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The ART in Leadership - Adopt. Relate. Transform.

Unpacking the 'Strategy Execution' Science & the Tools to Get things Done

“... you can't steal execution ...?”

“... you can't steal
execution”



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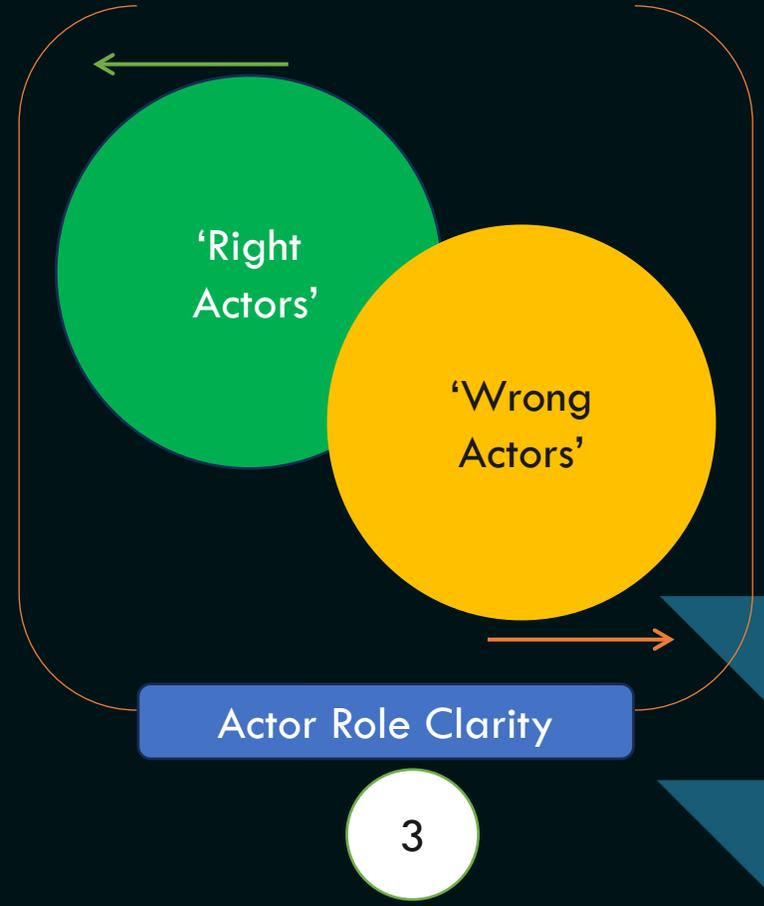
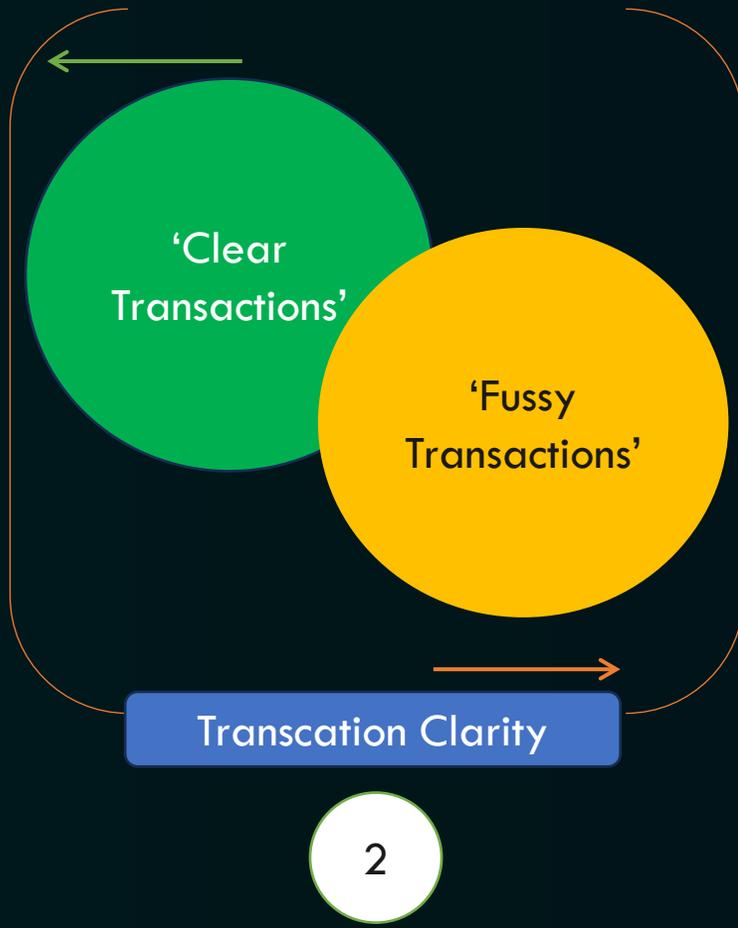
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Strategy Execution Consultant, Feasibility
Advisor, Reader, Lecturer, Mentor







Objective of this session

- To locate Strategy Execution in the realm of Strategic Management and expose the myths and the facts about this critical organisational capability
- Show that organisations opt to be designed or engineered for strategy execution prior to programme/ project role out.
- Demonstrate the importance of focusing on the essence layer (where it matters) when designing for execution.
- To give proactive insights and tools to *get things done*.



The Agenda

1. Myths about Strategy Execution
2. Some facts about Strategy Execution / Implementation
3. Unbundling the path from Strategy Formulation to Strategy Execution
4. Common Approaches to Address the Strategy Execution Challenge
5. Gaps / Limitations of the Current Approaches
6. The Enterprise Engineering Approach to Strategy Execution
 - The EE Fundamentals
 - The EEbSE Framework

Structure: Context – Core – Connection (CCC)



Some facts about: **strategy implementation**

- The case for lack of success or competency in strategy execution (strategic initiatives implementation) is well reported so is the need for more pragmatic ways of getting things done
- Even though several interventions have been recommended and administered, extant literature on strategic management show that **a significant number of strategies (+60%) still fail in execution.**
- An investigation into **why CEOs fail** and are replaced also showed that **a significant number of cases failed on strategy execution.**
- Fortune magazine as quoted by MacLennan (2011) reported a thought-provoking observation that **investors rarely have problems with companies' strategies but are rather looking for successful execution** as corroborated by Radomska & Cyprian (2020) and Bawtree & Young (2022).
- There is limited research on holistic vehicles to drive execution or execution-centric strategy implementation frameworks



Myths & Implications | Strategy Execution

Implications

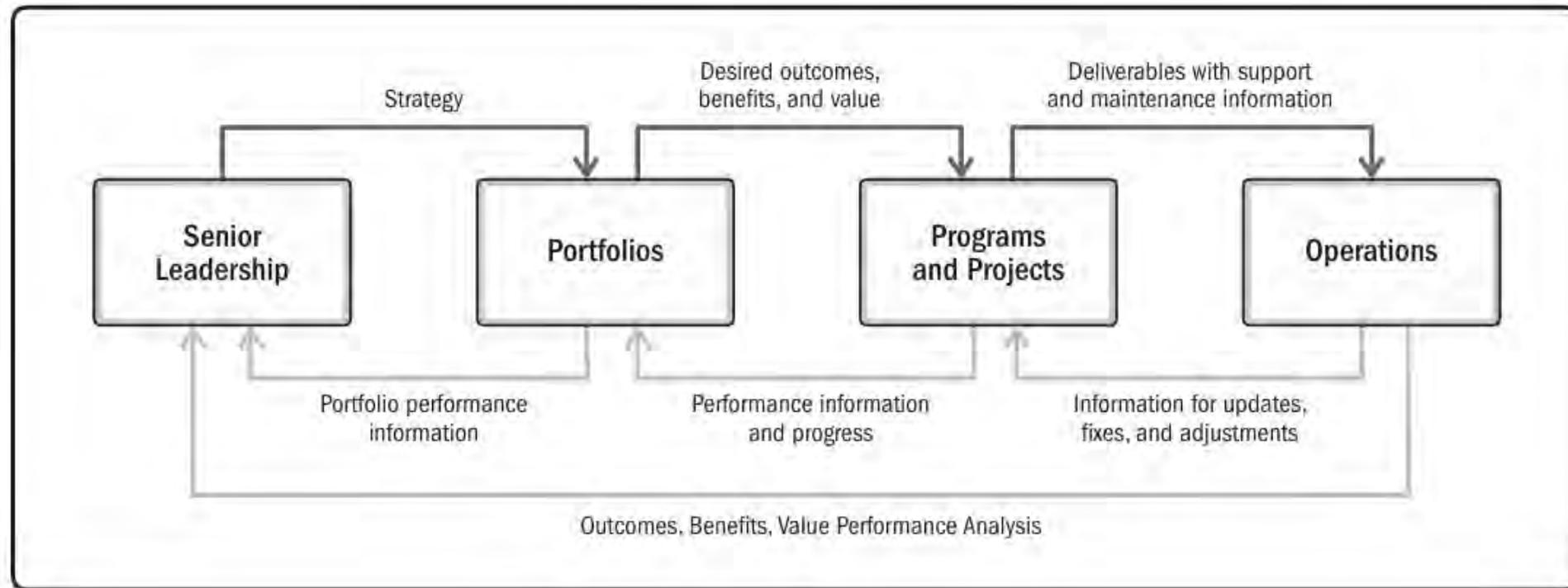
Myths

- Strategy execution (SE) is **easier than strategy formulation** - *in other words more 'complex'*
- Strategy Execution is **independent from Strategy Formulation** (Two separate processes)
- Strategy execution is **the tactical side** of the business hence the SLT should not be 'really' involved
- Because of the perception of simplicity of SE, it is or **should be delegated to lower levels** of the organisation
- **Bringing-in an external consultant** or a change manager to oversee and report on the project will 'crack the calculus'

- Project Managers and Operational managers are 'left alone' to run with complex projects. The SLT, EXCO level is rarely involved in SE except just asking for updates.
- SLT hands over strategy to the operational team (the tactical teams) so they can focus on bigger issues – strategy formulation
- Little or no resources (financial, equipment, technical support etc.), or training efforts are channelled to SE initiatives
- Strategy execution research is limited so are academics and practitioners pursuing this research agenda
- SE is approached from a narrow perspective (e.g., Change Mgmt., Reporting, Generic Frameworks) ignoring context nuances, organisational design alike.

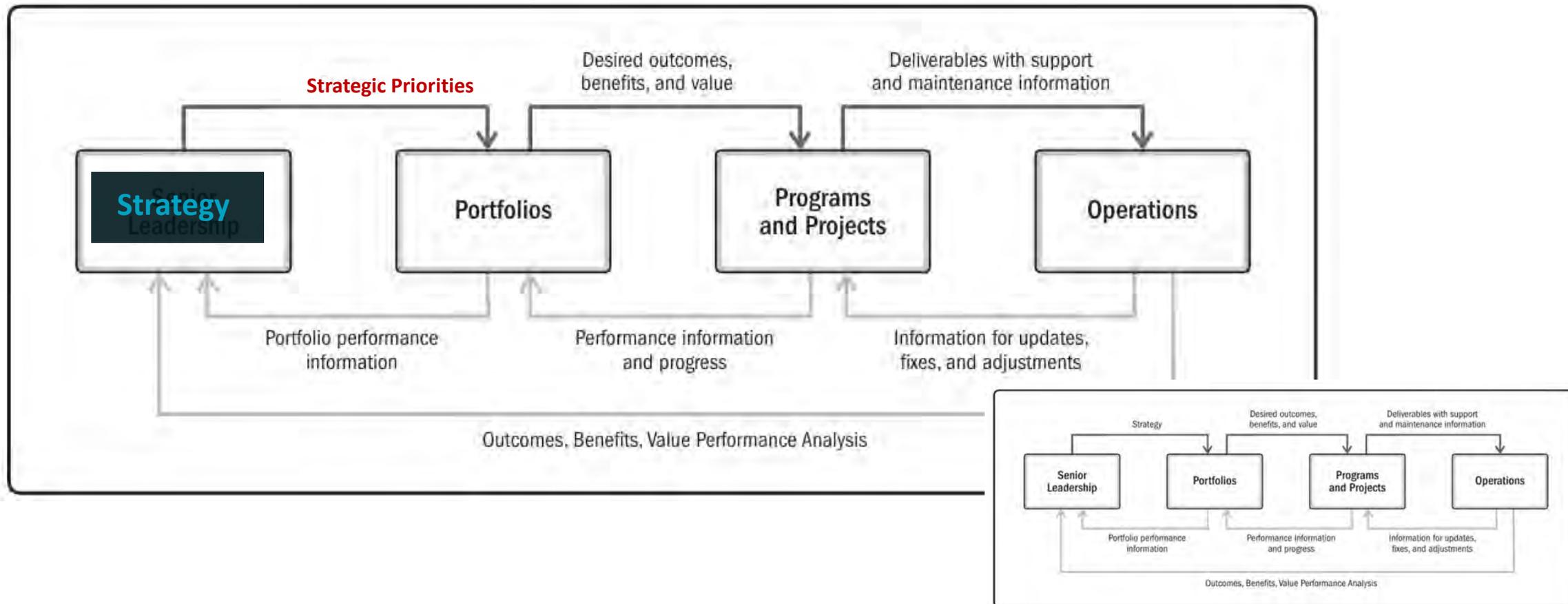


PMBOK | Model of the flow of information



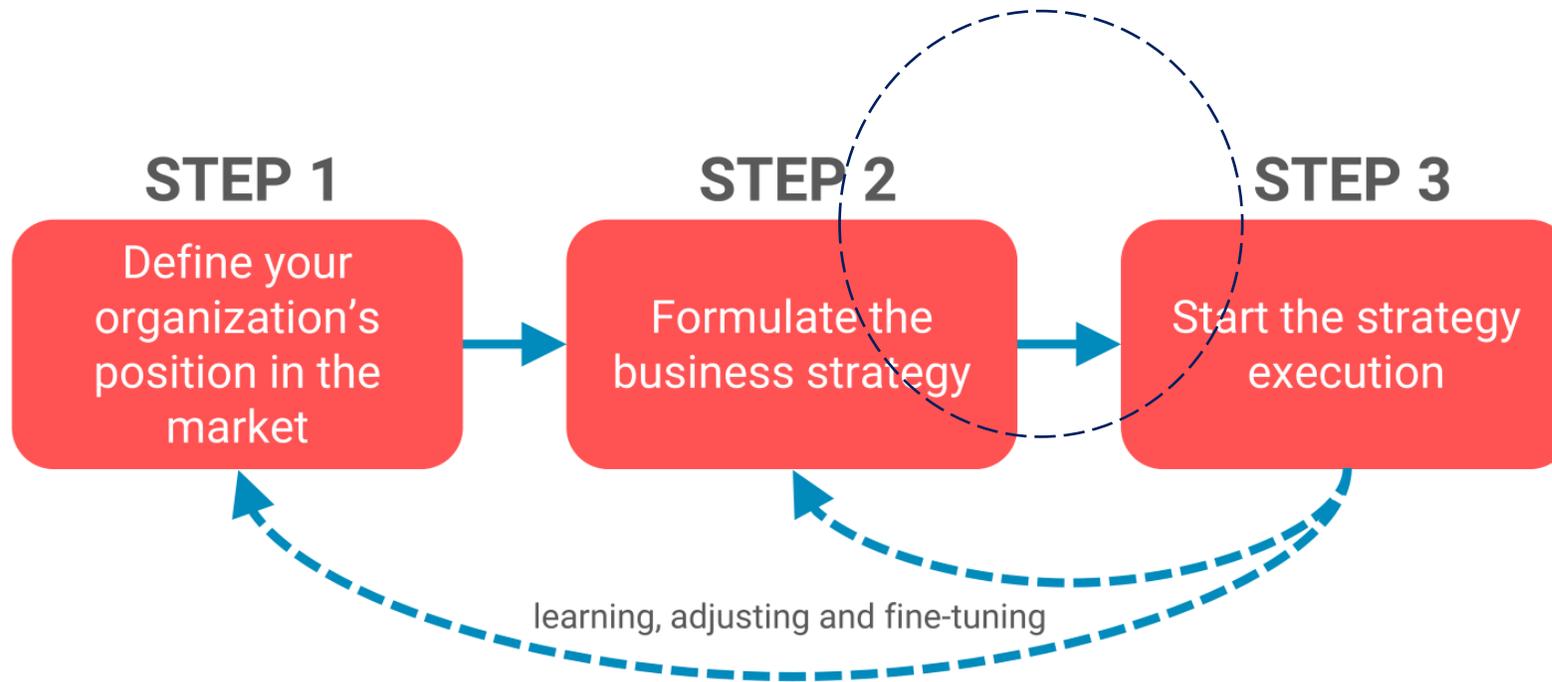


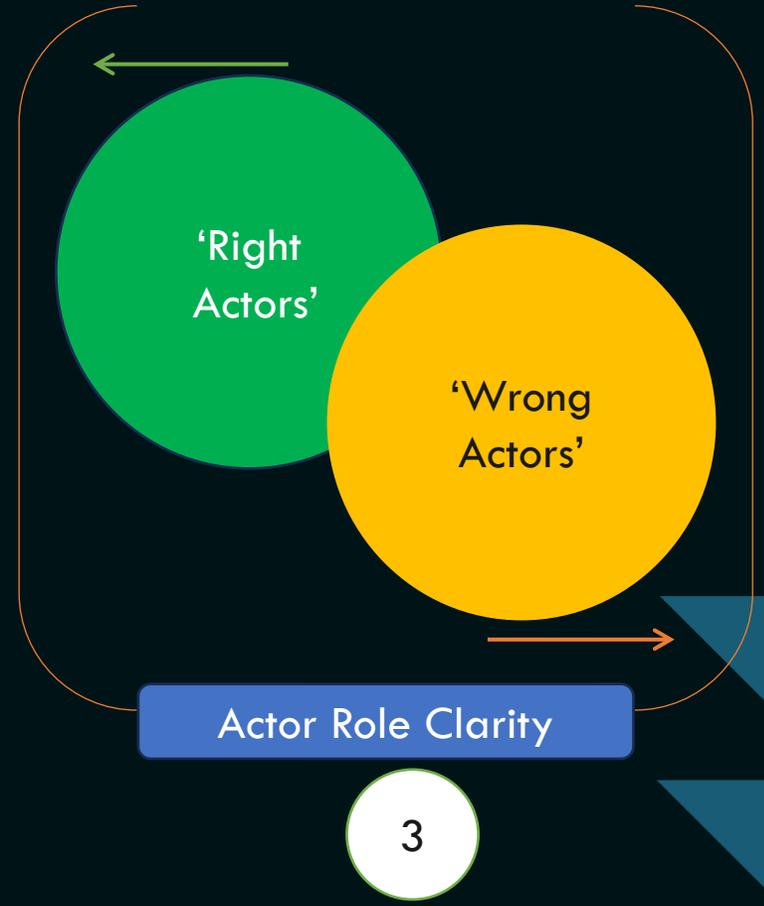
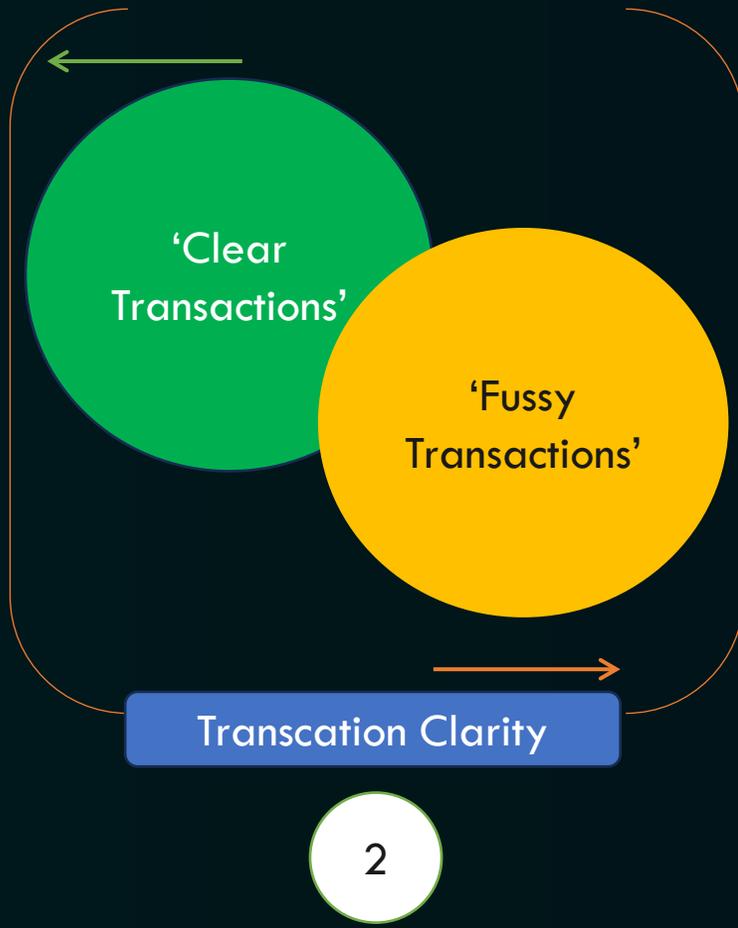
PMBOK | Model of the flow of information Ver 2





Unbundling the path | Formulation to Strategy Execution





“... you can't steal
execution”





Strategy Defined | What is ... and is not a Strategy

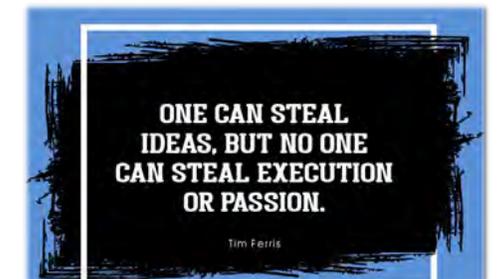


What is not a Strategy?

- A string of buzzwords: for example, our strategy is to: ... digitize, pivot, monetize, crowdsource, increase topline revenue, optimise cost, innovate.
- A financial projection
- A thick report or a detailed report
- An industry analysis
- A detailed plan or schedule
- A laundry list of ... To Do's

What is a Strategy?

“A set of choices ... that gives a cohesive response to a specific challenge that will define how an organisation is going to ‘win’ (or remain competitive)”



Attributes of a Good Strategy vs a Bad Strategy

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Good Strategy

A 'good' strategy:

- Is a coherent mix of vision/mission, actions & resources to deal with a high-stake challenge (an important end)
- Must be understandable & logical
- Should be cognizant of organisational context and capabilities
- Should clearly define the trajectory of the organisation – enroute to the 'Desired State'.
- Takes into consideration the specific industry cycles (...rides on the waves)
- Takes into consideration the limitations or weaknesses/ flaws of competitors
- A good strategy should be executable (in other words must be realistic)

Bad Strategy

A 'bad' strategy

- Is full of 'fluff' – it uses big words or 'flowery' language to create an illusion of Board-level thinking.
- Does not face the problem. In other words, it is a list of desirable outcomes.
- Emanates from a list of things to be achieved, a budget, or simply a stretch goal. This can be linked to a lack of identification and analysis of the challenges an organisation is facing.
- Is difficult to understand at first sight or the strategy is unnecessarily complex largely because it's masked with 'fluff'
- Has no relationship with the industry cycles nor links with the emergent waves (for example it ignores the current trends in technologies)
- Does not take into consideration the strengths and weaknesses / flaws of competitors or the organisation itself.
- Is difficult to execute, if it does it is difficult to sustain the execution as it is vulnerable to the environmental forces.



Kernels - of a Good Strategy

- **A diagnosis (what is going on)** – this is an analysis and definition of the challenge or obstacle the organisation is facing or likely to face to comprehend the situation.
- **A guiding framework** – is an overall approach to deal with the present or future critical challenge/s identified ... to build on to or create some type of leverage or advantage.
- **A set of coherent actions** – these are steps that are coordinated with various stakeholders to carry out the guiding policy.
- **Co-created with internal stakeholders** – not **template-style consultant-imposed strategy** [Wherein entities focus on filling the blanks with the vision, mission, values, and then strategies in that order]
- The strategy should be built and operationalised by “**pulling from the future (the desired state)** rather than “pushing from the present”

“... the purpose of strategy is to change the trajectory of the organisation from its current trajectory of strategic reality [or the default path (if nothing is done)] to its trajectory of strategic intent” Trafford & Boggis (2017)





“... you can't steal
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Strategy Formulation

Strategy Execution

Diagnosis

Environment Analysis:

- a. Industry Analysis: Macro, Micro & Market
- b. Competitor Analysis: specific analysis of rivals
- c. External Changes: Life Cycle, Demand, Supply

Using tools like:

- SWOT
- SPACE Matrix
- Reality check of the status of the current strategies

Customer Analysis

- Choice 1
- Choice 2
- Preferred Choice
-
- Choice...n

'A Good' Strategy

Develop the SE Framework

Communicate the Strategy (the Strategic intent. The organisations trajectory and the unacceptability of the 'as is')

Review & Monitor - plan how to institute/enhance missing capabilities (options: Develop; Outsource; Acquire or Partner)

Set of coherent actions and related Actor Role Clarity

Piloting – Further Analysis of the Strategy (if need be)



Problem, Opportunity, Challenge or, a Threat

Check the trajectory of the organisation – Acceptable / Not acceptable

Reflection on alignment with Vision and Mission

Project Director

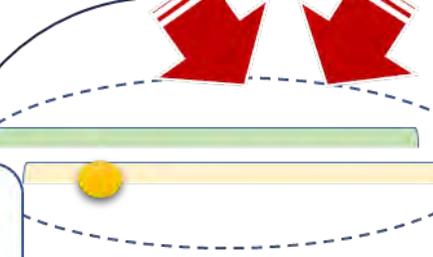
Portfolio Manager

PMO Lead / Head

Programme & Project Management

Programme Manager

Project Manager



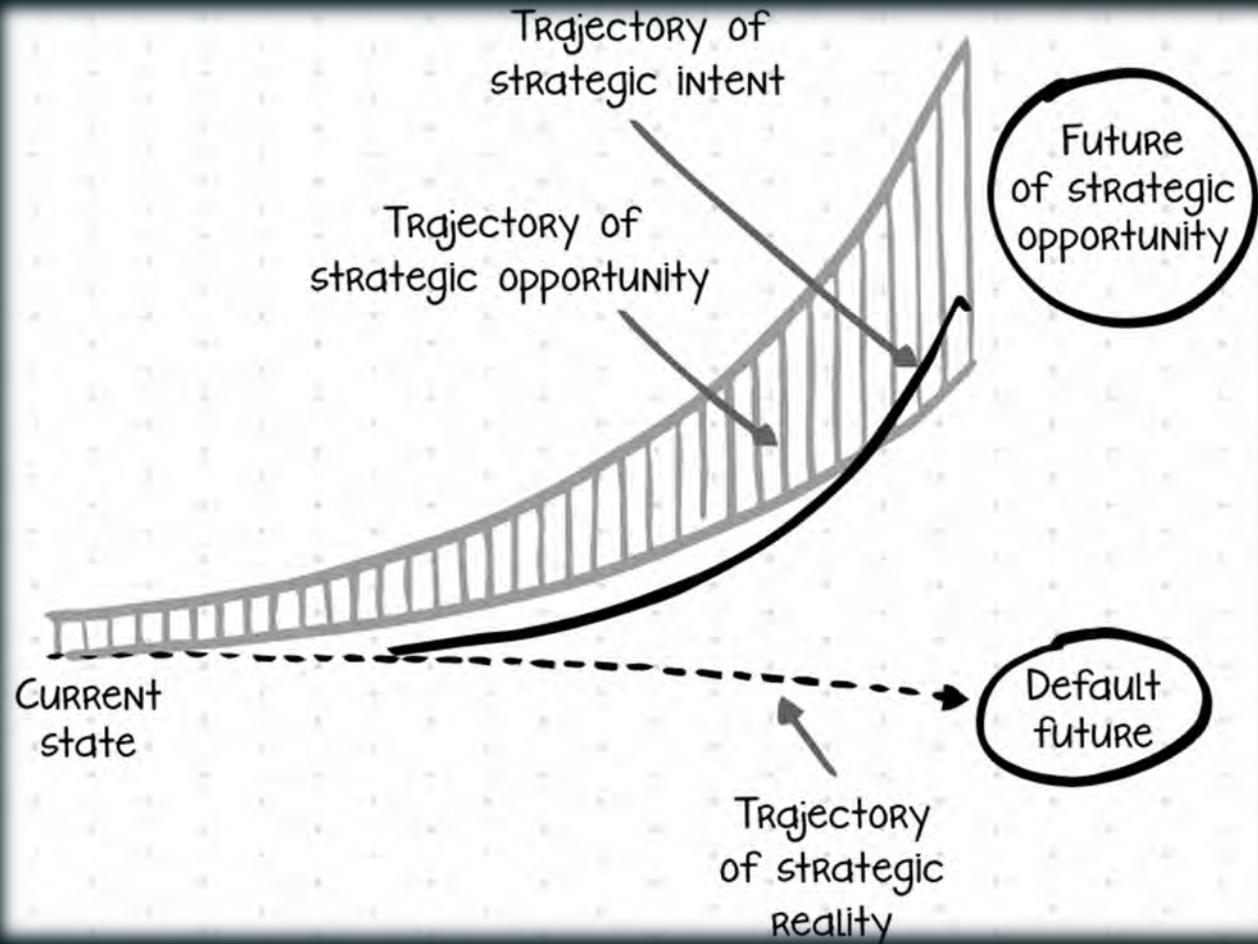


Strategy Execution | Defined

Strategy execution is,

“... the process of operationalising the strategy to ensure the desired future state of an enterprise is achieved and sustained”





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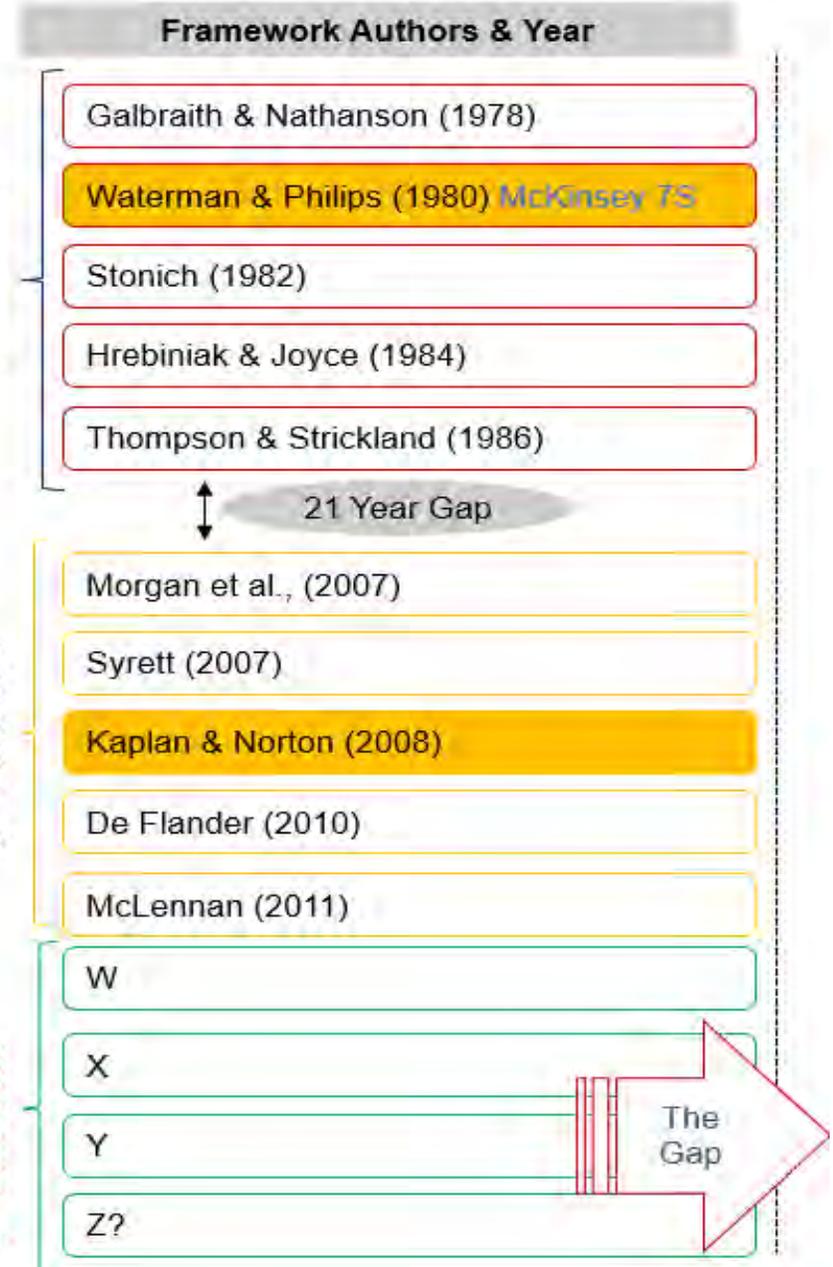
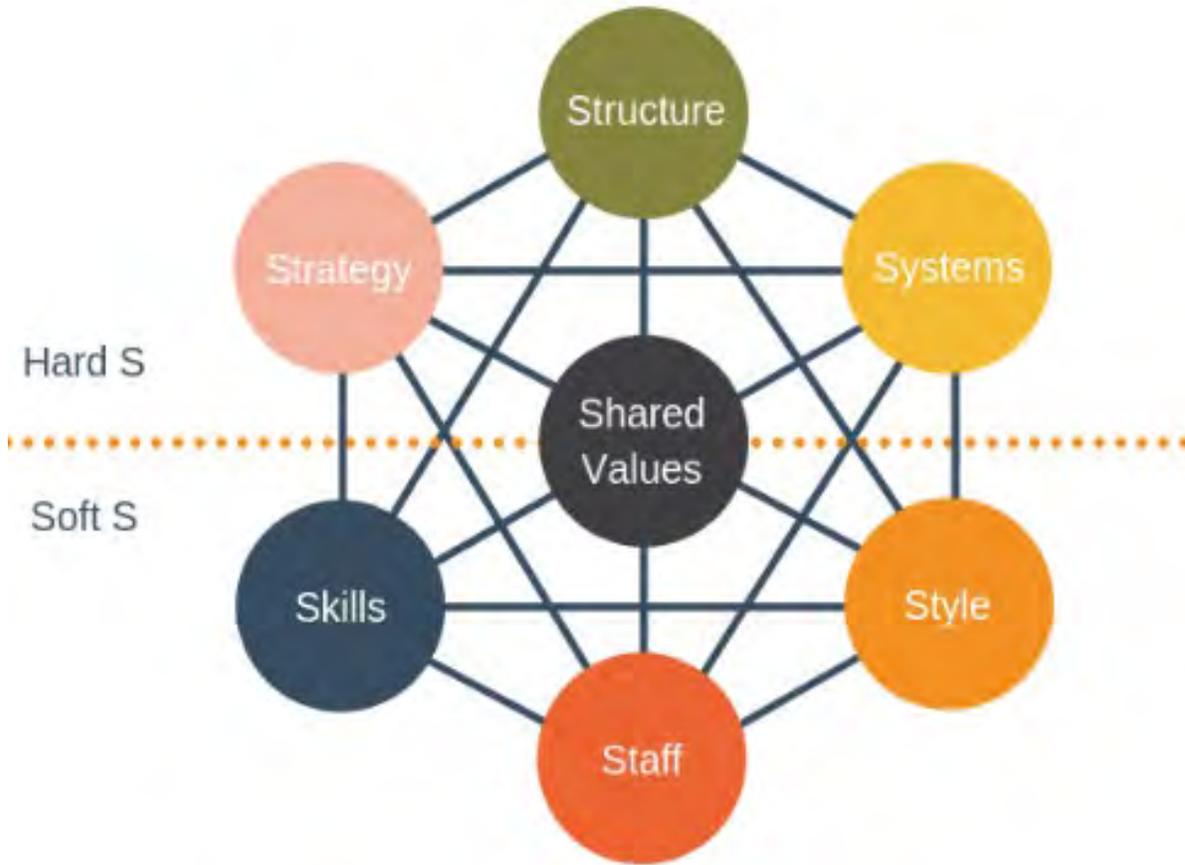


The purpose of strategy is to change the trajectory of the organization from its trajectory of strategic reality to its trajectory of strategic intent

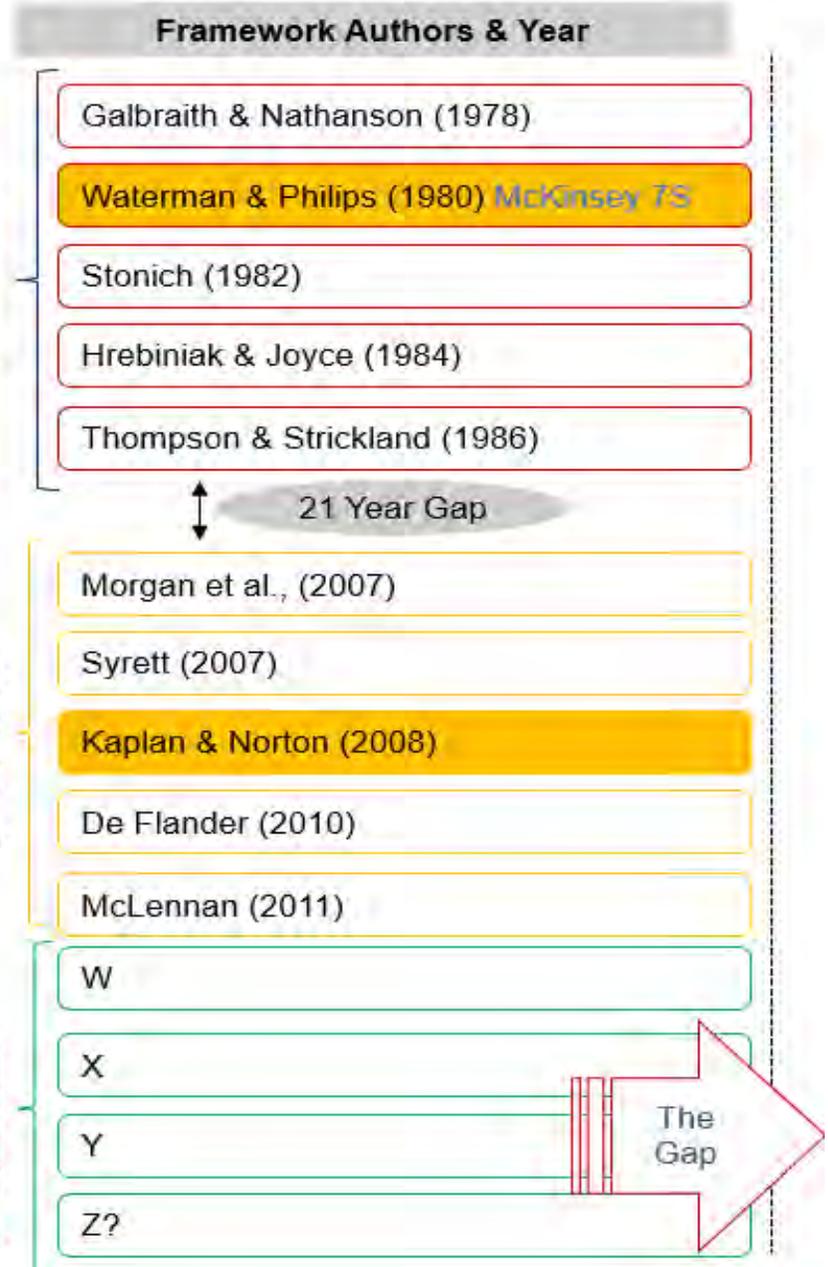
Locating the Challenges of Strategy Execution | The 6 Buckets

- a. the Quality of the Strategy itself (since execution framing starts in the strategy formulating stage)
- b. Processes of translating strategy into action
- c. Organisational Capabilities
- d. Resource Allocation
- e. Cultural Context (readiness of an organisation to adopt strategy from a culture perspective) and
- f. Leadership
- g. **Enterprise Design** (readiness of an organisation to adopt strategy from an enterprise design perspective)

Dominant Generic | SE Frameworks



Dominant Generic | SE Frameworks



Gaps / Limitations of the Current SE Frameworks

- a. They are **not** designed to take care of the complexities inherent in organisations
- b. Very few frameworks are designed to intentionally translate the intended strategy into practice.
- c. Most ignore the external environments – or external content and therefore the related exogenous forces.
- d. The current frameworks acknowledge the need of skilled staff but do not go deeper into the relationship between actor roles and the transaction in question.
- e. Focus more on the Infological layer and Datalogical level and is silent on the **ontological aspects (for example the cooperation elements including the make-up of agreements).**

The Case for Enterprise Engineering

1. In simple terms, EE can be defined as the engineering process applied to enterprises (Dietz & Hoogervorst, 2013, Fernandes & Tribolet, 2021).
2. EE is a relatively new discipline that represents a paradigm shift in the way organisations are viewed.
3. Organisations have traditionally been viewed as a 'black box'
4. The metaphor of the black box relates to... typifying a system that is known externally - the exterior is visible, but nothing much more than that.
5. EE advocates and is about finding the construction elements inside the 'Black Box' hence the paradigm shift from the 'Black Box' to the 'White Box' perspective.
6. EE theory is anchored on three (3) notions:
 - a. Viewing an organisation as a 'complex social-technical system' – hence the reference to the systems approach and acceptance of enterprises as organised complexities
 - b. The 'enterprise design requirement' wherein an enterprise is described as an intentionally created cooperative of human beings with a certain societal purpose
 - c. Communication, is a necessary and sufficient basis to frame the relationship between 'actor roles' in an enterprise.

Two Fundamental Perspectives | White box vs Black Box



Functional, teleological

perspective:

- Closed, “black-box” view
- Management, control oriented
- Design knowledge not required



Constructional, ontological

perspective:

- Open, “white-box view
- Design, change oriented
- Design knowledge essential



Ontological

The Core | The Agreement level

- making agreements to ensure things get done
- The level where commitments are made
- The infological & datalogical levels follow the ontological

Infological

The Content Level

- Looks at the content of info (reports etc.)
- Ignore the format of the info (unlike the datalogical)
- Because it looks at the content – makes a call on publishing options

Datalogical

Focuses on the Carrier

- Relates to the format in which information is captured
- It is about the carrier of info rather than the info itself
- How info is molded – print, email, etc.



There is need to drill down to the deeper level of the organisation | to understand the essence of the organisation.



Ontological

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- *The level where commitments are made*
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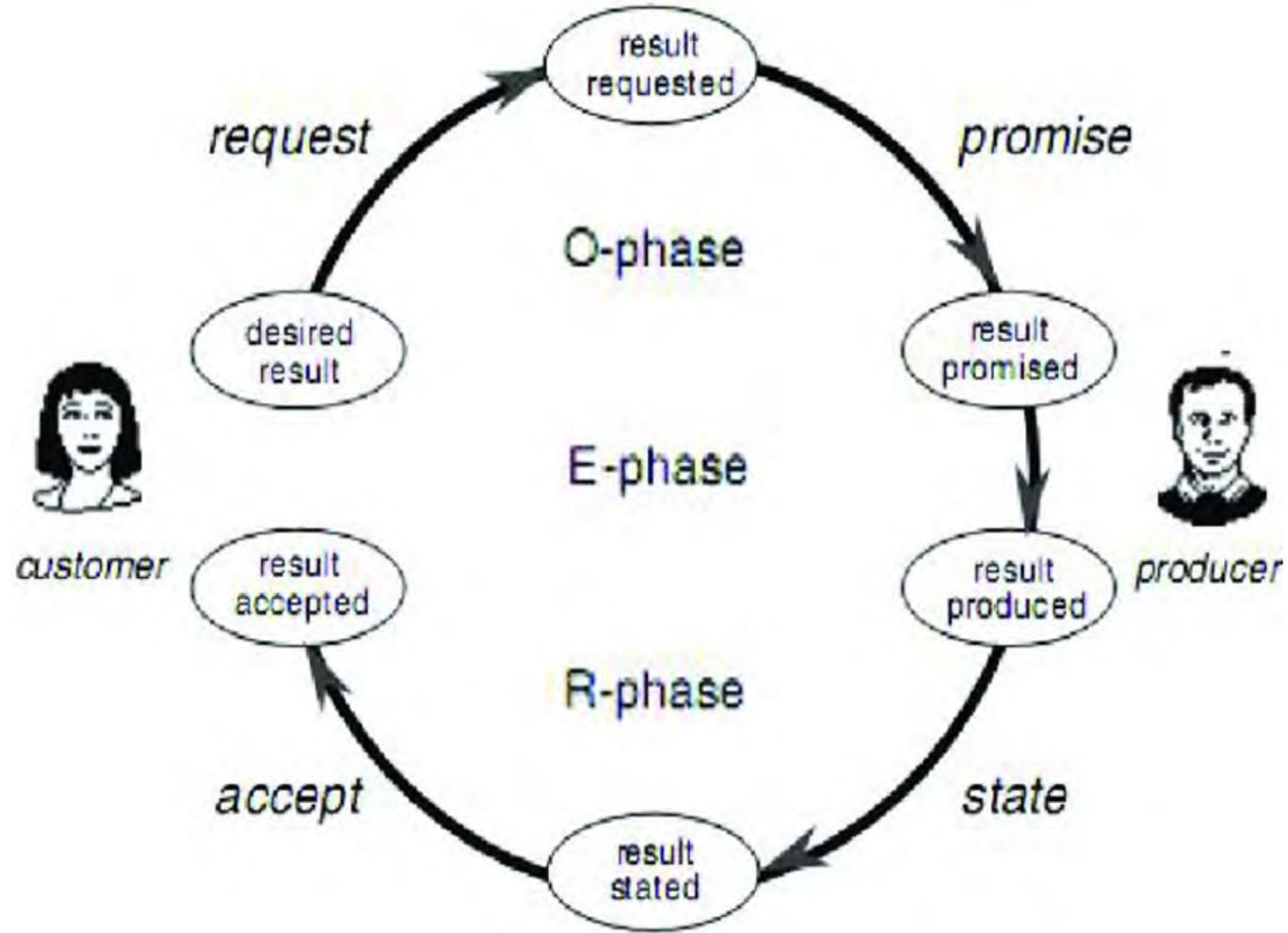
Datalogical

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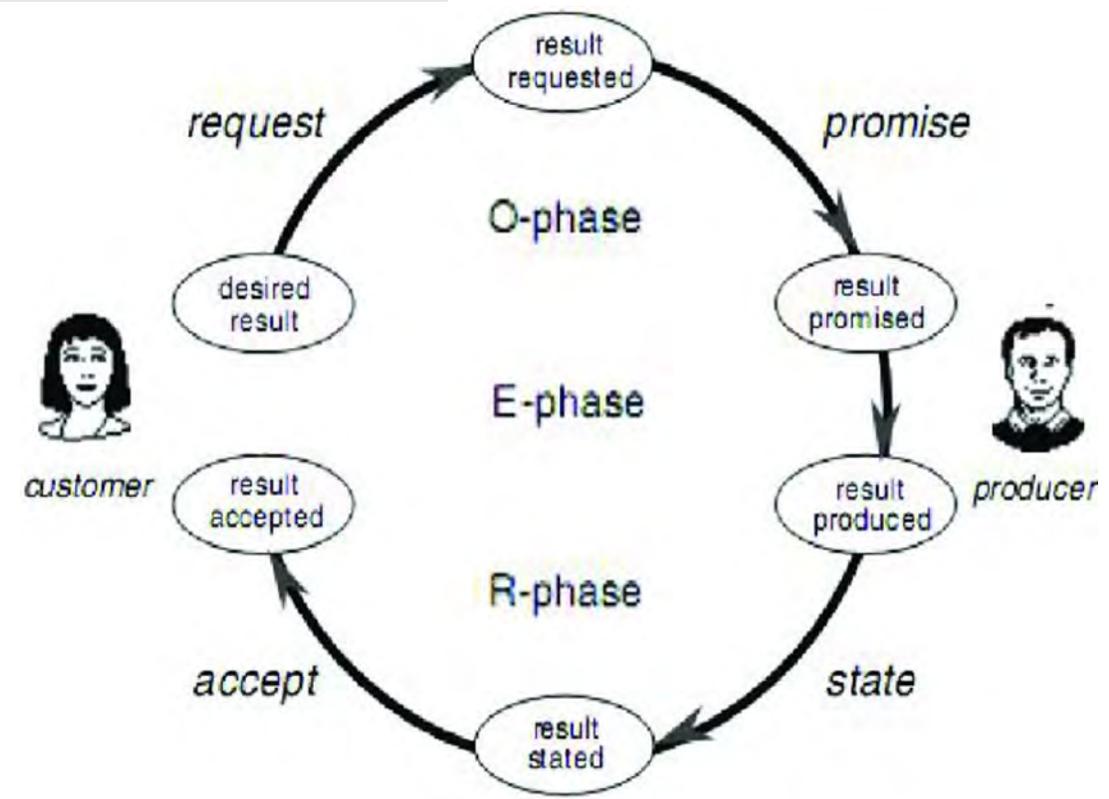
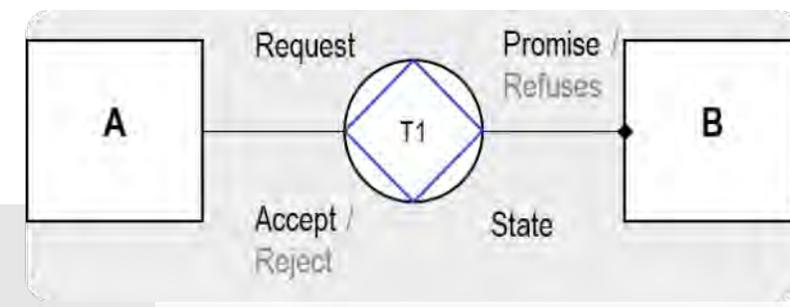
There is need to drill down to the deeper level of the organisation | to understand the essence of the organisation.

The Basic Transaction Pattern

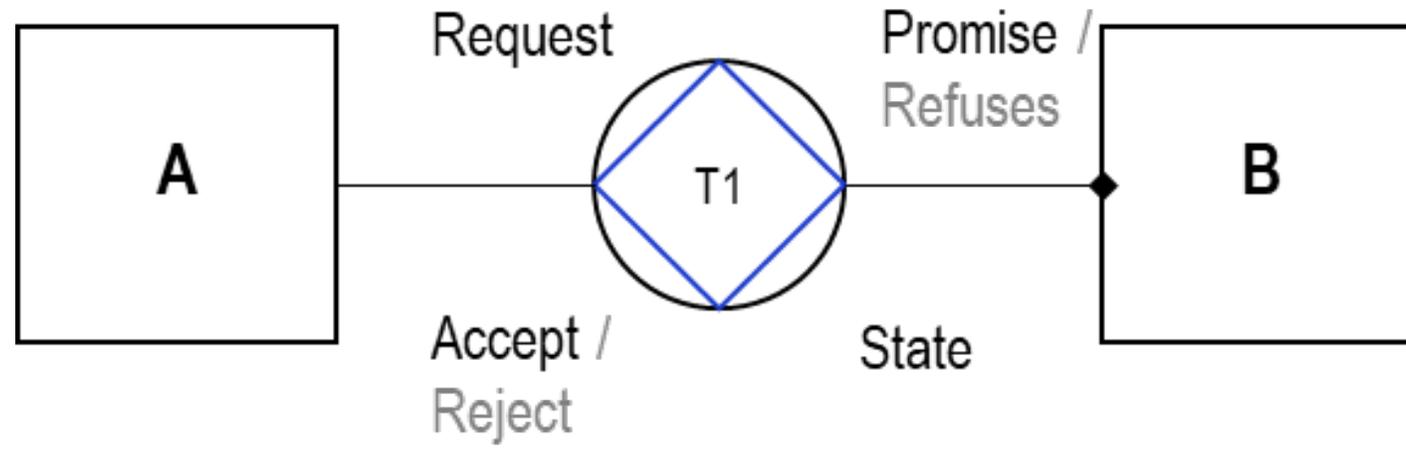


The Basic Transaction Pattern

- *Initiator: makes a request*
- *Executor: promises or declines to transact*
- *Executor: performs the state and offers the product or service asked for*
- *Initiator: accepts or rejects*



The Basic Transaction Pattern



Key Enterprise Modelling Terms

- **Actor Role**: this term describes an actor in his or her role such as a requestor (for example a customer) or an executor (for example a producer) who starts or fulfils a transaction, ideally the one **who has the authority, responsibility and competence to perform** the requesting or executing role.
- **Initiator**: a role of an actor in a transaction **who has the authority to start a transaction and is responsible** for performing the corresponding *coordination acts* according to the transaction pattern.
- **Executor**: a role of an actor in a transaction who has the **authority to execute a transaction and is responsible** for performing the corresponding *productions acts* according to the transaction pattern.

Modelling Notations in Enterprise Engineering

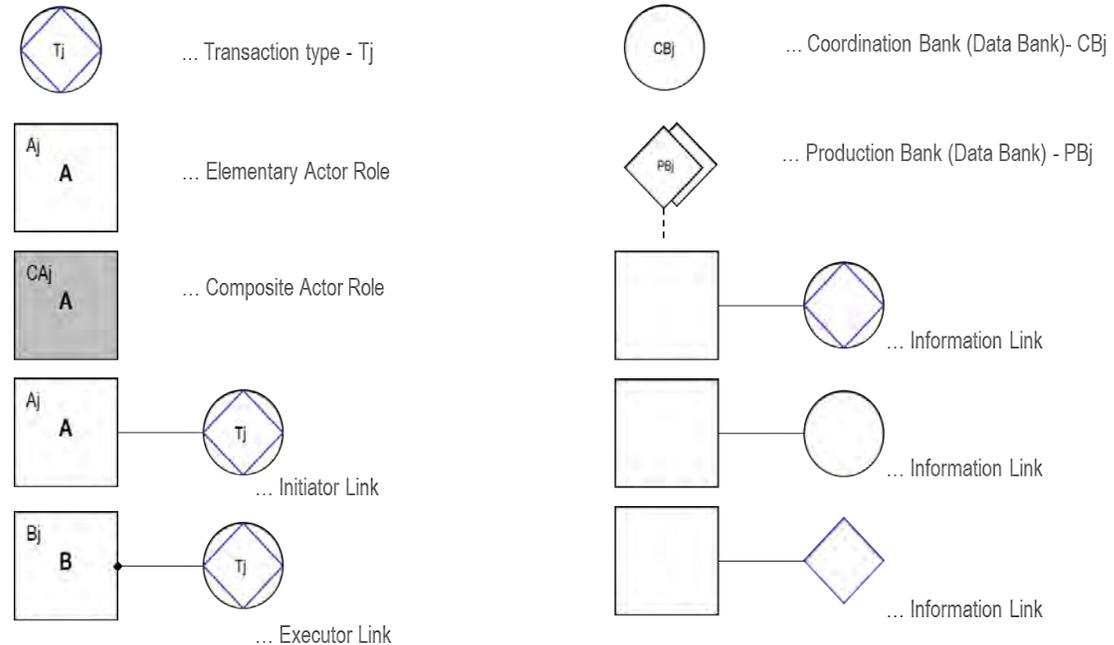
- ❑ **Elementary Actor Role:** is a single role with the authority, responsibility, and competence of an executor of a transaction type, while a ...
- ❑ **Composite Actor Role:** is a role that consists of several actor roles.

Put differently an elementary role is not divisible and refers to a minimum combination of the three elements:

- ✓ **Responsibility (R),**
- ✓ **Authority (A), and,**
- ✓ **Competence (C)**

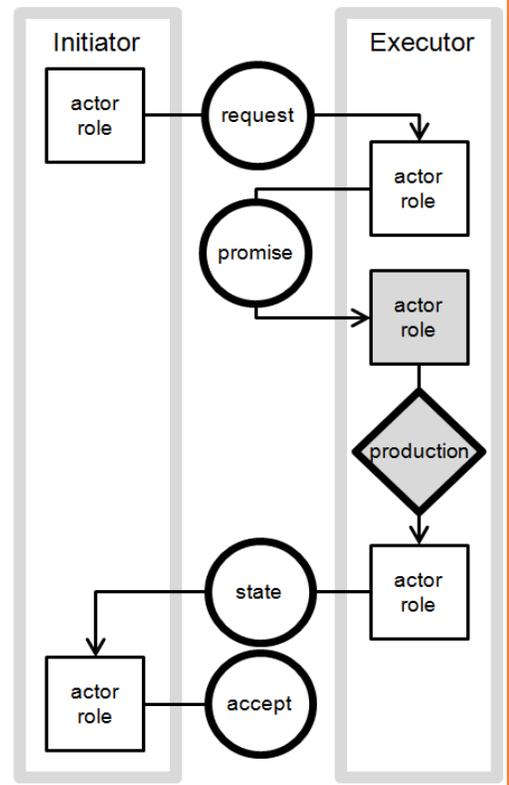
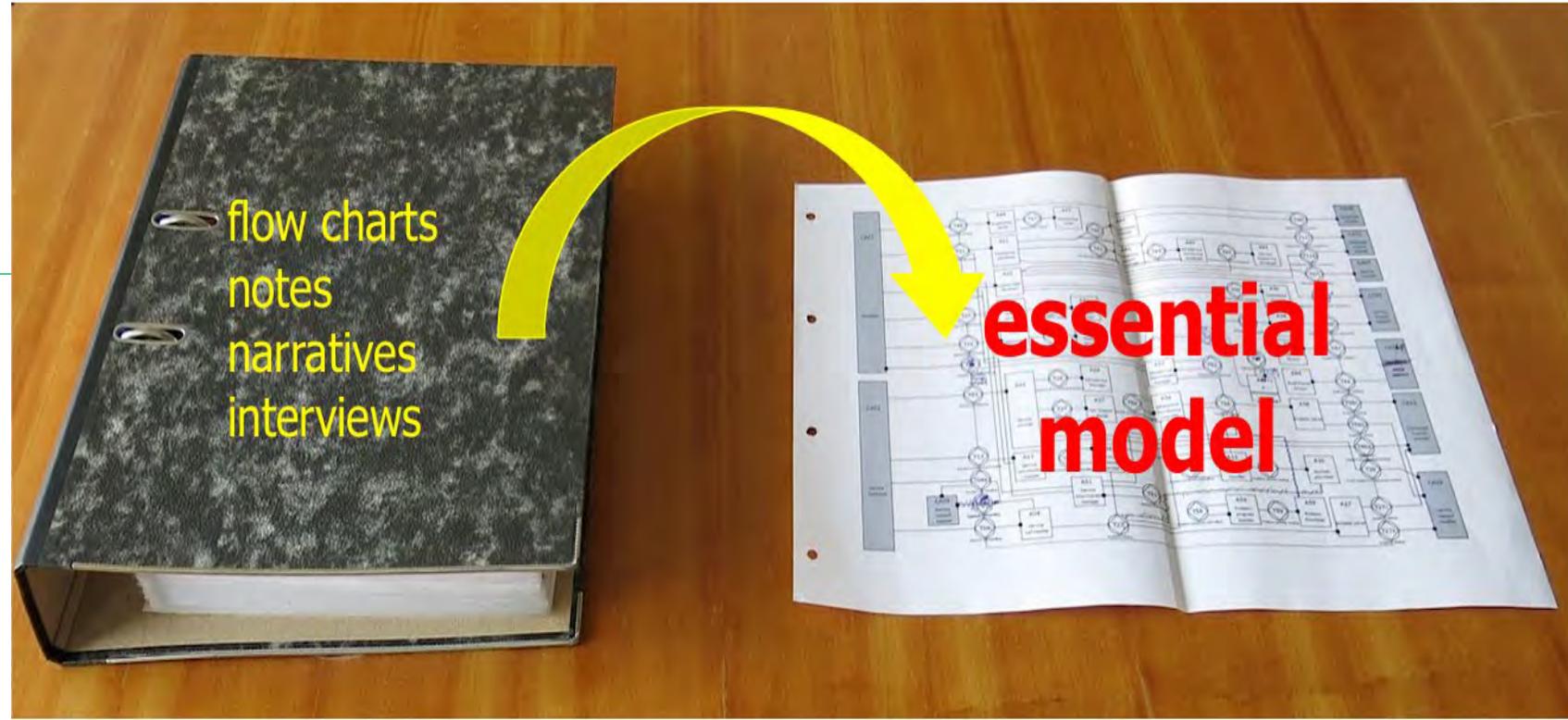
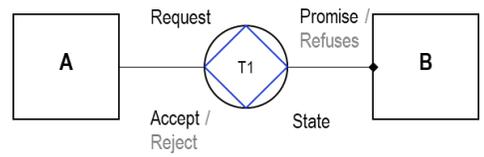
necessary to deliver a product.

As such, organisations can be argued to be a complex set of composite and elementary actors' roles that cooperate through specific patterns to achieve an overall purpose.



Other EE Modelling Notations

The Basic Transaction Pattern

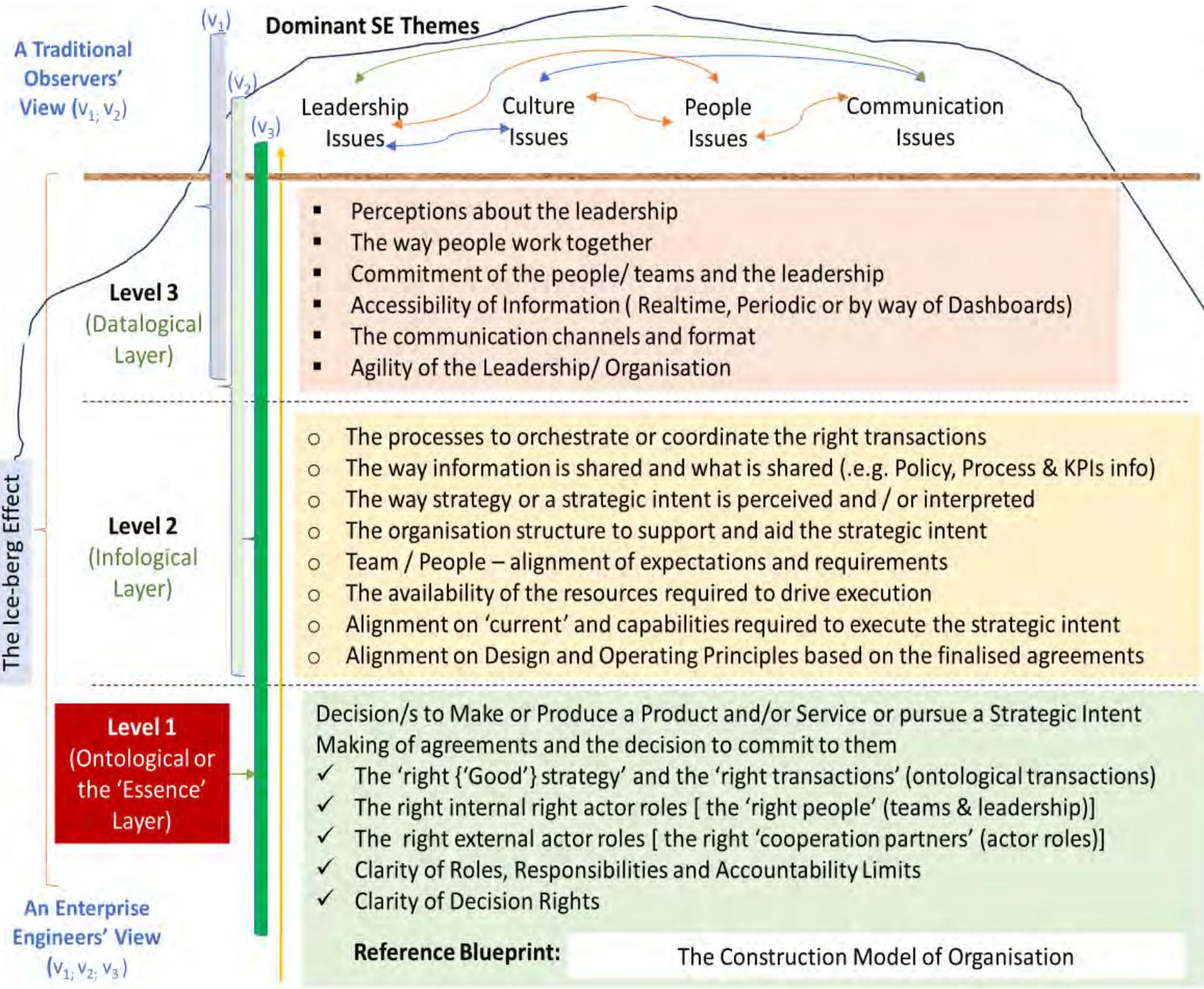


Errors in Construction of Enterprise / ECFs

ID	Elementary Construction Flow (ECF) / Error	EE Notation	ECF Description and Application Explanation
A	Missing Initiator (Redundant work):		<i>This error or construction flaw relates to performing work that no one asked for hence 'redundant work'. This error could be because the transaction was necessary in the past but not anymore.</i>
B	Unclear Initiator (Client Not Clear):		<i>This error relates to issues of clarity about the initiator of the transaction. In other words – the transaction is important, but it is not clear who initiated it, and this lack of clarity may lead to none of the actors doing what they are expected to do.</i>
C	Missing Authority Initiator (Unauthorised Work):		<i>This error or construction flaw relates to issues of actors that do not have the authority or the mandate to perform the work.</i>
D	Split Initiator (Shattered Request – for example a Committee as an Initiator)		<i>This error or construction flaw usually happens in scenarios where a committee is an initiator (Actor Role A). In practice steering committees usually get so divided that no decision is taken, or decisions are delayed thereby delaying the transaction.</i>
E	Missing Executor (No body does the Work):		<i>This error relates to a scenario where a strategic initiative is launched but nobody - in fact, does the work. It should be noted that without an 'executor' there is no transaction.</i>
F	Missing Competence Executor (Do Not Know How to do the Task)		<i>This error relates to scenarios where an actor role has the authority but lacks the competence to do the job [that is lacks knowledge, skills, experience which then compromises the transaction delivery or quality]. This ordinarily leads to bad delivery – for instance: missing key milestones in strategy execution; poor quality product or no product at all.</i>

G	Insufficient or Missing Information Executor (<i>Missing key Information to do the Job</i>)		<p><i>This construction flaw is common in many organisations whereby the production team is expected to deliver 'albeit' with limited or no information. In some cases, this information is incorrect or incomplete and as such, has a bearing on the outcomes. It is also common in business that 'strategic projects' are launched or frozen based on poorly grounded business cases.</i></p>
H	Unclear Transaction (<i>Unclear Agreements</i>)!		<p><i>This error arises in scenarios whereby two parties agree on a transaction but upon delivery, the requester (Actor Role A) is unhappy with the deliverables from Actor Role B (the executor). Even though the parties namely: the initiator and the executor, thought they had an agreement, a close analysis shows that they had a misunderstanding. Put differently, the agreement was not structured with clarity to enable uncontested performance from both parties.</i></p>





Applied Enterprise Engineering – Useful Elements in Addressing the Strategy Execution Challenge

The focus is on the Carrier of Information or Databases

- Repositories / SharePoint/
- Data Platforms, Employees Surveys
- Function & process descriptions
- How information is packaged (the format) - Emails, Minutes, Memos, Notices, Reports

Focus is on the content of the information & its impact on behaviour

- Informative Guides & Procedures
- Usefulness Information Banks
- Alignment on Behavioural elements
- Alignment on Business Rules
- Alignment on Design Principles

Focus is on the Cooperation & the way agreements / arrangements are made & their impacts on high levels – L2 & L3

- Ensuring the strategy is executable
- Making Mandated Decisions
- Tracking & Reviewing all 'practical' and/or relevant agreements / commitments
- Modelling an organisations 'Construction' at Ontological Layer

The EEbSE Framework

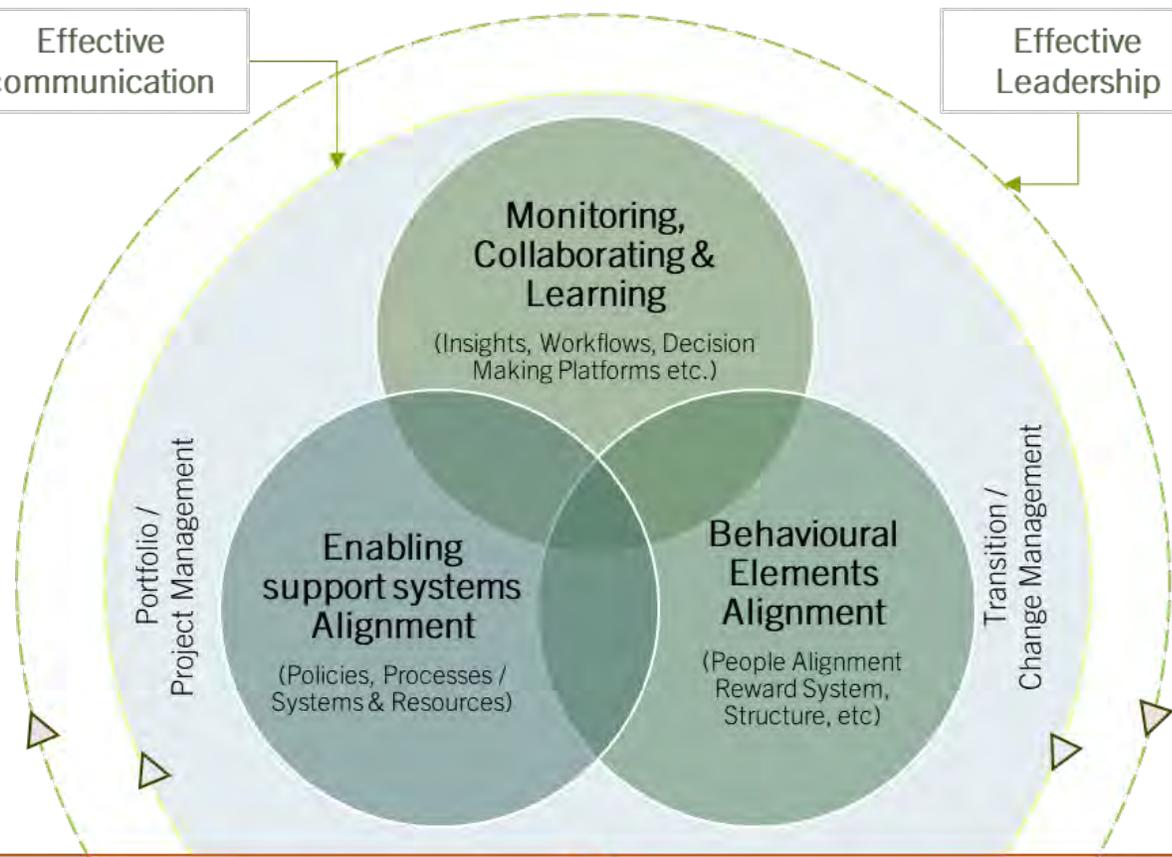
Effective communication

Effective Leadership

Level 3:
Data & Insights check

Level 2:
Capabilities & Enablers check

Level 1:
Organisational Identity check
The deepest layer in an organisation (the ontological layer)



The environment: External and Internal Influences



Organisational Capabilities Review / Check

Organisational Enablers Review / Check

the 'hood'





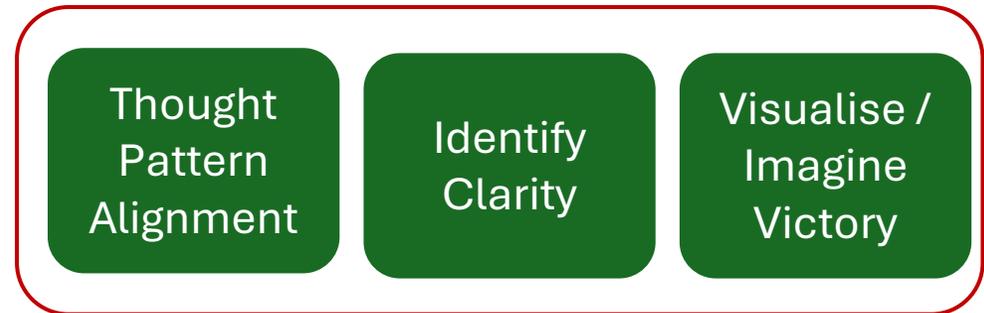
Upper layers follow the Ontological Layer – as such are consequential

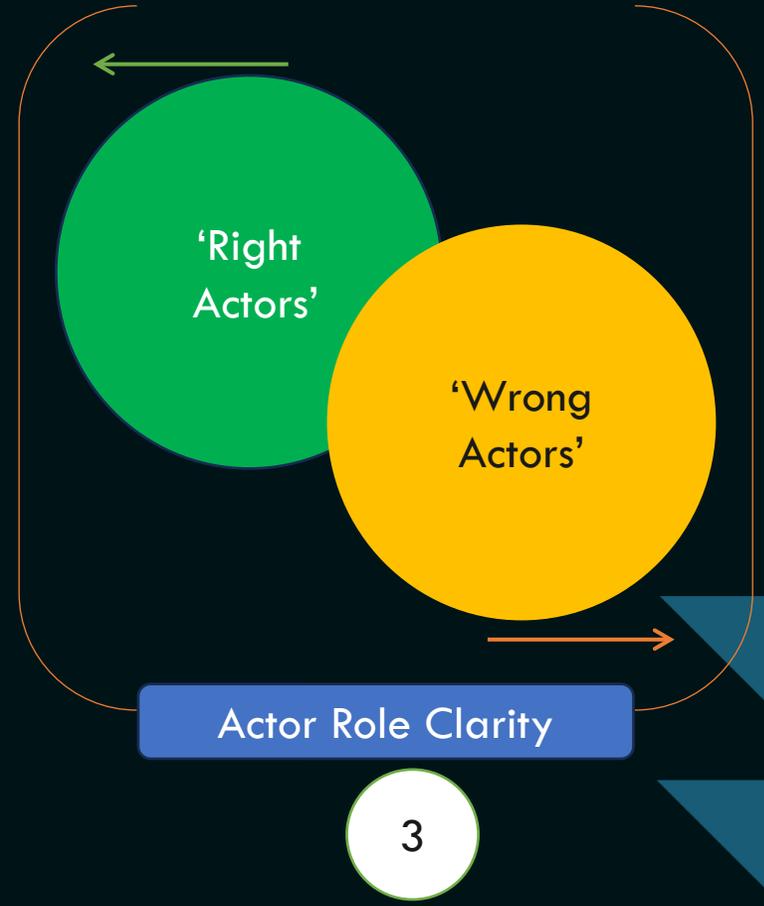
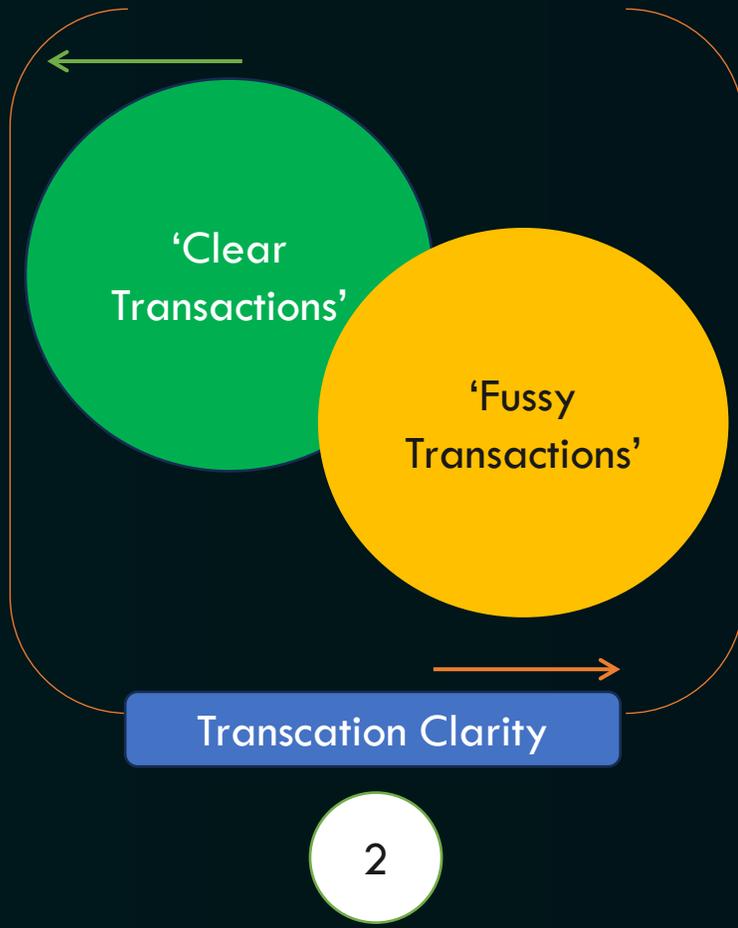
EE derived Ontological layers Pillars



Level 1:
Organisational Identity check
The deepest layer in an organisation (the ontological layer)

Experience derived Mental Science Pillars





Implications to Practice | Strategy / Project Execution

- a. The EE Modelling approach allows the strategy execution and project management professionals to have visibility of the inner workings [the blueprint] of an enterprise prior to roll-out of strategic initiatives.
- b. The enterprise construction model [the blueprint] shows the transactions (at least the main transactions) in an organisation or system of interest – for example, a department/ business unit under study
- c. The enterprise construction model is useful in identifying & mapping key actor roles in transactions and by extension can form the basis of job descriptions.
- d. Project Management Professionals must review the Ontological or Essence layer elements [Strategy, Actor Roles, Decision Rights, Agreements] before committing on Baselines (Scope, Schedule & Cost).
- e. The enterprise construction model [the blueprint] reveals the construction flaws (that is the basic errors in the construction of an organisation).
- f. The enterprise construction model [the blueprint] can be useful to test the readiness of an organisation to implement strategy.

“... you can't steal
execution”



**“...though it is
Madness – there is a
Method in it**

Willaim Shakespeare

**Strategy Execution and Project Management
Consulting services –**

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“... you can't steal execution ...?”