

Strategy Implementation in the Public Sector:

Initial Survey Results of Public Sector Leaders

8 Key Drivers of Implementation Success

Co-authored by

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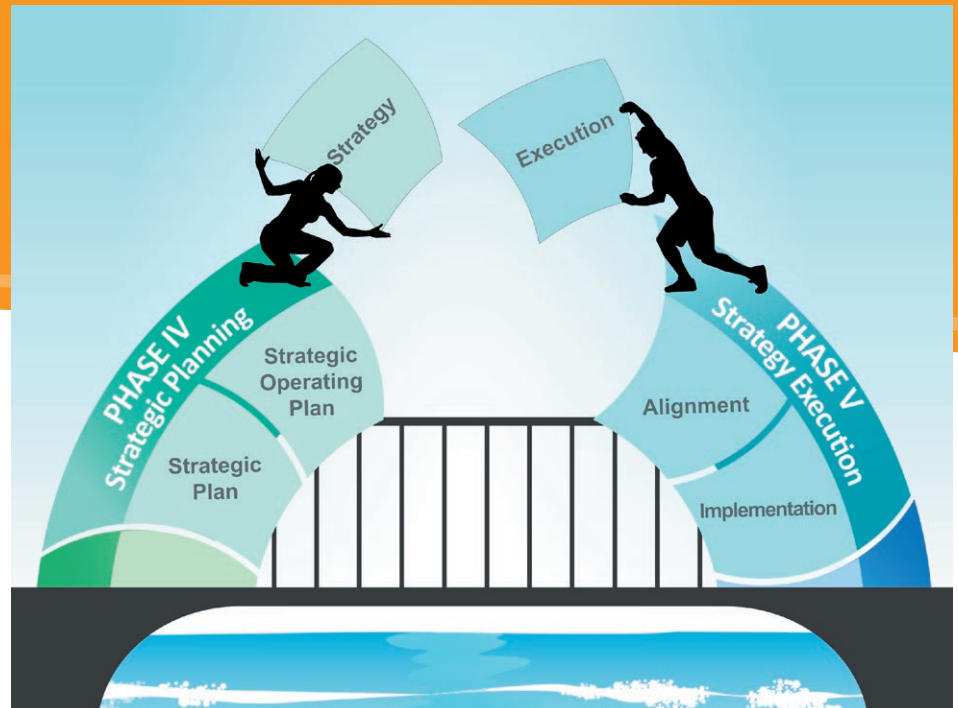
Problem Statement

Government officials and managers have an important obligation to ensure every dollar spent under their control delivers positive results for taxpayers. To accomplish their goals, agencies develop strategic plans and then implement¹ efforts to engage officials, managers, their teams and other stakeholders in strategies and initiatives to achieve the desired outcomes.

We all know the realities of how this planning process works. A leadership team comes together on a periodic basis (often within a highly politicized environment) to formulate their agency's strategy. Then, armed with specific intentions, they ask their units and teams to implement the initiatives and programs that politicians and agency leaders have chosen. All too often a gap between strategy and execution (see figure below) occurs for those charged with implementing directives flowing from the approved strategy.

In today's disrupted environment, where agility in implementation is vital, this "strategy-execution gap" can be a fatal error driving unwanted costs, increased risk, lost opportunities and ultimately failure to execute. When failure at execution occurs, the losses are significant for both the agency and the needs of the people it serves.

Many other professionals share identical interest and concerns when strategy fails. Think of the implications when a high-profile strategic alliance fails; or an enterprise-wide IT initiative intended to transform the organization goes up in smoke because those charged with implementation fail to grasp the rationale for the initiative and its intended outcomes;



or a new public health campaign goes off track and results in major negative publicity for an agency and its leaders.

In the public sector, there's very little data to document this gap in execution – let alone how best to address core challenges involved. In the private sector the situation is somewhat different as the discipline of "strategy execution" is growing in prominence. Here is a sampling of related research findings for the private sector.

- » According to the [2017 PMI Pulse of the Profession report](#), which surveyed 3,234 professionals globally, researchers found that in 2016 "companies wasted \$97 million for every \$1 billion invested in projects and programs."
- » PMI also reported, "30% of managers cite failure to coordinate across units as their greatest challenge to executing their company's strategy."
- » Harvard Business Review did a [survey a few years ago](#) and concluded that "Only 9% of companies are rated excellent at execution."
- » Quoted in Bossidy and Charan's book

[*Execution: The Discipline of Getting Things Done*](#), "70% of strategic failures are due to poor execution of leadership."

- » Quoted in Robin Speculand's book [*Excellence in Execution: How to Implement Your Strategy*](#), "Only 47% of the leaders believe their organization is good at implementing strategy."
- » Speculand also reports that "Only 10% of organizations surveyed achieve at least two-thirds of their strategy objectives."

In terms of the public sector, citizens, politicians and their agendas, agency leaders, program, middle-level and project managers all share responsibility for eliminating obstacles that arise when a well-planned "public good" strategy fails at implementation. Identifying these obstacles, understanding their root causes and designing a program to mitigate the strategy implementation gap are the driving forces behind this study and subsequent program developments.

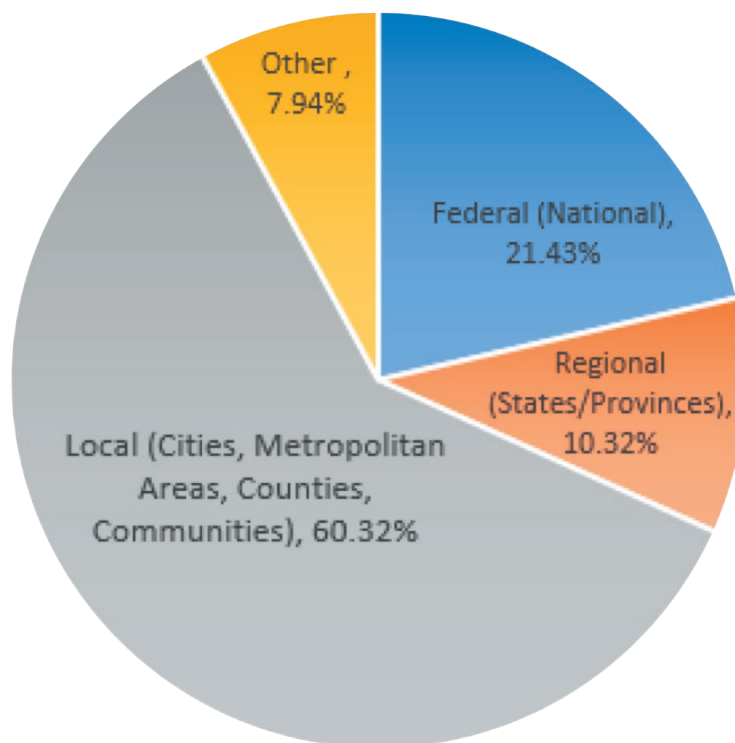
1. The terms "implement" and "execute" are used interchangeably throughout this paper.

Introduction and Demographics

In April 2019, several public and private sector organizations serving the public sector at the federal, state and local levels reached out to 5,000 individuals working in the public sector to query them on the root causes of implementation challenges in government agencies. Of those queried, 126 public sector leaders and managers responded to the survey, which translated into a 2.5% response rate with approximately 60% of responses coming from functional managers working in local government.

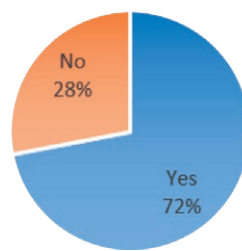
The study was led by Dr. Natalie Houghtby-Haddon, George Washington University, Center for Excellence in Public Leadership and Randall Rollinson, LBL Strategies, a registered education provider for the Association for Strategic Planning and the Project Management Institute. Co-sponsors of the study were the Government Community of Practice, the Association for Strategic Planning and the Illinois Government Finance Officers Association.

The preliminary findings summarized below may seem obvious to those working in a government agency or familiar with the workings of government. However, assumptions and personal beliefs fall short, as validation is required to gain focused attention of stakeholders seeking greater impact from programs and initiatives funded by government.

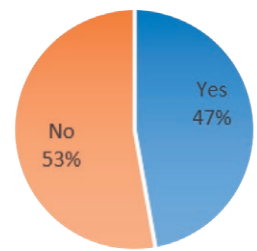


Strategy Implementation Performance

To begin with, each respondent was asked if their organization was good at “crafting strategy” and “implementing strategy.” A sizable majority of respondents indicate their agency is better at developing strategy (72%) than implementing strategy (47%). This finding is not surprising as much good work has been done over past decades to strengthen strategic planning and performance management skills using the Balanced Scorecard and the Logic Model, among other tools.



Crafting Strategy

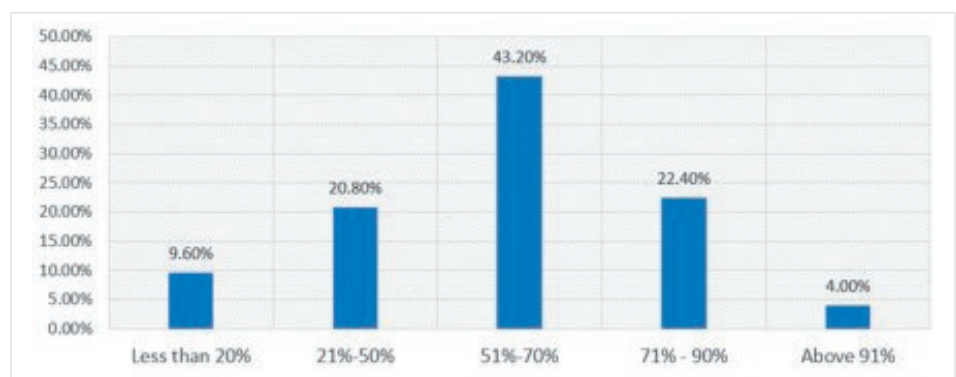


Implementing Strategy



Respondents also rated how successful their organization has been in implementing strategy over time. Only 20% rated “very successful” or “outstanding” implementation performance while the remaining 80% of respondents rated implementation as ranging from “somewhat successful” to “somewhat unsuccessful” to outright “unsuccessful.” Most responses here highlight mediocre to under-performance in execution, providing additional validation of a strategy implementation gap in the public sector.

More specifically regarding implementation performance, respondents were asked what percentage of their organization’s strategic priorities had been successfully implemented. Nearly 74% of respondents report successful implementation of only 70% or less of priorities.



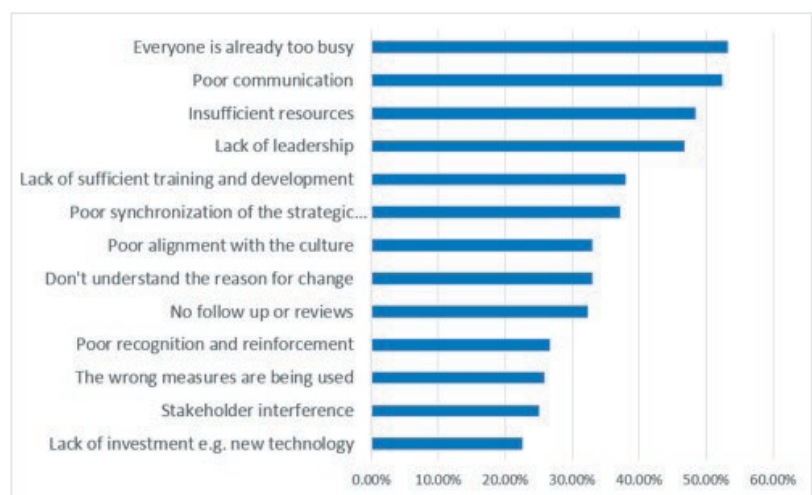
Strategy Implementation Challenges

Like the private sector, it's clear that an implementation gap does exist in the public sector. What is not clear are the reasons for implementation failure. To better understand this situation, respondents were asked to rank the top five reasons for implementation's failure. Not surprisingly, the reasons rising to the top included that people are already spread too thin, they work in an environment where poor communication persists, they have access to insufficient resources, lack leadership from the top and that they are not trained in the skills required to be effective at execution.

No matter how large or small, every organization has limited time, human and financial resources. It does much harm to roll out a new set of strategic initiatives to a workforce that is already stretched too thin. Even modest changes in an organization's strategy can lead to managerial, operational, cultural and technical changes at differing rates that will face varied levels of internal resistance requiring appropriately measured response and adjustment in attitudes and behavior.

As we dug deeper into the strategy implementation challenges faced by public sector organizations, we were curious to understand which factors were most frequently ranked. Again, lack of leadership and poor communication were most frequently ranked as primary reasons for implementation failure. When leaders fail to lead, measure performance and communicate effectively, culture erodes, and implementation suffers. All leaders must communicate, communicate and communicate. It begins with leaders and managers taking responsibility to share their personal understanding, commitment and long-term view to others within the organization.

When people are too busy to implement new initiatives and/or insufficient resources exist, common sense tells us to place careful attention on what is most important. To gain this level of clarity leaders first must understand the force-field of political and non-political influences impacting implementation, including structural and cultural considerations. These considerations include short political cycles, human self-interests, stakeholder expectations, lacking required skill sets and the resulting impacts of these influences on administrative and funding cycles.



Strategy Implementation Review

An immutable fact in the discipline of crafting and implementing strategy is that strategies and tactics are always subject to change depending on circumstances. For effective implementation adjustments to occur, a reliable stream of performance information must be available on a timely basis to assess the effectiveness of the current strategy.

To explore this requirement, we asked respondents how often they review and report implementation progress and achievement of results. About 25% of respondents cited inconsistency in reviewing and reporting progress, while 28% cited reviewing and reporting progress 3 or 4 times annually. Less than 10% indicated that they review and report progress monthly, which may be why implementation efforts are not seen as priorities for many organizations.

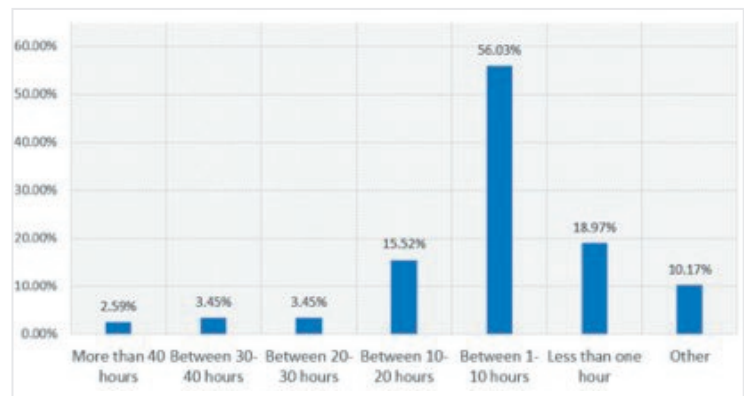
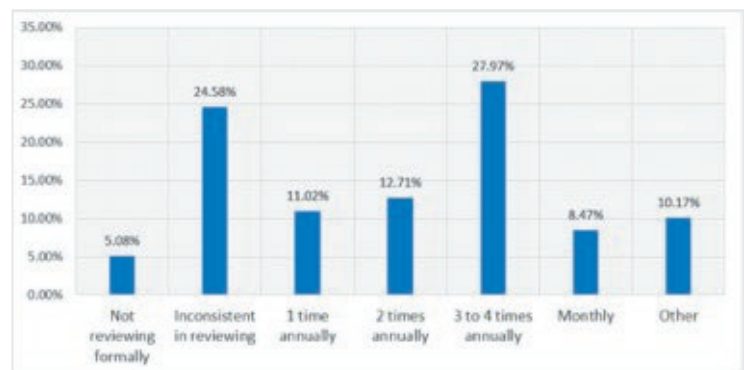
We also explored how much time leaders spend discussing strategy implementation each month, as opposed to discussing operations and day-to-day challenges.

Fifty-six percent of respondents indicated their leadership team spends between 1 hour and 10 hours per month discussing implementation of strategy.

So taking what we learned from the survey into account, what must leaders do to ensure execution of organization strategy is a success? While a common set of implementation skills is not yet sufficiently codified, we believe the following leadership capabilities are essential for implementing strategy:

- » A sustained commitment to stay involved, delivering leadership to the implementation process.
- » Demonstrate the ability to marshal resources strategically by ramping up investment in capabilities that matter most while cutting back on everything else.
- » Have sufficient emotional intelligence to inspire the team to do what you want done, because they want to do it.
- » Be mindful to treat the organization's strategy as a hypothesis to be tested rather than a map to be followed.

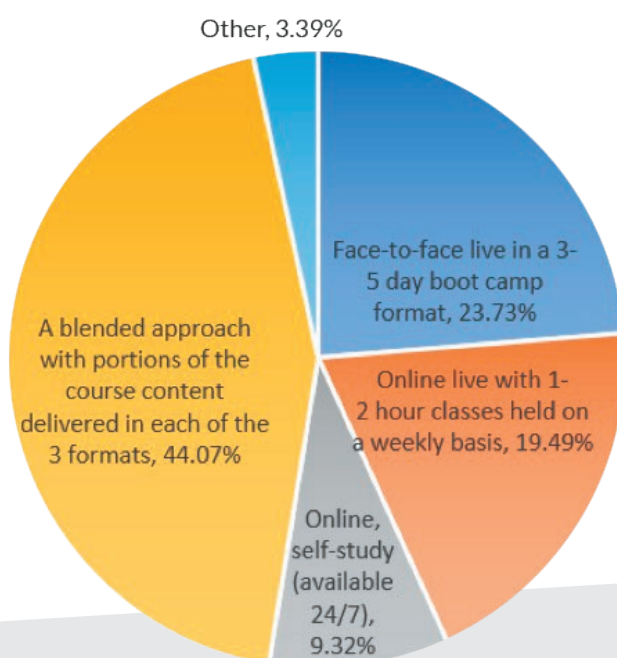
Each of these capabilities are enhanced by informed leadership that can accurately identify the scope and dimensions of the implementation requirements of the strategy. This is no small challenge and requires a significant investment of time and effort far beyond 10 hours per month.



Education and Training

As noted earlier, one of the highest-ranking strategy implementation challenges agencies face is insufficient training to build skill sets required to be effective at execution. As we continue to explore this matter, it is clear strong “strategy implementation” training needs to be in place across all levels of management but is most apparent at Director, Senior Manager and Middle Manager levels.

To be effective at meeting this need, it is important to understand preferred education and training format(s) required for improving implementation skill sets. About 45% of respondents prefer a blended training approach with content presented by instructors face-to-face along with content covered online live and/or self-study format. Other learners preferred an in-person boot camp format while others preferred connecting exclusively online. The key takeaway here is multiple training formats will be required to address learner preferences.



Conclusions Drawn

In summary, as is the case in the private sector, a strategy implementation gap exists in the public sector with some variation in intensity amongst the factors that drive execution. For example, the impact of political influences and the associated risks resulting from ongoing political behavior make strategy implementation an even greater challenge in the public sector. A keen sense of political awareness and the ability to manage political agendas is a must-have skillset in managing agency level risk.

We further conclude there are 8 dimensions capable of being influenced which, over time, interact in ways that dramatically impact strategy's implementation in the public sector. We believe strong and effective organizational capabilities across these dimensions must be at work within each agency to mitigate the public sector strategy implementation gap.



A brief definition and rationale for each dimension follows:

Political Influences

The politics of power, influence and control over the agency's political agenda. Given relatively short political cycle times it is critical to manage the force field of political agendas and self-interest central to change.

Leadership

Strategic leadership is the ability to influence others to voluntarily make decisions that enhance the prospects for the organization's long-term success while maintaining short-term financial stability. Organizations succeed or fail to execute their strategy successfully often based on the talents and capabilities of their leadership. Without effective leadership driving organizational performance, even the clearest strategies won't yield the desired outcomes.

Risk

The identification assessment and management of internal and external risks formalized and integrated into agency operations. Every organization should periodically undertake a comprehensive, focused assessment of possible risks to the organization from strategy implementation. This assessment should be part of a process to ensure that as strategies are being developed and executed, the risk of failures are being analyzed.

Communications

The thread that connects the different pieces of strategy execution is clear communication throughout the strategy formulation and execution journey. All the interaction and exchanges of information that happens in a team is team communication. Regardless of the type of team and its tasks, all team members need to interact and exchange information in order to achieve their goals.

Agility

The capacity and capability to rapidly change and adapt in a manner consistent with the organization's strategic direction. This is what we mean by the term "strategic agility." Now more than ever, organizations and teams within them must be agile.

People

In the end, execution comes down to the people involved in execution. People vary dramatically in how they react to change. Their potential for resistance to change needs to be understood and planned for in a proactive way once strategies have been selected. Most people go through several stages in their change management journey.

Measure

To manage performance, leadership teams are constantly in need of information to determine how their organization is working and whether their strategy is making a difference. The discipline of measuring performance is essential to effectively manage strategy execution. It includes collecting, analyzing and reporting information regarding the organization's performance of pre-determined "measures" of success from across the value creation process. Measuring performance must drive "organizational learning" if strategy is to be successfully executed. In the absence of learning, organizations and individuals simply repeat old practices.

Culture

Culture can be thought of as the residual effect of every event, success, failure or personal interaction that has taken place in the history of the organization. As such, culture has a dramatic impact on every individual and their willingness to support change. Organizational culture is hard to get right in any organization. It evolves and develops over time and is often the result of behavior patterns of an organization's leadership in response to the opportunities and challenges faced.

Bridging the Gap

Depicted in the graphic above are individuals traversing waters subject to risk and influence which can become rough and difficult to cross.

To bridge the gap, public sector leaders must build a culture undergirded by authentic and constant communications, agility to adapt to changing pressures and measuring what matters most strategically. Successfully bridging this strategy-implementation gap happens when strong and engaged leaders inspire and impassion staff to believe in and, as a team, pursue the strategic direction.

Finally, we believe these 8 dimensions coalesce as “key drivers of implementation success” that can be addressed effectively via practical education and training design and then delivered efficiently to meet the learning styles demanded by today’s government agencies.

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Core Inputs and Recommended Reading

- » [ASP 2018 Conference Proceedings. Bridging the Strategy Execution Gap](#)
- » [Closing the Strategy Execution Gap in the Public Sector, Dr. Anton Olivier](#)
- » [Excellence in Execution, Robin Speculand](#)
- » [Assorted Brightline Initiative publications](#)



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