

# Leadership Talking Points

## NEWSLETTER



## Saying No

*When you execute a strategy that requires a lasting change in the behavior of other people, you are facing one of the greatest leadership challenges you will ever meet.*

*-The 4 Disciplines of Execution by Chris McChesney, Sean Covey, and Jim Huling*

Most companies just don't achieve their goals. That fact is clear from the behavior of the worldwide securities markets. What affects share price more than anything else? Performance to goal. And what makes share price go down or stagnate? A lack of performance to goal, of course.

McKinsey's global practice tells us that 70 percent of change programs fail. Why is this so? The problem, says McKinsey, is "largely due to employee resistance and lack of management support."<sup>i</sup>

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<sup>i</sup> Boris Ewenstein, Wesley Smith, Ashvin Sologar, "Changing Change Management," *McKinsey Global*, July 2015. <http://www.mckinsey.com/global-themes/leadership/changing-change-management>

Why do employees resist? Why don't managers support new goals?

It's not that they disagree with the goal. Everyone agrees that the goal is good, perhaps even vital. But every time you set a new goal that has never been achieved before, you start having to do things you've never done before. You have to *change your behavior*.

And change is *hard*.

Anyone who has tried to lose weight or quit smoking can tell you about that.

What makes it hard?

A PriceWaterhouseCoopers global survey of hundreds of companies drills down into this question. Their key findings include:

- A majority of executives—55 percent—say they are concerned that their company "is not focused on executing our strategy."
- 42 percent of executives say their company isn't aligned behind their strategy, that "some parts of the organization don't understand or resist it."
- The same percentage—42 percent—are worried that their company's strategy asks people to "work on too many, and often conflicting, priorities."<sup>ii</sup>

So these executives perceive three issues: a lack of focus, a lack of understanding, and too many goals. Our own research team at FranklinCovey has found this to be true in more than 1500 organizations.

The first and third issues are related. Employees are already deeply embroiled in just keeping the enterprise working, which makes it hard to focus on new initiatives. "You're asking us to do this new thing on top of our day job?"

Then, when management starts piling on five or ten or twenty new initiatives, the problem just gets far worse—particularly when these initiatives involve learning new technology, as they often do.

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<sup>ii</sup> *Strategy Execution Survey Key Findings*, Strategy&, PriceWaterhouseCoopers, April 23, 2014. [http://www.strategyand.pwc.com/media/file/Strategyand\\_Slide-Pack-Strategy-execution-survey.pdf](http://www.strategyand.pwc.com/media/file/Strategyand_Slide-Pack-Strategy-execution-survey.pdf)

Another issue, people “don’t understand or resist” the new goal. As McKinsey says, “When people are truly invested in change it is 30 percent more likely to stick.” The answer: “Each company should have a clear view of the new behavior it wants to reinforce. . . The best solutions are tightly focused on a specific task.”

It’s not hard to understand why management is frustrated when goals are not achieved. But if they’re serious about achieving vital goals, they also need to get serious about the discipline of execution—what it takes to get people “truly invested” in those goals.

FranklinCovey has made a specialty of helping organizations execute strategy. In thousands of organizations and work teams, the disciplines of execution are installed and working. There is a formula for helping people get “truly invested”—and it works.

## Questions to Ponder

How is your organization’s track record at actually achieving the goals you set? Do you perform as promised? Do your people clearly understand the one or two vital goals that must be achieved? Are they “tightly focused” on them or do they even know what they are? Are they personally “invested” in achieving them? What would be the impact on your organization if everyone were aligned to the organization’s most vital goals?