6 Tips for getting better results from your strategies in 2009.

I've run strategy workshops for 4 different groups this month and have one more offsite still to do. In all of these sessions, part of the time is spent evaluating the things that are going on both outside and inside the company. The topic which has been dominating this part of the discussion so far has, of course, been the economy.

Everyone is focused on the deluge of bad news and pessimistic forecasts which pour from the newspapers, Internet, radio and TV all day, every day. Credit is tight, the auto sector is a mess, the stock market continues to behave like a yo-yo and both business and consumer confidence – not surprisingly – is at an all time low. Some forecasters are saying the economy will rally in late 2009, others are saying it will take years before we see significant improvement. How do we know how bad will it be – and who do we believe? But what's new about that?

Tip #1 - Remember that we have always had to deal with uncertainty when developing plans and strategies. It's probably true that there is more uncertainty this year than in previous years. However, don't forget that no one has ever been able to accurately predict the future with any degree of consistency. The best way to deal with uncertainty is to build flexibility into our plans and strategies. For example, instead of predicting one outcome, think about the best, worst, and most likely outcomes and be ready to deal with all of them. This actually doesn't take more time because, in the past, we – consciously or subconsciously - considered and rejected several outcomes before we chose the one we pursued. This year just don't discard them. Anyway, developing strategies and plans are, relatively speaking, the easy part – implementing them is much more difficult. So…….

Tip #2 – Make sure that you actually implement your strategies. According to a recent Ernst & Young survey, an amazing 66% of corporate strategy is never executed. But implementation is, in our experience, just as poorly handled in owner managed companies. Why is that? Generally they have fewer employees, are often located in the same premises and have fewer departments and layers - all of which should make communication and coordination easier. There are, however, a number of reasons why strategy implementation fails and the remaining tips will help you avoid them.

Tip #3 – Develop detailed Action Plans for execution. Begin by asking the team (involving key people from the company can get them to buy into what has to be done) in what way the company will be different to how it is now, after the strategy has been executed. Compare the future with the current situation and gaps will appear. Then ask the team specifically what has to be done to close the gaps, by whom and by when. The answers to those questions will form the basis of the Action Plans.

Tip #4 – Avoid attempting too much, for 2 reasons. Firstly, we want to stay flexible enough to respond to whatever happens and be able to switch from the outcome we chose to one of the others. Secondly, there may be a long list of things to be done to close the gaps. Very few companies have the resources to attack them

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all. So, prioritize the things which have the most impact on success and/or which are easiest to do and focus on those. We can go back and tackle the others when we've completed the priorities.

Tip #5 – Commit enough resources to completing the priorities. All business owners are inclined to tackle too much at once and to try to do everything in the minimum amount of time, while spending as little money and involving as few people as possible. However, think about the priorities this way. We've invested a significant amount of our time and our team's time identifying the best opportunities for the company in 2009 and figuring out the really important things that must be done to take them, while staying flexible. All of that effort will be wasted unless we commit the resources required to complete those actions successfully. Even if we think we're allocating too many resources, we probably aren't. And if we are, it may just mean that we complete the job ahead of schedule. Who doesn't feel good when that happens?

Tip #6 – Follow up regularly and in a structured way. There are at least 2 good reasons for doing this. Remember the point about no one being able to accurately predict the future with any degree of consistency? That being the case, we have to compare what we thought would happen with what has happened and make any necessary adjustments. Secondly, what could be more important than ensuring we successfully complete the actions that will lead to the execution of our strategies? Not the day-to-day tactical problems that demand so much of our time – and which are always urgent. However, the only way to prevent these urgent problems getting in the way of the important priorities is to have the discipline to review the assumptions that underpin our plans and strategies and review progress toward completing them with our team at least once a quarter.

As usual, to take issue with anything I've said or to share your experiences, send me an email at jimstewart@profitpath.ca or call me at 416-258-9610.

Finally, an unashamed marketing moment. The partners at ProfitPATH have managed companies through both growth and recessionary cycles. We understand how to develop great strategies and have the experience (look for our grey hair – well, look for the men's grey hair) to know how to implement them successfully. If we can help you with any aspect of the development or implementation of your growth strategy in 2009 we'll be happy to do so. Contact us at growprofits@profitpath.ca if you'd like to have a coffee and discuss your situation.

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