.** Implement a technical infrastructure to detect conditions and initiate actions. In an operational context, setting up trigger mechanisms might involve establishing rules or criteria that, when met, automatically initiate a specific workflow.
4. **Test and refine.** Set up a controlled environment to test the action triggers to ensure they deliver the expected actions, and refine the triggers as required.
5. **Constantly monitor.** Once the triggers are in place, constantly track their effectiveness and adjust as required.

3M RULE OF THUMB

Implement emphasizes the importance of taking the right actions. To ensure this is happening, leaders can adopt a straightforward checklist called the 3M Rule of Thumb. The 3 Ms stand for:

- **M**eaningful – link how the actions employees take contribute to achieving a greater purpose.
- **M**anageable – ensure the actions employees are asked to take are achievable, even if they are pushed beyond their comfort zone, responsibility, and current ability.
- **M**omentum – focus on taking the small right actions that build momentum.

Demonstrating the relevance of the required action while making sure it is feasible assists in guiding the identification of the right actions. It also aligns with the principle of creating small early wins that will build momentum and confidence in the new implementation.

PwC conducted a survey[14] of more than 540 employees worldwide and discovered that only 28 percent of respondents reported feeling fully connected to their company's purpose (meaningful). Only 39 percent said they could clearly see the value they create. Even more staggering was that a mere 22 percent agreed that their jobs allow them to fully leverage their strengths (manageable), and only one in three of the employees thought they strongly contributed to their company's success (momentum).

When identifying the right actions, note that . . .

Change and change for the better are two different things. Therefore, make sure all actions taken are the small right actions.

CHAPTER 2

Discipline of Doing It Right

An old guru with a long, white beard is renowned throughout the land for his wisdom. He lives high in the mountains.

Two teenagers from the village below believe they can outwit the wise guru. They devise a plan to go into the forest and capture a small bird, then climb to the top of the mountain and approach the guru with the bird hidden behind their backs. They will then ask the guru whether the bird is dead or alive. If he says the bird is dead, they will open their hands to bring the bird out alive. If the guru says the bird is alive, then they will squeeze their hands and bring the bird out dead.

How could they lose?

After they catch a small bird, climb the mountain, and approach the guru, they say to him, "Behind our back is a bird. Is it dead or is it alive?"

The guru looks down at the ground and ponders, then slowly raises his head and says, "Whether the bird is dead or alive is up to you."

The moral of this story? Whether the strategy implementation

IMPLEMENTATION TOOLS

- ✓ Leadership Discipline Techniques
- ✓ Less Is More Technique
- ✓ Prospect Theory
- ✓ Digital Nudges

succeeds or fails is up to you. The outcome is in your hands. This chapter discusses how leaders can develop the discipline of doing it right themselves and for their organization.

Implementation requires ongoing discipline across the organization—without shortcuts.

GENESIS OF IMPLEMENTATION AS A SEPARATE FIELD TO STRATEGY

The topic of strategy implementation is still in its infancy. Although the field of strategy goes back thousands of years, strategic planning only started to become popular in the 1960s among corporations. It evolved from the need to conduct budgeting exercises.

The field of implementation had its seminal moment in 1999 when *Fortune* magazine[15] published an article called "Why CEOs Fail." Its cover features photos of prominent CEOs who had failed in implementing their strategies. Authors Ram Charan and Geoffrey Colvin stated that the failure stemmed not from bad strategies but bad implementations. This message sent a ripple through business leaders.

In 2002, Ram Charan partnered with Larry Bossidy, former CEO of AlliedSignal, to publish *Execution: The Discipline of Getting Things Done*. Shortly after, I published *Bricks to Bridges: Make Your Strategy Come Alive*.

Over the next few years, various articles, podcasts, and books emerged to assist leaders in understanding the importance of strategy implementation. They focused on *why* they needed to be aware of its challenges and highlighted the reasons it failed. Yet despite vast amounts of literature explaining why, implementations still fail more often than they succeed, and there is an imbalance between strategy and its implementation. What is missing?

The discipline to do it right in a digital world.

LEADERSHIP DISCIPLINE TECHNIQUES

Four considerations are critical to consider in accomplishing a successful implementation: leaders' discipline, the environment, the balance between working from home and office, and not repeating past mistakes.

1. Discipline: a Leadership Art

The difference between leaders who excel at strategy implementation and those who don't comes down to discipline. Top-performing disciplined leaders do what others are unwilling or lack the commitment to do, *and* they follow through by holding employees accountable.

As stewards, leaders are responsible for both crafting and implementing the strategy with an equal balance of passion and tenacity.

Leaders need to develop the discipline of allocating their time appropriately. This is especially true at the start of an implementation when they have multiple decisions and activities to focus on. Employees are confused about what is expected from them and what the right actions are. Their leaders are responsible for guiding them to take the right actions, reinforcing their efforts, and coaching them when they take the wrong actions.

Anyone can sit at a desk and answer never-ending emails. It takes discipline to balance managing the business while also guiding a company and its people through its implementation journey.

> "Sadly, the most common approach is to refuse to recognize and admit shortcomings in achieving strategy."
>
> – **Darrell Rigby**, Sarah Elk, and Steve Berez, Bain & Company

Disciplined leaders stand out because they make things happen. They can be counted on to drive a company's strategy effectively and model what is required. These leaders don't accept mediocrity; they constantly seek improvement in themselves, their employees, and the organization.

Leadership behavior is contagious.

In my signature seminar titled Strategy Implementation for Leaders,[16] which has been running since 2000, I asked the 48,000+ leaders who have attended where they spend most of their time and energy in their business. See Figure 2.0 and identify where you spend most of your time.

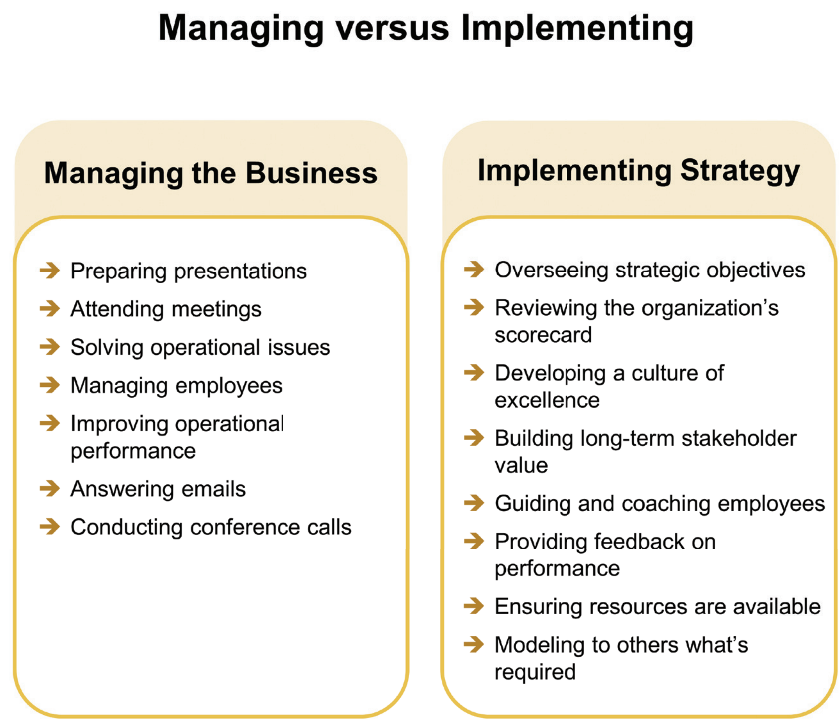

Figure 2.0 Managing versus Implementing

Most leaders I asked stated they spend the majority of their time on the left-hand side "Managing the Business" than on the right-hand side "Implementing Strategy."

The challenge for leaders is finding the right balance between managing the business and implementing the strategy.

In his book *Good to Great*, Jim Collins writes that "a culture of discipline is not a principle of business; it is a principle of greatness." Yet discipline must start with the habits, routines, and rigor of leadership, so a key question becomes, "What approaches will set the tone for a deeper culture of discipline?"

2. Discipline: Building the Right Environment

The environment affects people's actions.

When working in a digitally driven organization, for example, departments are asked to collaborate with each other and are encouraged to share information and data, especially when they're adopting agility at scale. When employees, however, are working in cubicles and silos, the environment works against what leaders are asking them to do.

The layout, design, and comfort of a workplace affect productivity and morale. Well-lit, ergonomically designed, and aesthetically pleasing environments can boost employee satisfaction and efficiency, while encouraging collaboration and communication. Conversely, an environment of noisy cubicle spaces and an absence of meeting areas can lead to discomfort, distraction, and reduced productivity.

The working environment needs to support and encourage the discipline to take the right actions.

One company moved to a new office that overlooked the river. Traditionally, the office space with the picturesque view would have been allocated to the senior leader's office. On this occasion, however, this space was designed as a shared work area for employees to have meetings and take breaks. This sent a powerful message throughout the company and reinforced the importance its leaders placed on collaboration and their employees.

Early on in DBS Bank's digital transformation journey, its leaders reallocated its head office in Singapore and used the move as an opportunity to change the office environment. They created what the bank called "Joy Space."

The term refers to the bank's building portfolio that called for open-plan collaborative spaces to revolutionize the working environment. In addition, the portfolio plan encouraged agile behaviors and other desired behaviors articulated in its Culture by Design program.

Inspired by leading technology organizations, the bank rolled out spaces with free seating that focused on collaboration, thus making the cultural transformation to agile highly visible. It also provided the right environment in conjunction with new working practices. For example, when employees had an issue to resolve, they pulled together a scrum and found an area in the open space to discuss it, including sitting on the floor if required. This configuration supported ending the silo mentality that had lingered in the bank while encouraging an agile culture.

In another example from *Switch: How to Change Things When Change Is Hard*, Chip Heath and Dan Heath highlight the importance of how the environment can control behavior. They give the example of American soldiers returning from the Vietnam War with a drug habit.

During the Vietnam War, an estimated 50 percent of American soldiers used drugs, and one in five became addicted. The government was worried that these soldiers would carry their drug habits back to America, but this did not happen. After returning home, only 1 percent remained addicted to drugs. What changed for them? Their environment. Most of the soldiers kicked the habit because they returned to places in which drug use wasn't encouraged or accepted. They were surrounded by people who loved them, and their everyday life was full of activities. Also, their friends and family gave them a tough time if they took drugs.

> "By simply tweaking the environment, you can make your change initiative more effective."
>
> – **Chip Heath**, fellow at Duke University, and **Dan Heath**, professor at Stanford University

To encourage employees to collaborate across departments, create an environment that encourages the right actions.

Perpetual Guardian is a 240-employee company in New Zealand that manages trusts, wills, and estates. In 2018 it ran an experiment[17] to see how employees would react from working 32 hours a week instead of 40 hours for the same pay. The employees reported they felt less pressured and more involved in their work than before. Interestingly, productivity increased from 30 to 40 percent as a result of holding shorter meetings and posting times for others not to disturb them.

Microsoft's Japan offices also experimented with a four-day week and saw a monstrous 40 percent increase in productivity. This approach proved successful in Sweden and Iceland as well.

Employees respond to the environment and conditions they work in.

3. Discipline: Balancing Home and Office Environments

A critical environmental component is working from home versus coming into the office to work. Many leaders are still searching for the right balance for their employees.

In 2022, BBC reported[18] on research that involved more than 20,000 employees in 11 countries. It showed that 87 percent of workers felt they worked as efficiently or more so from home, while 80 percent of the managers surveyed disagreed with their assessment.

Both Satya Nadella, Microsoft's chief executive, and Ryan Roslansky, head of LinkedIn, say employers are grappling with perhaps the biggest shift in working patterns in history. The jury is still out on deciding the right balance and, when employees work from home, how leaders can build a positive company culture.

A study by Aviva[19] that has attracted a lot of attention reveals that, since the pandemic, employees have become more focused on work-life balance than salary. The study states, "More workers said they were attracted to their current role for the work-life balance (41 percent) than the salary (36 percent). This is a switch in rankings compared to 2019, before the pandemic."

4. Discipline: Not Repeating Past Mistakes

Despite leaders having crossed the *knowledge bridge* and thus knowing why implementation fails, they habitually repeat past mistakes. It still amazes me that when leaders implement a new strategy, they repeat old mistakes but expect a different outcome. This highlights why a new approach and mindset are required to do it right. You can avoid this mistake by taking the following five straightforward but powerful steps.

Step One: Discover

Explore why implementation has previously failed by holding a review session with key stakeholders. People must feel safe so they can speak openly and honestly when answering these questions:

- What went right?
- What went wrong?
- What could have been better?

Conducting a postmortem or AAR on previous implementations is a discipline in various armed forces. AAR, which stands for after-action review, captures lessons learned after, for example, a training mission or combat operation. The stated findings help leaders identify the right path and best changes.

As Marilyn Darling, Charles Parry, and Joseph Moore point out in their *Harvard Business Review* article "Learning in the Thick of It"[20]: "Although the companies we studied actively look for lessons, few learn them in a meaningful way."

Leaders need to develop the discipline of conducting postmortems more frequently on strategy implementation so as not to repeat mistakes.

Step Two: Recommendations

After people identify the previous issues, they brainstorm what the organization needs to do differently. This requires open, transparent, and constructive communication.

The objective is to brainstorm as many different ideas as possible on how the organization can improve its strategy implementation.

Step Three: Right Actions

This is the critical step in which the people involved identify what needs to be done differently to avoid past mistakes and ensure the implementation succeeds. The suggestions in step two are reviewed and prioritized. The group then agrees on what will have the highest impact to ensure the success of the new implementation, keeping in mind that less is more (see below). It is not about creating a long list of what the company needs to do differently but finding a few critical differentiators.

High-performing companies have built into their culture the philosophy of taking the right actions to ensure what is discussed is acted upon.

As Boston Consulting Group points out[21]: high-performing teams of leaders aim to drive urgency and direction and feel comfortable with complexity, volatility, and change.

Step Four: Documentation and Accountability

The lessons learned and what needs to be done differently are captured in writing. They are then shared and acted on by everyone in the company.

People are held accountable for doing it right, and their immediate boss follows up with them on the actions they are asked to take. This may sound straightforward and simple, but holding people accountable is poorly practiced by many managers.

Data shows[22] that 82 percent of managers acknowledge they have "limited to no" ability to hold others accountable successfully, and 91 percent of employees would say that "effectively holding others accountable" is one of their company's top leadership-development needs.

Step Five: Revisit

During the implementation, the document created in step four is reviewed at least every six months (typically more frequently within the first year of an implementation) to ensure the organization is constantly learning, adapting, and moving forward.

Rita McGrath, author and professor at Columbia Business School, passionately challenges leaders to revisit the assumptions they make, especially when considering their strategy. She encourages C-suite and board members to ask these two questions[23]: "What assumptions are we making about future demand? What is the evidence that these are warranted?"

Leaders also lack the discipline to work on less rather than more, which is one of the most powerful principles of strategy implementation.

LESS IS MORE TECHNIQUE

At the rollout of a new strategy, considerably more must be done, and every activity seems important and urgent, especially at the start. Discipline is required for leaders to prioritize and recognize what can be achieved when they focus on "less" rather than "more" actions.

When the focus is on more, employees become confused about what is important. They compete for limited resources, attend an endless number of meetings, can't get ahead of their work, and fight a slow and often bureaucratic culture as they try to please everyone (but often end up pleasing no one).

The "less is more" technique creates a focused, resource-rich, implementation-concentrated culture in which employees have the time, space, and support to do their daily work as well as take the right implementation actions.

The "less is more" concept was captured in an article titled "When Choice Is Demotivating: Can One Desire Too Much of a Good Thing?"[24] Written by psychologists Sheena Iyengar and Mark Lepper from Columbia and Stanford University, it appeared in the *Journal of Personality and Social Psychology* in 2000.

This straightforward approach says that by focusing on less, we can achieve more. As an example, Iyengar and Lepper cite a jam experiment that involved a grocery store displaying 24 different jams for customers to view and purchase. In a similar setting on another occasion, the store displayed six different jams. Consider these three questions:

1. Which attracted more jams, the display of 24 jams or the display of six jams?
2. Which sold more?
3. How much more?

Most people fail to answer all three questions correctly, but the results reinforce the "less is more" technique.

What happened? The 24 jams attracted 60 percent more shoppers than the six jams, and three of those shoppers bought a jam. The display of six jams attracted 40 percent of the shoppers, and 10 times more jam was sold than the display of 24.

This indicates that when people have too many choices, they have a fear of missing out on something better. They freeze up and are unable to make a decision (sometimes called decision paralysis). This experiment was repeated for other products such as ice cream and chocolate, and it produced the same results, again proving "less is more." Psychologists call this the paradox of choice.

People assume having more choices will make them happier, but this isn't true. In fact, having more choices makes them unhappier, and having *too much choice* can be a hindrance.

Decision paralysis can even disrupt Cupid! For example, during speed-dating events for singles in search of a romantic partner, it's been found that people who meet eight potential romantic partners one-on-one make more connections than those who meet 20 other daters.

"Less is more" is also true when winning an Olympic bronze medal. A study[25] of medalists in the 1992 Barcelona Olympics, conducted by Victoria Husted Medvec, Scott Madey, and Thomas Gilovich, was published in the *Journal of Personality and Social Technology*. Comparing the emotions felt by people winning a silver medal versus those winning a bronze medal showed that bronze medalists tended to be happier than silver medalists because of alternative outcomes. That is, the most compelling counterfactual alternative for a silver medalist is winning gold, yet for a bronze medalist, the alternative is finishing without a medal.

The Number of Strategic Objectives to Focus on Every 12 Months

In business, applying the "less is more" technique raises the question, "How many strategy objectives should an organization focus on every 12 months?" How would you answer these questions?

- When the focus is on three objectives in a year, how many are achieved?
- When the focus is on four to 10 objectives in a year, how many are achieved?
- When the focus is on 11 to 20 objectives in a year, how many are achieved?

Research has identified that when the organization focuses on three objectives, it achieves all three. When it focuses on four to 10 objectives, it achieves one or two of them. When it focuses on 11 to 20, it achieves none. This is because resources run thin, employees get confused about their priorities, and everyone gets overwhelmed by the number of meetings they need to attend.

Everybody is working hard, but nothing is getting done.

BCG analysis[26] shows that complex initiatives tend to fail more often than simpler ones. Some are complex by being overly over-ambitious. For example, they may have too many KPIs or too many milestones—for example, 30 when 10 would suffice.

In contrast, when the organization focuses on only three objectives over 12 months, it sends a clear message to employees about what is important and where to prioritize. It also focuses the organization, reduces the number of meetings, and allows for more effective allocation of resources. That's why striving to complete three objectives a year is ideal.

> I don't look to jump over seven-foot bars. I look around for one-foot bars that I can step over."
>
> – **Warren Buffett**, CEO, Berkshire Hathaway

Examples of Too Many Objectives

In 2009, the French retail giant Carrefour appointed Lars Olofsson as its new CEO. Olofsson had helped build the success of the Nespresso coffee business, and board members were hoping he would bring some of the magic from Nestlé into Carrefour. Olofsson launched seven retail strategies simultaneously that included agility, customer engagement, innovation, global expansion, and more. He advocated for the hypermarket approach, investing significantly in the refurbishment of large stores to transform them into the luxurious "Planet" style.

This multiple strategy approach, however, caused confusion across the business. Carrefour faced persistent questions over its direction and strategy, both internally and externally. In the next three years, the chain lost its domestic market share, its share price plunged 53 percent, and Olofsson stepped down in 2012.

In another example, Philips, a Dutch multinational conglomerate, focused heavily on innovation for the first 10 years of the new millennium. Its CEO, Frans van Houten, kept saying, "Innovation is at the heart of what makes us unique. And innovation is a fundamental condition for profitable growth of Philips in the future."

Before long, Philips became the top patent filer in Europe, and by 2011, it had more than 60 active product categories. Each product category had its own stand-alone system to support the customers and products. This caused complexity across the value chain and led to customer and employee difficulties. Consequently, the organization's stock price plunged. The cause? Excessive innovation and trying to achieve too much. Less is more.

Positive Examples of "Less Is More" Technique

The following examples demonstrate where leaders focused on less to achieve more.

Alcoa Focused on Workers Safety

When a new CEO is appointed in a publicly listed company, investment analysts listen eagerly to his or her first presentation to understand the new leader's thinking and strategy. Here's what happened with Alcoa in the late 1980s.

Alcoa makes aluminum that goes into, for example, Coca-Cola cans and Hershey's Kisses wrappers. Paul O'Neill was named its new CEO to rejuvenate and revitalize the struggling organization. He later served as the United States secretary of the treasury as part of President George W. Bush's first term.

In O'Neill's first presentation to analysts, he did not present how he would address rising costs, or control inventory, or deal with threats from competitors. Instead, he focused only on workers' safety—his number one priority. He explained how some employees worked with metals at a temperature of 1,500 degrees, and others worked with machines that could tear off an arm.

This emphasis on worker safety left the audience of analysts stunned. After hearing O'Neill's presentation, many investors even recommended selling Alcoa stock. Within 12 months, however, the company's profits had hit record levels. By the end of O'Neill's tenure, its stock value had risen fivefold.

This CEO achieved more by focusing on less, which involved identifying what was most critical to transform the business. As O'Neill commented, "You can't order people to change. I decided to start by focusing on one thing. If I could disrupt the habits around one issue, then it would spread throughout the entire company." And it did!

Porsche Reduced Number of Models

In 1993, Wendelin Wiedeking was appointed CEO of Porsche. He inherited a company that was bleeding cash, had limited working capital, and was near bankruptcy. To improve the production and efficiency of its car-manufacturing operations, he introduced the Toyota production system. Wiedeking cut down the production line to support only the 911 model, killing production of the unprofitable 928 and 968 models.

When asked by an analyst about his strategy for an entry-level Porsche, he gave this classic response: "Porsche's strategy for an entry-level Porsche is to buy a used Porsche." Porsche has traditionally positioned itself as a premium, high-performance car brand. The idea of maintaining exclusivity and a high price point is key to this brand image. By suggesting that an entry-level Porsche is a used Porsche, the organization reinforced the notion that even their most basic new models are exclusive and not necessarily intended for the entry-level luxury car market.

Burberry Stayed the Course

When Angela Ahrendts became Burberry's CEO in 2006, she announced five strategic priorities for the company. They included intensifying non-apparel sales, accelerating retail-led growth, and investing in underpenetrated markets. Ahrendts stuck with these priorities for seven years. She updated employees and investors regularly on the progress against each goal, which reinforced the core message and the company's commitment to achieving those objectives. During this period, Burberry's share price handily outperformed competitors and the broader market.

Starbucks Eliminated Two-Thirds of Its Projects

When Roz Brewer became COO of Starbucks in 2017, she restructured the business by eliminating two-thirds of the projects underway in the corporate office. Instead, Brewer focused on these three priorities: 1) beverage innovation, 2) store experience, and 3) the digital business. Before long, she gained a reputation for making tough decisions and sticking to them. "We just lined everybody up and said if it doesn't fit in these three lanes, we're stopping the work."

An analysis of the Standard and Poor's 500 organizations between 2014 and 2015 showed that, of the 71 percent of organizations that published their strategic priorities, most listed three and five priorities. By limiting the organization to three strategic objectives, they achieved more by focusing on less.

> "Describing a strategy favors complexity, but executing it requires simplicity."
>
> – **Donald Sull**, lecturer, MIT Sloan School of Management

One of the biggest roadblocks to implementation and a powerful example of "less is more" is to require fewer meetings within the organization.

Reduce the Number of Meetings

Many leaders and employees run or click from one meeting to the next every day. Only after office hours are they able to catch up on emails and action items at their desks.

Freeing up space for employees to take the right actions is essential. Reducing the number of meetings employees must attend is one of the easiest and most effective ways to achieve this. Consider that:

- Nearly a third of meetings are unnecessary.[27]
- Large companies could save as much as $100 million a year by holding fewer unnecessary meetings and cutting down on their invite lists.[28]
- According to Steven Rogelberg, professor at North Carolina University, 55 million meetings a day occur in the U.S. alone.
- 90 percent of people report daydreaming in meetings.[29]
- A Harvard Business School study[30] found that CEOs spend 72 percent of their total work time in meetings, and many were too long (they could be cut in half).
- 73 percent of people admit to using meetings to do other work.[31]

Having too many meetings is a critical area where leaders lack the discipline to change their organizational structure to enable the implementation. It is also an issue that has plagued organizations for too long.

> "Meetings are a symptom of bad organizations. The fewer the meetings, the better."
>
> – **Peter Drucker**, management consultant, educator, and author

Applying the "less is more" technique is not only about having fewer meetings. It includes organizing them to take up less time. By default, most meetings are organized for 60 minutes. Instead, identify the objective for the meeting and allocate a reasonable time. When possible, make it less than 60 minutes. It's amazing how the agenda always manages to fill in the time allocated!

In a 2022 *Harvard Business Review* article, "Dear Manager, You're Holding Too Many Meetings,"[32] authors Benjamin Laker, Vijay Pereira, Ashish Malik, and Lebene Soga state that when 76 global companies registered their meetings over 14 months in 2021 and 2022, employees reported these results:

- From a 20 percent reduction in meetings, there was a 35 percent increase in productivity and 48 percent increase in satisfaction.
- From a 60 percent reduction in meetings, there was a 73 percent increase in productivity and 65 percent increase in satisfaction.
- From a 100 percent reduction in meetings, there was a 64 percent increase in productivity and 42 percent increase in satisfaction.

Another way to create time and space for employees to take the right actions is to . . .

Create a culture that disallows meetings on Friday afternoons and Monday mornings.

This allows employees to catch up with their work at the end of the week and then relax over the weekend. It also allows them to start the week by preparing and therefore being better organized.

A vice president of a global organization found that members of his management team were spending up to three-quarters of their time in meetings. He decided to:

- Forbid morning meetings altogether, freeing time for value-adding activities.
- Impose a one-hour time limit for meetings deemed necessary and require all meeting hosts to send participants an agenda and clear objectives in advance.
- Make a point of leaving meetings after 55 minutes.

In addition, whenever an agenda and objectives had not been sent by a meeting's starting time, he'd ask to reschedule the meeting.

Shopify is an example of a company that addressed the challenge of too many meetings. Its leaders told their employees it was wiping out all recurring meetings with more than two people "in perpetuity" as part of what it called a "calendar purge." Employees were told to scrap all meetings on Wednesdays and that any meetings of more than 50 people could only take place during a six-hour window on Thursdays. Overall, Shopify employees were encouraged to say no to meetings and remove themselves from large internal chat groups.

Leidy Klotz, author of *Subtract*, proposes that one way to trigger a mindset to delete items from a meeting agenda is to use straightforward rules such as the "rule of halves." Imagine cutting meetings by 50 percent based on dimensions such as number, length, and size. What would happen in your organization?

DBS Bank recognized how poorly organized and too many meetings affected its business, especially causing disruption in its initial digital transformation. Its leaders launched their digital strategy in 2014. In the annual leaders meeting in 2015, the top 250 leaders asked, "What is the biggest roadblock to our success?" After much discussion, they agreed it was attending meetings. The solution was to reduce the number of meetings employees attended.

But simply telling employees to attend fewer meetings doesn't achieve the desired outcome, so the bank created a MOJO program. Once in place, the program resulted in the bank doubling the effectiveness of meetings and eliminating 500,000 wasted employee hours. This freed up valuable time for implementation.

What does MOJO mean? MO stands for meeting owner. That person has three responsibilities:

1. State the purpose and context of the meeting.
2. Summarize key points at the end of the meeting.
3. Ensure everyone has an equal voice to leverage collective intelligence.

JO stands for the joyful observer. That person keeps track of time and commits to giving honest feedback to MO on how well they have performed their job.

MOJO frames a meeting using this easy-to-remember mnemonic: eDATES. It stands for:

- Equality of Voice – Prioritize online participants.
- Data-driven – Present relevant data and share insights.
- Agenda – Have a time-boxed agenda.
- Timeliness – Start and end on time.
- Equal different views – Invite others to Wreckoon (challenge thinking).
- Summarize – Recap outcomes and assign responsibilities.

DBS bank developed a MOJO app that is available for anyone to download.

During a meeting, participants might discover that initiatives or actions or even the strategy is failing. Logic would dictate to then adjust or even abandon what is happening. And yet leaders continue down the wrong path, often throwing additional resources at it. The reason for this is explained under the prospect theory.

PROSPECT THEORY – WHY LEADERS ARE RISK ADVERSE

Why might leaders continue with a strategy, initiative, or action when they are failing? Because of the prospect theory, leaders avoid announcing a failed activity, as people have a natural tendency to avoid loss associated with current activities rather than seeking out potential gains from a new approach.

Prospect theory is a behavioral economics model developed in 1979 by Daniel Kahneman and Amos Tversky. It is also known as the loss-aversion theory. Kahneman and Tversky proposed that a loss has a greater emotional effect on people than the equivalent gain does. People are more likely to try to avoid a loss than go for a gain. For example, imagine you just gained $1,000. Compare your reaction to how you'd feel if you just lost $1,000. Which has the larger emotional response for you?

Studies show people tend to place greater value on avoiding losses rather than making gains.

For example, a gambler who has lost $300 in a casino is more likely to continue gambling to recoup the loss than somebody who has won $100. The same happens in business. Leaders continue to gamble on an unfilled strategy, as they are afraid to walk away when it's not working. They believe changing direction locks in a loss and eliminates an opportunity to salvage the situation. Not wanting to give in, they escalate their commitment to initiatives that are failing. They rationalize and justify their choice to others in meetings. Unfortunately, and much too often, the escalating commitment yields even greater loss.

Prospect theory directly affects strategy implementation, as the risk tolerance of key decision-makers can significantly influence the cadence, scale, and nature of strategy initiatives. For example, a leader might be more inclined to pursue aggressive expansion (a risk-seeking behavior) when trying to recover from losses rather than when the company is experiencing gains.

The final part of this chapter emphasizes how leaders can develop the discipline for doing it right in the digital world by leveraging digital nudges.

DIGITAL NUDGES

Digital nudges are technology assists and AI driven that support leaders and employees to make better choices and thus take the right actions.

Nudge theory was formalized and popularized by behavioral economist Richard Thaler, who was awarded the Nobel Prize in Economics in 2017 for his work.

At the simplest level, a nudge in an office is a sign at the door of a meeting room reminding people to switch off the lights. Today, nudges have gone digital. Office systems are built, for example, with meeting timings set by default to 50 minutes. Individuals might use a health tracker watch that encourages its wearer to walk more steps, wind down 30 minutes before sleep, or relax with deep breathing for one minute.

Digital Nudges Solving the Last Mile of Strategy Implementation

When your organization must transform, a critical challenge occurs in the last mile—that is, ensuring employees change their behaviors. Providing more motivation and knowledge does not work. By leveraging AI, you can dramatically increase the likelihood of employees taking the right actions at the right time via *digital nudges* that drive people to change their behaviors.

Digital nudges are customized to prompt specific actions within the context and pace of each employee's working environment. They can result in up to a 30 percent increase in productivity and accelerate the implementation and significantly improve participants following up after they complete a course. Discover more at https://bridgesconsultancy.com/solve-the-last-mile-of-the-implementation-challenge.

An example could be a specific group text with updates on the work achieved in the last seven days. It could also be a personalized email reminding someone that a piece of work is due within 48 hours. Or it could simply be sending a thank-you emoji to an employee after completing a project.

Professor Michael Netzley, CEO of Extend My Runway, is a neuroscientist with whom I have collaborated to develop digital nudges to support strategy implementation.

Professor Netzley says, "Such reminders are indeed useful (e.g., from health trackers), but the deeper promise of nudging extends well beyond simple reminders or pop-up messages. Based on leading research at the end of 2023, the most effective nudges are not inspirational messages or sharing knowledge and deadlines. Instead, the most effective nudges shape a choice that you are about to make.

"Imagine, for example, it's Monday and you are preparing for your meeting with your team. Do you initiate a brief *daily stand-up meeting* to discuss and encourage high-level progress? Or will you schedule a meeting through Outlook and request your team to prepare a report? By using brief, bite-sized messages that are written to resonate, we can trust that a greater number of people will select the better, more impactful choice.

"With people making over 32,000 choices each day, there is not enough time to carefully deliberate each or for managers to monitor each. As a result, most people default to what they have always done or rely on mental shortcuts (i.e., biases) that are 'good enough to get by.'

"These biased shortcuts are predictable, and therein lies the opportunity. If we can predict what shortcuts people will take, we can then use behavioral science to nudge them and shape a choice for the better before the actual decision is made."

Leaders can shape choices by leveraging AI to create digital nudges that lead to better choices internally and better conversations with their customers externally.

The best part of nudging is that it trusts people to choose the better path. Dr. Thaler calls this "libertarian paternalism," which means nudges will briefly remind you what is the more impactful choice, but it's your decision to make. The decision continues to rest with the leaders and employees.

Nudging's hands-off approach makes sense because, in today's digitally transforming world, it's often the person closer to the customer or on the ground who knows more about the work. Therefore, it makes more sense to enhance and empower the employees, which is what nudging does.

Embed Digital Nudges Into Your Organization

One of the start-ups I've invested in is Professor Netzley's Extend My Runway, which focuses on nudging new behaviors among leaders and employees to rewire their brains for achieving peak performance.

Extend My Runway marries digital nudging with neuroscience to create a faster, better way for people to adopt new ways of working and to act with impact. A machine learning backend learns about you, adapts to you, and delivers personalized nudges that resonate and reframe your most important choices.

It's the world's first brain-based database built to unlock behavioral change. The science and technology are embedded in this proven three-step development process:

1. Assess and create a baseline.

2. Deliver personalized nudges that promote behavioral change. Behavioral science and design is the key.

3. Unlock peak leadership performance by training the brain and expanding the boundaries of your leadership capability.

This presents an unprecedented opportunity to elevate organizational and personal performance by embedding leading science and technology into talent development and performance.

Digital nudges can accelerate your implementation.