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Do You Really Want A Strategy?

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There are good and bad sides of being a **strategy consultant.** The good side is the excitement of starting a new project on developing a strategy to improve a company's business. The bad side occurs when you realise the company you are working for does not want a strategy. At least in its real sense.

Having observed "strategic development discussions" with many companies, I can only testify that **most people would like to have something that sounds and appears like a strategy.** There is a simple reason for this and it might be difficult to acknowledge. Most of us do not want to be confronted with the tough questions that a strategy normally entails. Avoiding tough questions is the best way to avoid tough decisions. And avoiding tough decisions is also the best way to ensure that your strategy (or whatever that is) will not be executed.

It's a natural human behavior to choose the easy path. But there are consequences. **The research shows that only 8% of leaders are good at both strategy and execution.** Managers and consultants are trying to overcome this problem by using certain methods: they develop more complicated strategic models, raise the company's

ambitions or use beautifully phrased statements. You know you're in such a situation when you see something like "10 steps to narrowing strategy - execution gap", an objective of "becoming the most customer-centric company in its sector" or statements that sound nice but whose meaning is not clear.

Make no mistake.

The majority of the people have good intentions about the future. But differences emerge when the discussion gets into the questions of what that future should look like and how to get there. **When the differences are significant, almost all strategies tend to become too broad in ambitions and too narrow in guidance.** As a consequence, activities of the company become incoherent and disconnected from strategy. No business objective can be achieved in this way.

The secret to having a working strategy is acknowledging the difficulty of making trade-offs. What is the challenge we are trying to solve? What should be our focus? What are our guiding principles? What kind of capabilities are required to achieve our objectives? How are we going to build those capabilities? What investments do we need to make? Which existing resources are no longer valuable? These questions can only be answered effectively only when there is a wide consensus within the company. Therefore, instead of filling out some strategy templates or picking the most ambiguous words in a rush to have a "so-called strategy," leaders should first spend a significant amount of time and effort to create a common understanding as the groundwork of a good strategy.

Peter Drucker famously made the distinction between effectiveness and efficiency: **"Efficiency is doing things right; effectiveness is doing the right things."** The failure of so many strategies shows that **doing wrong things right is not as nearly good as doing right things wrong.** It's time to fix that.

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