

Strategy Implementation – Key to Business Success

Uday Arur

Delivering the keynote address, at a seminar on 'Leadership in Business', the managing director of a large and successful paint company stated that poor execution - rather than flawed business strategies, was the cause of many business failures. According to the managing director, in present times when the name of the game in every industry is 'copy the leader' the primary challenge lies in implementing the strategy.

These words of wisdom, coming from one who has steered his company to heights of success in the highly cutthroat paint industry, should provide serious fodder for thought to us in the Pharma industry.

A recent analysis of new Pharma launches in the last year, pointed out how the return from new product launches for most companies provided meager additions to their top line sales. While effective strategy implementation may be a difficult task for companies vying for the dubious distinction of introducing the most number of products in a financial year, why do companies that introduce fewer, and a more manageable number of products, often fail to score the required degree of success? The answer – as the managing director observed - may well lie in poor execution of strategies.

Many years ago, at a seminar on marketing, the speaker carried out a quick poll of what the participants (all of them senior marketing executives) thought was the percentage implementation of their strategies by their field-staff. The conclusions were startling! It turned out that at the M.R level; the estimated percentage implementation was a mere 30%! What could be the causes for this poor execution levels? The causes could be many; here (in the writer's assessment) are a few.

Inter-departmental Rivalry

Interdepartmental rivalries are an unpleasant reality of every organization. Production is sparring with QC; Distribution is at loggerheads with Manufacturing while Finance is picking holes in the budgets proposed by Marketing. The Sales department dismisses strategies of Marketing as impractical, and as those coming from armchair experts' and Marketing retaliates by calling Sales a bunch of phony showmen! In the last case, while there may be a degree of truth in each of the assessments, the squabbling often reaches destructive proportions when sales managers in a bid to score brownie points off the marketing people, try to show them in poor light at Product launches and Briefing sessions. While the sales manager may think that, he has impressed his sale staff, the M.Rs unfortunately, go away from the meeting with little conviction in the launch strategy, and even less in its effective implementation.

There is yet another breed of sales manager who may display great enthusiasm for the strategy at the meetings, but when it comes to its implementation by his team, will try to quietly sabotage it by directing them to action what *he* thinks is the 'practical strategy'!

Thus, even well planned strategies, by the time they percolate down for implementation by the foot soldiers, are poor diluted versions of the original.

The 'Distracted Manager' Syndrome

Sumantra Ghoshal, the late management thinker, after a study of 120 managers in a large global company, has devised a matrix of managerial behaviour. He has identified four categories of managers – *Purposeful, Disengaged, Distracted, and Procrastinators*. The largest percentage of managers – according to Ghoshal – belongs to the category of the Distracted Manager. These managers are high on energy and low on focus. What this means is that these managers are well-intentioned, highly energetic but unfocused people who confuse whirlwind frenzy for constructive action. They always feel a desperate need to do something – anything – that makes them very dangerous.

Because they do not stop to reflect, Distracted managers tend to have trouble developing strategies and adjusting their behaviour to new requirements. Under pressure and confronting the need for change, they do the same as always, only with even more intensity. They become victims of their established 'behavioural templates'.

Given that the Distracted manager forms the highest proportion of the four categories of Ghoshal's managerial matrix, these managers would be the most in number in an average organization, therefore every chance that most businesses are driven by their activities.

'Distracted' Strategies

The sales manager who dismisses the marketing manager as an 'ivory tower' manager may himself be guilty of another type of ivory tower existence – lack of vital interaction with his core customers, the prescribers. The sales manager spends most of his time in office dashing out memos and pushing his team for target achievement! Fieldwork may consist only of trade visits for fire fighting exercises, and contact with the core customers – the prescribers may be a token call or two before setting up camp at the local Stockist or Distributor for "discussions" for the rest of his time in the territory. All this leaves him very little time for attending to what he deems unproductive work such as reflecting on market trends and ensuring effective implementation of marketing strategies.

Similarly, the marketing manager's entire existence may consist of frenzied activity from one Visual aid and Briefing session to the next. Or else, he might slog away at his desk generating reams of quantitative data, or spend his time conducting one training programme after the other. He too has very little time for interaction with the target audience of all his communication strategies – the Prescribers!

These managers though immersed in continuous activity, have neither the material nor the time for reflection. They may display an abundance of energy and intensity, but their lack of focus and strategic perspective results in either poor strategies or their ineffective implementation.

Required – the Purposeful Manager

Poor implementation being at the root of product failure, what is required is a strong sense of priorities by managers – a sense brought about by reflecting on the long-term goals, theirs as well as those of the organization they belong to. They need to emulate the qualities of what Ghoshal calls the Purposeful manager – who is high on focus *and* high on energy. A key distinguishing feature of Purposeful managers is their high sense of personal responsibility for the challenges they have to respond to. The Purposeful manager takes time off to reflect on what they actually want to achieve, and sort out what is important from irrelevant noise, and focus on doing what is important for achievement of critical long term goals. They are clear about their intentions, and this combined with

their strong will power, helps them take sound decisions about how they spend their time, which is the key to, product, business - and their own professional success.

We have fine managerial talent in our industry - just look at the number of senior managers with plain vanilla science degrees, starting out at the bottom as medical representatives, schooled in management only at the school-of-hard-knocks, and currently heading their companies!

Talent and energy in abundance – managers need to add to it a stiff dose of prioritized focused activity, keeping the long-term in mind. This should lead to a better strategic perspective, leading to better strategies, even better implementation and greater business and personal success.