

Jomer & Co

Enhancing middle management learning in closing the strategy-to-execution gap

To be competitive, organizations need to develop a good strategy and appropriately align structures, processes, values, behaviors, competencies, human resource policies, management processes, measurements and rewards behind the strategy. But, this easier said than done.

There are many difficulties between the ideal strategy alignment and the reality of implementation. To be successful, leadership teams need to secure the transformation of the strategic view to operational perspectives in all aspects. However, successful implementation of a strategic direction or change needs more than a leader and a great executive management team. It requires teamwork from middle management through dialogue and collaboration to stay connected to the knowledge embedded in the organization's lower levels, where much of the actual work is being done and where customers are served.

Avoid letting the strategy get stuck in the middle

Despite widespread rhetoric about the need for organizational agility, an astonishing number of organizations are stuck in neutral when they are implementing their strategies. Often, strategy and change get blurred in the middle of the organizational pyramid, resulting in missed opportunities and frustration.

If the formal line organization is the skeleton, then the informal organization is rather the central nervous system driving the collective thought processes, actions and reactions. Many senior executives invest a considerable amount of time and resources to restructure the operation, drawing and redrawing organizational charts, only to be disappointed by the result. A key reason is that much of the real work happens regardless of the formal line organization, which normally is designed to facilitate standard operational procedures and handle relatively easy anticipated problems. However, when unexpected problems arise, the informal organization kicks in.

Senior executives sometimes act as if they believe that a well-conceived strategy, which is communicated to the organization, implements itself. Down-the-line managers often see and understand the overall problem with this. They are well aware that this is a matter of leadership failure in terms of collaboration between the executive level and the middle management, rather than people's commitment and competencies. Lack of clarity and understanding throughout the organization undermine effective strategy implementation. Unfortunately, the often too rigid formal structures and processes designed to help the organization function smoothly may instead create obstacles for collaboration. Now and then, executives need to take the middle managers' perspective on the organization, looking for signs of confusion created by multiple executives championing their own independent initiatives in different parts of the organization.

Middle managers deal with demanding and complex responsibilities when implementing the strategic direction, since they have to concurrently guide their employees during execution, while keeping the business running. Being on an arm length distance from the frontline work, but still feeling the pulse of operations, enables them to see the big picture with its opportunities and obstacles. Therefore, middle managers are in a vital position to conceive and suggest practical ways to set the strategic direction in motion.

Middle management is also more diverse than their executive counterpart with regard to functional experience, gender, ethnic background, and such. Hence, their insights become more diverse, giving them a fertile ground for creative and practical ideas on how to make execution work. If senior executives dismiss the important roles middle managers play in strategy implementation, they will decrease their chances of success. Employees, who are uncertain of the organization's wanted position and strategic direction, are unable to help getting there. They are also unable to blow the whistle if they see the organization losing momentum.

Enhance the structural capital in middle manager leadership

Implementing a strategic direction is not easy, since people with different habits and emotions, beliefs and expectations realize it. Hence, they all need to be in sync with the strategic direction, and without a meaningful participation, people will not take responsibility for making it happen. We have too often seen progress being held back by people's habitual ways of thinking and behaving, and by the way they perceive themselves, their role, responsibility and relation to the strategy and its implementation. Since big efforts are made up of a series of small steps, each employee will throughout the working day make many conscious and unconscious decisions contributing to the implementation of the strategic direction. Since an organization's spirit is the premier driver of behavior, attempts to change will fail if it is not aligned behind the strategic direction.



Figure 1. Interpersonal contacts are crucial for building relationships, trust and common grounds

Most organizations operate in a contemporary context that is complex and highly description intensive. The meaning of words is too often left to personal interpretations, resulting in misunderstanding, confusion and lack of focus. In the new knowledge-based and networked

economy, the ability to talk and think together is vital for organizational effectiveness and competitive advantage, since people create, refine, and share knowledge through conversations. When people get together and actively listen, distinguish between opinions, integrate them and thereby prompting a dialogue, they build relationships and trust, and will more easily get encouraged to try new ways of finding solutions. Such interpersonal contacts are crucial for building a common ground and improve learning. As an illustration, see fig. 1.

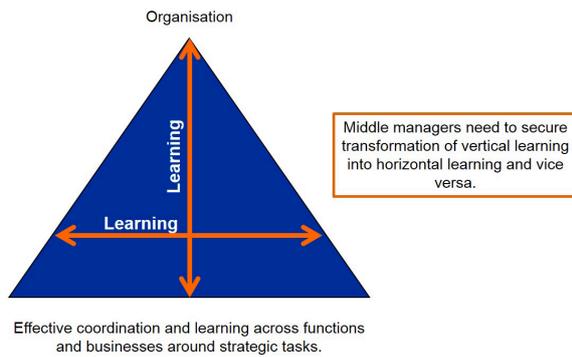


Figure 2. Middle managers play an important role in organizational learning

important role in organizational learning, i.e. transforming vertical learning into horizontal learning and vice versa in order to better understand the wanted position and strategic direction. By learning from each other, they are able to resolve differences of perspective and liberate the organization to become more effective as a whole. See fig. 2.

SAX Dialogues, cross functional middle manager in-depth knowledge sharing

Managers from different cross-functional units need to connect and start exchanging experiences and ideas in order to develop and enhance the quality of strategy implementation. Strategic Alignment through X-functional Dialogue, SAX Dialogue is a proven method for this. Participating in SAX Dialogue forums, down-the-line managers improve their understanding of the strategic direction by learning from each other's views and experiences. SAX Dialogue forums need to be facilitated and conducted in a forceful way to strengthen the collegial forms of collaboration across the organization in terms of sharing constructive solutions for implementing the strategy and other change initiatives. When in dialogue, they often realize that several of them have similar challenges, so they start exchanging experiences, discussing different solutions, reflecting and generating insights. Such dialogues help them understand and be actively part in improving the quality of implementation of the strategic direction.

Leadership evolution

Many of the leadership teams and executives we support in implementing and executing strategy have come to understand the importance of aligned leadership from top to bottom. Working closely with them has put us in a fortunate position to influence and support them in raising their ambition and commitment. Leading organizations look beyond lines and boxes to the mechanics of how strategy creation and implementation get done to make sure that everyone has a good idea and understanding of the decisions and actions for which he or she is responsible and accountable for. They allow information to flow freely across organizational boundaries to oppose silo formations and ensure that people have the information they need to understand the bottom-line impact of their day-to-day choices.

These executives have clarified the actual meaning of the strategy, the key priorities and the execution by having spent significant amount of time on systemic, open, honest, fact-

Managers need to be able to exercise independent judgment and know where the business is going and why. Otherwise, if an unexpected event occurs, their only recourse is to follow their own interpretation of the strategy. However, managers are often alone in trying to understand what is expected from them to contribute to the closure of the strategy-to-execution gap. To support them in handling this dilemma, attention needs to be paid to the informal organization. Here, middle management, as a collective force, plays an

based and decisive dialogues with lower levels in their organizations. These leaders have set the tone by promoting a culture of dialogue in which people gather across the organization to explore opportunities and learn from each other how to deal with the challenges. In a culture of dialogue, people contribute jointly and build trust and healthy relationships with each other, thus enabling them to co-create solutions and actions to win.

How can we help?

It is impossible to eliminate risks from strategic thinking. However, we argue that it is possible for organizations to significantly improve the chances of success when it comes to strategy creation and implementation if they establish a culture of dialogue across the organization. The secret to successful strategy creation and implementation is actually quite simple. Leadership teams, executives and managers need to focus on a few things to differentiate themselves from their competition. By establishing dialogue forums for middle managers, where conversations are honest and open, the quality learning and implementation along the strategic direction can be substantially improved.

Jomer & Co has long experience and knowledge of helping leadership teams and executives in creating and implementing strategy. Our support is always bespoke and there are several possible entry points to a successful collaboration, for example:

- Running SAX Dialogue forums, which strengthen the collegial forms of collaboration by sharing constructive solutions for implementing strategy and change, is an efficient way to increase speed and quality of the implementation.
- Conducting Strategic Leadership Support for executives and managers is a comprehensive and effective way to individually assist them in their challenges with self-leadership, group leadership and direct leadership.
- Engaging in Strategic Coaching of senior managers' strategic challenges supports and assists them individually in their strategy development and implementation work.
- Conducting a Review of the Strategic Direction, to analyze and balance the organization's alignment behind the strategy, provides insights to the effectiveness of the strategy and the business plan.

Jomer & Co

We help clients close the strategy-to-execution gap by creating and implementing winning strategies.

Jomer & Co is a boutique advisory firm, focusing on strategy creation and implementation. Our focus on employing professionals with extensive experience provides us with the executive resources of a larger organization while still being flexible and responsive in the relation to our clients' challenges.

We are devoted to knowledge and situational insight and are aligned to the shift in demand for management consulting services by its way of leveraging knowledge, experience and giving advice. Our experienced Consulting Associates work closely with clients throughout the stages of strategy creation and implementation.

For contact and more information, please email info@jomer.se.