

Will your strategy stick?

by Shawn Callahan

The nature of the successful strategy is changing. Today, a company's success depends in large part on how deeply its strategy is understood and embraced. This understanding and acceptance gives an organisation the ability to learn and adapt to changes faster than its competitors. It becomes more agile.¹

While most companies expend considerable effort and resources on creating a strategy, few focus on the fundamental question, *"Do we have a strategy that will be understood and embraced?"* Or to put it another way, *"Do we have a strategy that will stick?"*

There are many things you can do to make a strategy stick. At Anecdote, we have a 12-month program that helps participants to achieve this result. But some strategies are just better than others from the moment they come out of the strategic planning gate. Here, we will examine the stickability of the new strategy.

There are a number of obvious factors that reduce the chances that people will understand or believe your company strategy. For example:

- If it's longwinded, it will be forgettable
- If it's merely a task list, a series of dot points, it will be forgettable
- If it's abstract or ambiguous, it will be forgettable.

We all know this. These are the obvious mistakes.

But less obvious are the factors that will *increase* the chances that your strategy will be understood and embraced.

Here are five things that will help your strategy stick.

1. A meaningful purpose

The executive team sat around the boardroom table. They'd reached an impasse. Half the group felt the company's purpose was merely to return value to its customers and shareholders. The other half thought the company existed to provide a financial safety net for its clients' families during the toughest times. In the end, they compromised and said it was both, instantly reducing the potential impact of their strategy.

Purpose is the bedrock of strategy. If employees don't care about their company's purpose, they are unlikely to invest any energy in understanding it, let alone believe it.

A strong purpose, one that everyone is proud of, one that has meaning beyond merely making money, helps make your strategy stick.

2. Clear, bold moves

Companies have gotten into the habit of believing that a strategy is a vision, a mission, with values and strategic objectives or goals. But as strategy guru Richard Rummelt makes clear, this alone is a recipe for a bad strategy. A good strategy requires strategic choices, or what we call bold moves.²

Objectives such as *'Great place to work'* or *'People engagement'* are not bold moves. Rather, employees want to know, in broad terms, *"What are we going to do?"*

A case in point is when the natural resource giant BHP Billiton shed *'all parts of the business that weren't natural resources'* – a bold move. It sold its steel business, its IT consulting division and its fleet of vehicles, among many other things. Its goal was to focus on being a leading global resources company, and it was willing to make bold moves to achieve this.³

Strategies with clear, bold moves are more likely to stick.

3. You can feel it

Even as a boutique consulting firm, we still take ourselves through a strategy creation process every three years. In fact, we've just finished the process of creating our new strategy, and I have to say that, while considering our next bold moves and where we want to get to in the next three years, I had a knot in my stomach, a mixture of excitement and trepidation. We were facing a real challenge and I could feel it – it was palpable.

Humans are hardwired to notice differences. If a strategy is just *'more of the same'*, then it's likely to remain unnoticed. On the other hand, a strategy that evokes an emotion will grab our attention and we will want to know more.

We remember what we feel. A strategy that triggers an emotion, that make us feel it, is more likely to stick.

4. In sync with leadership behaviour

People have finetuned bullshit detectors. If a company strategy says, for example, *"We are going to embark on a strategy of collaboration"*, but every single employee knows that their leaders have never demonstrated a single collaborative behaviour, then they are highly likely to dismiss this strategy as BS.

However, if a strategy is in sync with what we know is the character of our leaders and the culture of our organisation, it becomes plausible. For example, when IBM took the bold

move of leading with IT services, the history and capabilities of the company supported its strategy. It was a plausible story.

A strategy that is aligned with and reinforces the ingrained behaviour of a company's leaders is more likely to stick.

5. Can be shared as a story

A strategy that can be shared as a story is more memorable and meaningful than a collection of dot points and abstract statements like, *"We will provide branded products and services or superior quality and value that improve the lives of the world's consumers, now and for generations to come"* (from Procter & Gamble).

Converting your strategy into a story has three other benefits: **1)** the story explains why particular bold moves were chosen; **2)** it's easier to retell a story than a series of dot-point arguments, no matter how well honed they are, so it's more likely it will be shared across your organisation; and **3)** a story can be expanded or contracted depending on the audience and the time you have available.

Wrapping your strategy in a memorable story will help make it stick.

So as you are developing your strategy, think about how you can craft it to increase its chances of being quickly understood and embraced throughout your company. The five factors described above are a good checklist to start off with.

¹Allen, J. & Zook, C. 2012, *Repeatability: Build Enduring Businesses for a World of Constant Change*, Harvard Business Review Press, Boston.

²Rummelt, R. 2011, *Good Strategy/Bad Strategy: the Difference and Why It Matters*, Crown Business, New York.

³Thompson, P. & Macklin, R. 2009, *The Big Fella: the Rise and Rise of BHP Billiton*, William Heinemann, Sydney.



Shawn Callahan is the founder and a director of Anecdote Pty Ltd, a management consulting firm that helps companies make their strategy stick with the natural power of stories.

Its clients include IBM, Shell, KPMG, the Australian Treasury, Fuji Xerox, NAB, Cadbury, Schweppes and Rio Tinto.

Other articles by Shawn and the Anecdote team at www.anecdote.com

You can automatically receive Shawn's future articles via email (at no cost) by subscribing to Anecdote's newsletter on our website <http://www.anecdote.com.au/subscribe.php>

Contact Shawn at:

Phone: +61 3 9923 7370

www.anecdote.com

shawn.callahan@anecdote.com

twitter.com/unorder

anecdote[®]
Putting stories to work[®]