



April 14, 2012

# The 4 Disciplines of Execution



Midwest RLF Reconnect

# Understanding the Execution Gap

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Ultimately, what are you responsible for?

Results.

Results are affected by things you can control and things you can't control. There are two things you can control:

- The plan (i.e., what we want to accomplish and how we are going to do it)
- The execution of the plan

In your experience, which of these two things do you struggle more with—The plan, or the execution of the plan? Isn't it almost always the execution of the plan?

Kevin B. Rollins, CEO of Dell Computers, answers this question this way: "If you look at companies that have done really well out there, they have great strategies, but they are maniacal implementers."

We too often underestimate the difficulty of execution.

But whenever a new goal is set, someone somewhere must do something they've never done before; and until they do that, there is no execution. They must change their behavior.

And changing behavior is perhaps the hardest thing we ever do, which goes a long way toward explaining why most organizations suffer from an execution gap.

## What Is the Execution Gap?

A major study of public companies found that only 13—percent of them were able to consistently meet their stated financial goals over the decade of the 1990s—one of the most prosperous decades for business in history. (Chris Zook et al., *Profit from the Core*, Bain & Co., 2002.) According to one estimate, 7 out of 10 strategic initiatives eventually fail.

So an organization can have talented people and a superb strategy and still fail. And many do. The reason? "It's rarely for a lack of smarts or vision. It's bad execution. As simple as that: not getting things done, being indecisive, not delivering on commitments," says former Harvard Business School Professor Ram Charan. ("Why CEOs Fail," *Fortune*, June 21, 1999, p. 69.)

He says, "The greatest unaddressed issue in the business world today is the 'execution gap'—the gap between setting a goal and achieving it." (Bossidy, L., R. Charan, *Execution: The Discipline of Getting Things Done*, Harper Business, 2002, p.38.)

# The 4 Breakdowns in Execution

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There are four reasons for the execution gap:

1. People don't know the goal.
2. People don't know what to do to achieve the goal.
3. People don't keep score.
4. People are not held accountable for progress on the goal.

## **People don't know the goal.**

Although 49 percent of workers say they know the goals of the organization they work for, only about 15 percent can actually tell you what those goals are. Obviously, if only one in four workers knows the goal, execution of the goal is at serious risk.

## **People don't know what to do to achieve the goal.**

When asked if this statement is true: "I clearly understand what I'm supposed to do to help achieve my organization's goals," only 54 percent of the respondents say yes. This means that nearly half of all workers report candidly that they don't know what to do; and the other half might be fooling themselves.

## **People don't keep score.**

Only about 12 percent of workers can tell you how success is measured on the goals of their organizations. Unless the people who do the work know the score, how can they tell if they are winning or not?

## **People are not held accountable for progress on the goal.**

Only 26 percent of workers meet even monthly with their managers to review progress on goals. This means that three out of four workers have little or no dialogue with management about the goals everyone is responsible for.

Why are these indicators so low? It's not that workers are defiant or that leaders are incompetent.

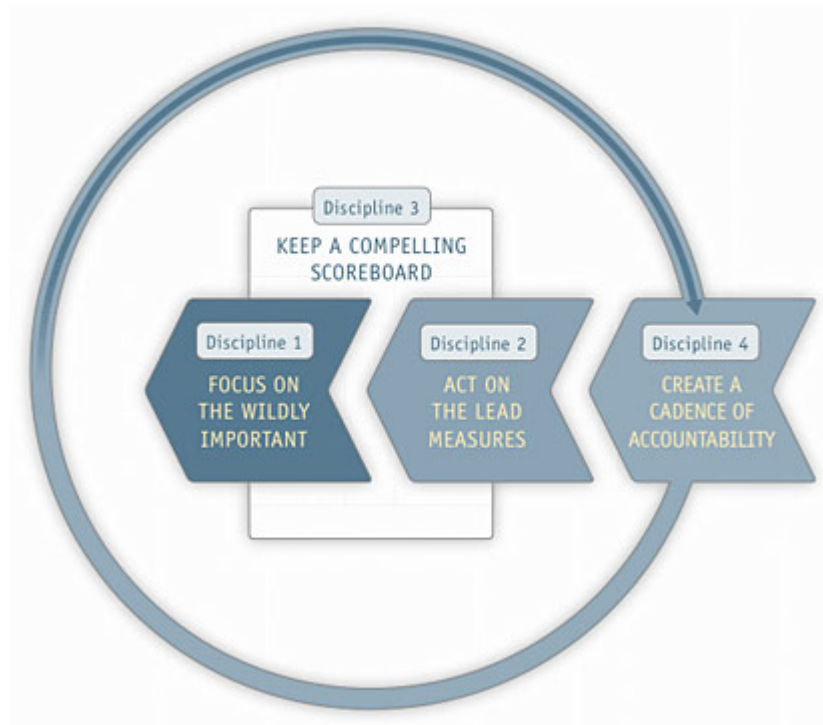
The problem is the inherent conflict between the "day job" and the key priorities of the organization. Think about the enormous amount of time and energy that is required to maintain a business or school or government agency day to day—just to keep the doors open! This is what people call "real work"; and because of this real work, people simply lack the time or energy to devote to new goals.

The real challenge is not executing a goal. It's executing a goal in the face of the day job.

# The 4 Disciplines of Execution

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## THE 4 DISCIPLINES OF EXECUTION



# IMPORTANCE SCREEN

INSTRUCTIONS	FINANCIAL AND OPERATIONAL PERFORMANCE	CUSTOMER LOYALTY	WINNING CULTURE	DISTINCTIVE CONTRIBUTION		
<p>1. List your team's candidate WIGs.</p> <p>2. For each screen, rate each WIG on a scale of -1 to 4 where:</p> <p style="margin-left: 20px;">4 = High positive impact. 0 = No impact. -1 = Negative impact.</p> <p>3. Total your score.</p> <p>4. Do a gut check. "Are we facing the brutal realities?" Place a check mark (✓) in the Gut Check column by the goals that are "wildly important."</p>	<ul style="list-style-type: none"> <li>Grows revenues.</li> <li>Reduces costs.</li> <li>Improves cash flow.</li> <li>Improves service levels and quality.</li> <li>Improves core processes.</li> <li>Reduces cycle time.</li> <li>Increases market share.</li> </ul>	<ul style="list-style-type: none"> <li>Increases the number of customer recommendations.</li> <li>Exactly meets customer need.</li> <li>Improves overall customer experience.</li> <li>Generates repeat business.</li> </ul>	<ul style="list-style-type: none"> <li>Ignites the passion and energy of our people.</li> <li>Attracts and retains industry-leading talent.</li> <li>Leverages knowledge, skills, and abilities of people.</li> <li>Builds internal loyalty and trust.</li> </ul>	<ul style="list-style-type: none"> <li>Supports organizational mission/vision.</li> <li>Increases brand strength.</li> <li>Strongly differentiates from the competition.</li> <li>Favorably impacts the community.</li> <li>Drives innovation.</li> </ul>		
CANDIDATE WIGS	SCORE	SCORE	SCORE	SCORE	TOTAL SCORE	GUT CHECK
	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4		
	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4		
	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4		
	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4		
	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4		
	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4	-1 0 1 2 3 4		

# Lag-Measure Builder—Instructions

Use the Lag-Measure Builder below to:

1. Enter lag measures for one team WIG in the boxes “From X,” “To Y,” and “By When.”
2. Run each lag measure through the checklist. Put yes (Y), no (N), or don’t know (?) in the check boxes.
3. Rank lag measures in order of priority.

LAG-MEASURE BUILDER							
WILDLY IMPORTANT GOAL			NO UNINTENDED CONSEQUENCES?	DIFFICULT TO MANIPULATE?	TRULY ACHIEVABLE?	CAN WE GET THE DATA?	RANK
CURRENT RESULT (FROM X)	DESIRED RESULT (TO Y)	DEADLINE (BY WHEN)					
1							
2							
3							
4							

Craft the WIG including the lag measure(s) you have chosen:

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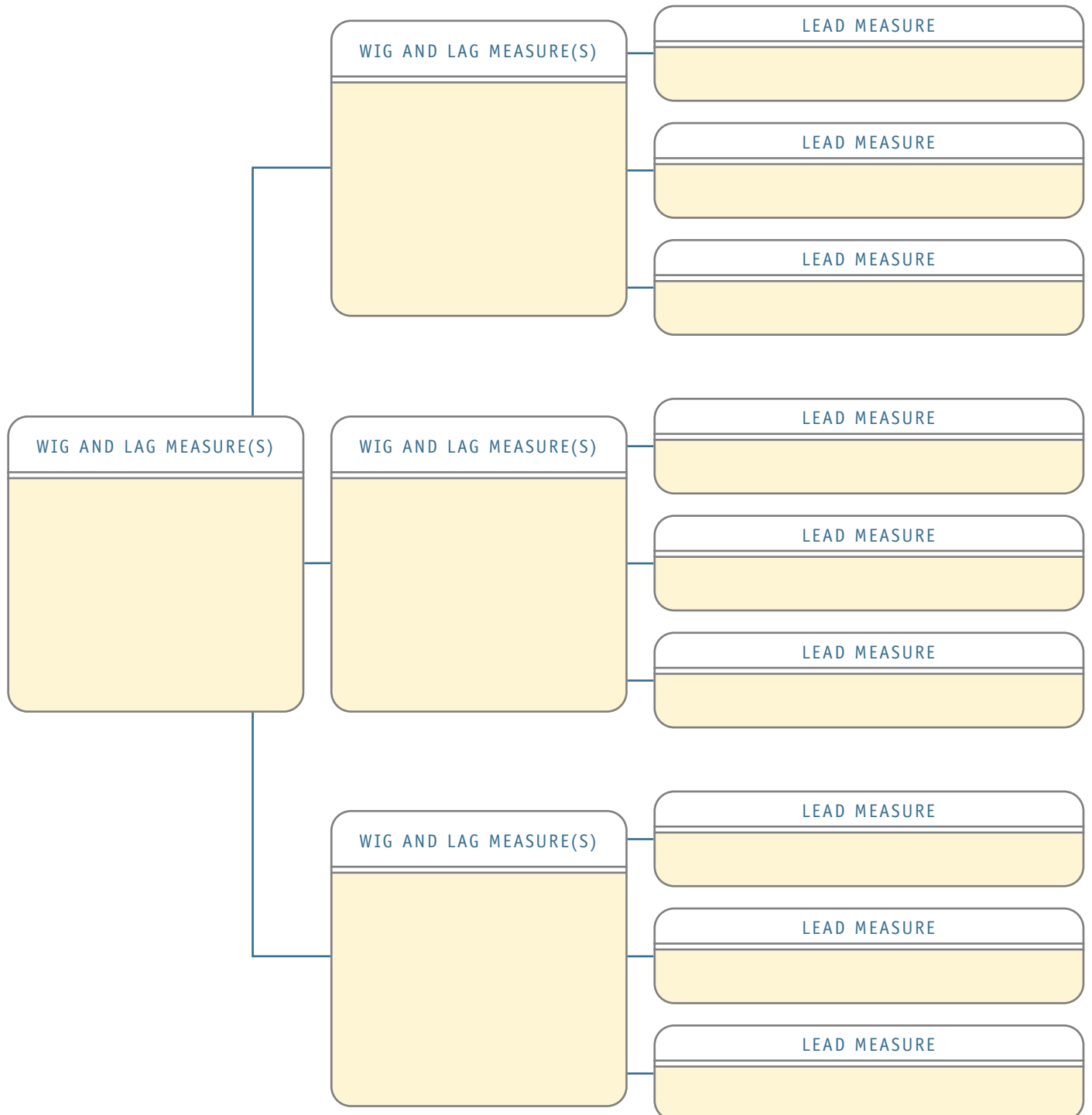


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## WIG Flowchart—Instructions

Insert your team WIGs and lead measure(s) into the chart.

**Note:** Not every box needs to be filled in.



## 80/20 Activities—Instructions

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1. Insert the WIG into the space below.
2. Brainstorm under the appropriate headings.
3. Circle the one to three activities (overall) that will overcome barriers and have the most impact on the goal.

### 80/20-ACTIVITY ANALYZER

WILDLY IMPORTANT GOAL

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BARRIERS	POCKETS OF EXCELLENCE	BRILLIANT & CREATIVE
What obstacles could hinder us from achieving the WIG?	What do the best performers do differently?	What haven't we thought of that could make all the difference?



# Lead-Measure Builder—Instructions

1. Insert the most impactful activities you identified on page 25 plus any additional candidates.
2. Ask, “How could we measure this?” Then create a candidate lead measure for each activity.
3. Run each candidate lead measure through the checklist. Put yes (Y), no (N), or don’t know (?) in the check boxes.
4. Rank candidate lead measures in order of impact.

**Note:** Don’t limit yourself to only the activities you identified. Make sure your lead measures are truly the most predictive and influenceable of the goal.

LEAD-MEASURE BUILDER					
WILDLY IMPORTANT GOAL		<div style="display: flex; justify-content: space-around;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">PREDICTIVE?</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">INFLUENCEABLE?</div> <div style="writing-mode: vertical-rl; transform: rotate(180deg);">CAN WE GET THE DATA?</div> </div>			
<hr/> <hr/>					
CANDIDATE ACTIVITIES	CANDIDATE MEASURES				RANK
1					
2					
3					
4					

If you could choose one, two, or three of these measures, which ones would be most predictive and influenceable? Craft the lead measures in the form of “From X to Y by When” as appropriate.

Lead Measure 1: \_\_\_\_\_

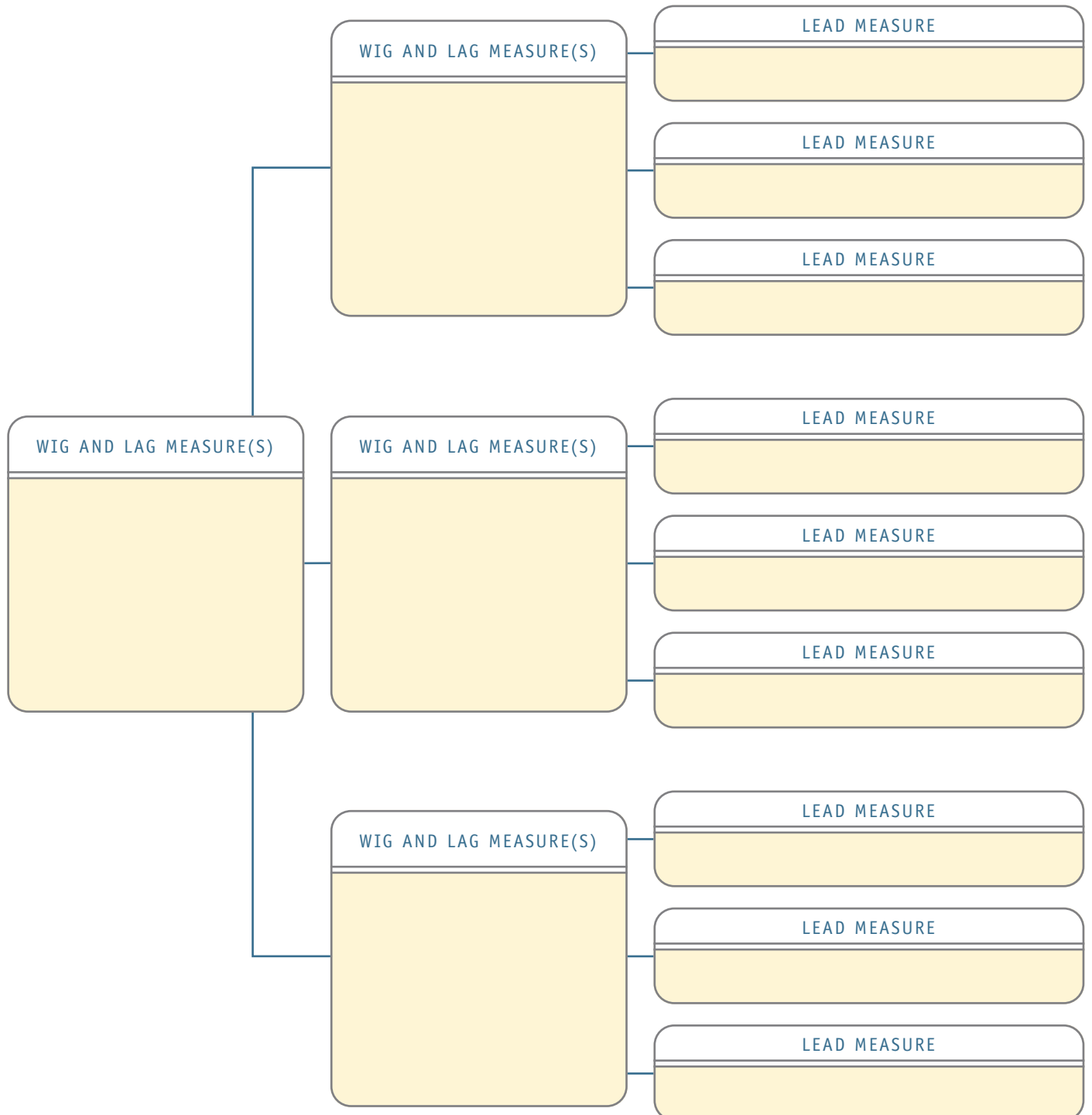
Lead Measure 2: \_\_\_\_\_

Lead Measure 3: \_\_\_\_\_

## WIG Flowchart—Instructions

Insert your team WIGs and lead measure(s) into the chart.

**Note:** Not every box needs to be filled in.



# WIG-Session Analyzer—Instructions

- 1. List your WIG(s) (and lead measures, as appropriate).
- 2. Ask, "Who is truly accountable for acting on this WIG/lead measure?"
- 3. List all the relevant team members and any additional personnel who are essential to achieving the WIG.
- 4. Identify when and where the WIG Session will take place, and how long you will need.

WIG-SESSION ANALYZER					
TEAM	WIG/LEAD MEASURE	TEAM MEMBERS WHO SHOULD ATTEND	WHEN	WHERE	DURATION



Week of:

## WIGS AND MEASURES

### THIS WEEK'S FOCUS

What are the few objectives I must accomplish this week to move the scoreboard?

Objective

Task

Task

Task

Objective

Task

Task

Task

Objective

Task

Task

Task

### NOTES











