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How Will You Turn Top-Level Strategy into Unit-Level Action?

This is the second installment in our series on strategic alignment.

A shift in corporate strategy should affect everyone in the company in some form. Near the top of the organizational chart, the impact often is dramatic. But as you go deeper into the organization, just how the new strategy should manifest itself can become unclear.

The responsibility for creating clarity around what the strategy means at the unit, team, and individual levels—and for seeing that the strategy is carried out—is shared by managers throughout the ranks.

To aid in this effort, we surveyed the experts to compile this three-point plan for converting corporate strategy into an actionable agenda:

1. Communicate the strategy to teams and individuals using relevant context and language.
2. Involve teams in defining how the strategy relates to the unit and what alignment will require.
3. Ensure each direct report is on board and on track.

“The biggest obstacle to alignment is lack of understanding,” says Mitchell Goozé, a consultant with Customer Manufacturing Group (Santa Clara, Calif.) and former president of Teledyne Components, a division of Teledyne. Why is this? Well, simply repeating the corporate strategy is

easy enough, but you must bring the strategy to life for your team—and many executives neglect to do this.

“A manager’s job should be to take the corporate goals and strategies and redefine them in a way that makes them real for the people in their department,” says Kaye Lauritsen, a managing director and strategic planning consultant with RSM McGladrey (Bloomington, Minn.). “The simpler and more straightforward, the better.” For example, if a key part of the strategy is improving the success rate of new products, communicate how that relates to the customer-service unit you run.

Ultimately, it may be more effective at first to speculate on the strategy’s effect on your team—rather than dictate it—because you’ll want to make sure the team feels like it is shaping its own plan. Directly involving subordinates in discussions on how to execute strategy can greatly improve employees’ commitment to the strategy and to their individual roles in carrying it out.

Of course, managers must facilitate and direct this process, guiding employees to answer these questions:

- How should the strategy affect our unit?
- What must we thus accomplish?
- How will we accomplish it?

With answers in hand, teams can then develop a shared language and framework for how to think and talk

about alignment, which will, notes a report from Capitola, Calif.–based Catalyst Consulting Team, enable people to match “their behavior to a set of commonly understood goals and actions.” To reinforce this, Lauritsen suggests using charts and other aids to measure progress toward new objectives.

With team guidelines set, managers should turn their attention to working with direct reports. “Management must ensure that every employee understands how he or she brings value to the company,” says Steve Waterhouse, author of *The Team Selling Solution* (McGraw-Hill Trade, 2003), and “how their actions will move the company forward.” Specifically, managers must ensure that they and their direct reports agree on how the new strategy will affect how each employee sets priorities and manages his time.

Adds Lauritsen, “With a little thought and imagination, each job function can be related” to strategy. Be careful not to overload people with too many directives, she warns. “Determine which ones need to take priority and are most closely aligned to the strategy.”

One cautionary note: not all managers will find the road to alignment quite this direct. Most notably, changes in strategy can leave managers with the wrong mix of talent. In such cases, managers must quickly move forward to acquire the people they need and then turn their attention to implementation. ♦

Next: Staying Aligned