

Brief

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A bias for action: building a strong delivery culture

Failure of strategy is mainly due to the inability to execute effectively

Research suggests that organisations that perform well over the long-term have a strong delivery culture. One survey by Bain showed that firms only achieved 63% of the expected results of their strategic plans and that much of the gap is due to the inability to execute effectively. Culture lies at the heart of success and yet fewer than 10% of leaders believe their companies have the right one. Creating a bias for action requires a culture with two essential dimensions.

First: a successful culture needs a unique personality

Every winning culture has a unique personality and soul that cannot be invented or imposed. Based on shared values and the heritage, the company's character can only be discovered from within. A distinctive personality is not a product of best practice or benchmarking. It must be authentic. This unique personality is often taken for granted and sometimes underestimated, particularly where it was shaped by a founder or previous leader.

Next: cultures strong at execution also have six clear common features

- 1. External focus:** A 'do whatever it takes for the customer' attitude is part of the organisation's DNA. The leadership view is often: 'put customers first and profit will take care of itself'. Action-biased cultures also have an external radar that keeps an eye on the competition, combined with regular measurement of the needs and expectations of customers and partners.
- 2. Individuals who team:** Neither clones nor solo heroes are good for execution. Building trust through solution focused debate (where it is safe to debate alternatives), managing differences and quickly aligning behind agreements, are all essential.
- 3. Passion, energy and a desire to win:** Winning in an execution culture is not focused primarily on financial success. Metrics are chosen which everyone can understand and be driven by – and which reflect the business model: customer advocacy and speed to delivery are favourites. Celebrating success is an important reinforcement of what counts, whether individual events, proof points, or milestones.
- 4. Keeping it simple and concrete:** Communication is vital to shaping culture. This does not mean an abstract strategic overview but a clear and concrete direction – easily and regularly translated into personally relevant experiences and actions. To have credibility leaders must themselves act and behave in line with the stated priorities.
- 5. Sense of responsibility:** This stems from high expectations and a deep sense of personal accountability, backed by frequent assessment of performance. Traditional once a year appraisals are replaced by ongoing coaching and 'live' explicit conversations about progress and performance.
- 6. Courage to change:** The sense of performance and responsibility is matched by flexible responsiveness to new situations and ideas. Managed risk-taking is encouraged if it means open-mindedness to deliver new solutions at short notice rather than 'stick to the rules'.

Cultures like these do not happen by accident, nor are they sustained without determination by leaders. One of the many benefits of explicitly describing what a good delivery culture looks like is to enable recruitment, career development and performance management to support it in a joined up way.