



Great Leaders Don't Just Plan . . . They Execute!

By Drew Yancey

Business planning is undeniably essential. It forms the backbone of any organization, whether it's a fledgling startup or a well-established enterprise. Crafting a business plan is a meticulous process involving executive summaries, market analyses, competitive analysis, and financial projections. This roadmap is vital for navigating the unpredictable waves of the business world.

However, a surprising challenge often emerges not in the planning, but in the execution phase. Research indicates a staggering 60%–90% of strategic plans never fully materialize, primarily due to flawed or absent execution plans. This disconnect highlights a crucial lesson: **As vital as planning is, the real game-changer lies in execution.**

For most businesses, bridging the gap between planning and execution is critical. Not only does bridging the gap ensure the successful implementation of strategies, but it also paves the way to achieving set goals.

Let's explore five key steps that business leaders can adopt to avoid this execution gap:

1. Focus on Stakeholders

Aligning strategies with the needs, interests, and values of key stakeholders (boards, staff, customers) is paramount. This alignment fosters buy-in, reduces conflicts, and facilitates smoother execution. A study in the "Academy of Management Journal" reveals that companies prioritizing stakeholder engagement often outperform their peers in profitability and growth. When Starbucks faced a downturn in 2008, CEO Howard Schultz shifted focus to enhance customer experience and

employee engagement. This strategic alignment with stakeholder interests led to a remarkable turnaround, reinstating Starbucks as a coffeehouse leader.

2. Radically Prioritize

Leaders should identify and concentrate on a few critical areas that promise the most significant impact for stakeholders. Spreading resources too thin can weaken focus and effectiveness. The Project Management Institute (PMI) reports that 37% of project failures result from unclear priorities.

3. Avoid Biases

Strategic plans influenced by cognitive and organizational biases can lead to poor decision-making. Managing these biases is essential. Harvard Business Review points out that over 75% of cross-functional teams are dysfunctional due to biases, such as groupthink. Eliminating these biases can markedly enhance team and plan performance. A telecommunications service company I was working with was convinced that they needed to expand their core business. After an objective analysis of their financial and operational performance, it became clear that their core business was not nearly as strong as they wished to believe. A tough, but necessary, strategic decision was made to put a pause on any expansion efforts and ensure their core was as strong as possible.

4. Frequently Communicate

Effective communication of the strategic plan is vital to ensure everyone in the organization is on the same page. McKinsey's study shows that companies with effective strategic communication are 3.5 times more likely to outperform their peers. When it comes to strategy, the most powerful form of communication is what I call "cascading": making sure that every level of the organizational chart hears a consistent, timely, and relevant message.

5. Mitigate Risk

Every strategy involves uncertainties. A risk-mitigated plan that identifies potential risks and outlines countermeasures is crucial. The Economist Intelligence Unit found that companies effectively managing risks achieve three times greater profit growth. Recent headlines have been littered with stories of seemingly successful companies (think WeWork or Peloton) that

failed to mitigate a central business risk, spiraling the organization into a steep decline.

While planning is the blueprint of success, execution is the tool that builds it. Great leaders understand this dynamic and skillfully bridge the gap between planning and executing. By focusing on these key areas, leaders can not only execute their plans successfully but also lead their organizations to new heights of success and innovation.