

Business Snapshot



EXECUTION

by **Larry Bossidy & Ram Charan**

The discipline of getting things done

KEY LEARNING POINTS

Companies fail because of poor execution

Execution is a matter of behaviours, culture and skills

Always try to put the right people in the right place

While many business authors have been focusing their attention on strategy over the past decade or so, Larry Bossidy and Ram Charan propose in this book that implementation is just as important as coming up with the strategy itself. Taking a host of relevant illustrations from companies such as Xerox, AT&T, Bell Labs, EDS and Lucent, Bossidy and Charan expound a theory based on the "building blocks" of an execution-oriented organization, i.e. behaviours, culture and people/skills.

The starting point of the theory behind the book is that execution is a discipline, and not just tactics. In order to understand this more clearly, we must keep three things in mind:

- Execution is a discipline and integral to strategy.
- Execution is the responsibility of the business leader.
- Execution must be a core element of an organization's culture.

The discipline of execution is based on three core building blocks:

Building Block One: Seven essential behaviours

- Know your people and your business
- Insist on realism: don't try to

- shade reality or hide mistakes
- Set clear goals and priorities: you have to focus on a few key issues
- Follow through: you have to implement monitoring tools
- Reward the doers: make sure that good performers are clearly differentiated
- Expand people's capabilities: do this by coaching your people and give them fair feedback
- Know yourself: be ready to accept feedback from others for the sake of self-discovery

Building Block Two: Creating the framework for cultural change

This step means improving communication but also putting in place the right beliefs and behaviours towards a common positive goal for the company (e.g. higher profits).

Building Block Three: Having the right people in the right place. It is important to make sure that HR is really committed to supporting this strategic direction. Having the wrong people on board often results in a lack of courage or knowledge or even sometimes the "comfort factor". Finally, one of the key strategic aspects is to link rewards to performance.

BUSINESS SNAPSHOT BY CHADEL & CIE

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CHADEL & CIE VIEWPOINT

Execution is a well-written book with lots of relevant illustrations from the corporate world. It has a high degree of applicability for organizations of all sizes.

We recommend this book to all executives who believe that leadership is not just theory but also a pragmatic, ongoing corporate activity. This book is also worth reading because we believe that, in uncertain times and an increasingly complex world, execution of strategy will pose even more of a challenge than devising a sound corporate strategy. As the book clearly points out, recent corporate failures only go to prove that it is execution that makes all the difference.

RATINGS

CATEGORY : Leadership

LEVEL: Basic – **Advanced** – Expert

APPLICABILITY : Low – Medium – **High**