

# Communicating Strategy

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# 1 They Don't Get the Strategy

These were precisely the words the chief executive used, 'They don't get the strategy.' This was not a small company: it was listed on the FTSE100. It was not a particularly new strategy, as they had been implementing it for around 2 years. It wasn't a particularly new management team, and the chief executive had been in post around 4 years. It was a well researched and documented strategy. It was so well documented that it took me a week to go through all the strategy documents I had been given as background reading.

Yet the chief executive was still frustrated. As far as he was concerned, 'They didn't get the strategy.' If they don't get it, then it is unlikely to be implemented or deliver the results. He was right to be frustrated.

He is not alone and the problem is not peculiar to his type of organization. I have heard this complaint, in all sorts of organizations from large commercial, to public sector bodies, from medium-sized listed companies, to family and privately-owned organizations. Despite all the valiant efforts of the management team, the message is not getting through as intended by the person who conceived it.

Yet some organizations communicate their strategy really well. They manage to communicate what they want to achieve and how they will go about it. They get people motivated and remove the blocks that have prevented the strategy from working in the past; blocks that may be deeply embedded within the culture of the organization. They get people behind the strategy, adding to it and making it work in their part of the business. In short, they make it happen.

This book is about what you can do to make the difference in communicating your strategy. It provides you with the tools you can use to plan how the strategy will be communicated. It presents techniques to help communicate the strategy. It equips you with ways to think about how strategy is communicated, analyze what might have gone wrong in the past and make decisions about the best way to get your strategy across. There are some techniques you will be able to apply immediately and others you can incorporate into your communication plans.

## ONLY FIVE PER CENT UNDERSTAND THE STRATEGY

Some research was conducted into why many strategies seem well conceived but poorly executed.<sup>1</sup> It concluded that whilst many organizations have some success with their strategy, almost nine out of ten organizations failed to *fully* implement their strategy as they had planned. The first figure in this research suggested that, of all the staff in the organizations involved, only 5 per cent of them understood the strategy. A different and more recent survey suggested that this figure was around 8 per cent. I suspect the difference is not significant.

This limited understanding of strategy amongst its staff is an important issue for an organization. Even if the figures were out by a factor of ten, that means only half know what you are trying to achieve. If only one person in 20 understands your strategy (and presumably that one is executing the strategy) what opportunity are you missing with the other 19? It also raises the question, 'Whose strategies are the other 19 executing?'

It is not just a question of communication. It is also a question of trust. In a 2005 survey of 1 100 employees by Mercer Human Resource Consulting in the UK, just 36 per cent of workers trusted management 'to always communicate honestly'. A similar survey of 800 US employees found that 40 per cent of respondents felt the same.<sup>2</sup>

I suspect these figures also reflect different populations within the organization, and would vary with different levels of management and employee. Nonetheless, if you truly believe that your employees are a critical asset and fundamental to your success, can you afford to have so few of them trusting, understanding and helping you to implement your strategy?

## HEADS, HEARTS AND HANDS

Lots of time is spent developing a strategy and planning its implementation. Yet a simple fact remains: no matter how good the thinking behind the strategy, it is a waste of time if it is not in the heads, hearts and hands of the people who need to execute it. Of course, it is helpful to have it available for reference on the shelf or in the computer, and to keep the auditors happy. If that is where it stays, it is a waste of paper, and it has been a waste of management time and effort.

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1 This survey was conducted by Renaissance Worldwide in 1996. The other three main issues that prevented strategy being executed were: a lack of alignment in the organisation to support the strategy, the misalignment of incentives and the lack of time executives spent discussing strategy.

2 CFO Europe, Edward Teach, Suspicious Minds, June 2006, [www.cfoeurope.com/displayStory.cfm/7013332](http://www.cfoeurope.com/displayStory.cfm/7013332).

This book is about communicating that strategy, getting that engagement and getting feedback from it. As you read through this book and think about the questions it raises, the suggestions it makes and the examples it uses, you will see how it is designed to help you get the strategy into the heads of your people and develop that engagement.

The book is designed to help you build skills, think through the issues and develop a plan for communicating your strategy. Of course, that plan should be in your head, which is why it is not formalized until the end of the book. By the time you reach it you will have developed lots of ideas and have started putting them into action.

A wide range of experiences in a wide variety of sizes and types of organization has gone into this book. These organizations range from large commercial and multinational companies to small family-run businesses, from large public sector bodies to city councils, from dot.coms, through traditional manufacturing companies to pure service organizations. You can apply the ideas and experience in this book to them all.

At a minimum, the strategy must address the simple logic of, 'Where are we going and how are we going to get there?' It will engage the heads of your staff. But that is not enough. It is also about getting to the hearts of your people. Whilst the cold logic of *Star Trek's* Mr Spock is useful, it is the emotional commitment and engagement that often makes the biggest difference. The passion with which people engage customers or commit to activities makes a massive difference to people's productivity and results. It also makes a big difference to how people feel about being at work and how the organization's community and society plays in their lives. This passion and commitment will come from the passion and commitment you have when you communicate the strategy.

It is also about getting it into the hands of people, so actions are taken. Many strategies have had compelling logic and been passionately delivered, but have still failed in their execution. Sometimes the organization itself acts to stop change happening. Sometimes people need a compelling wake-up call. Sometimes, people simply need to know that they have permission to act differently and no longer be constrained by the rules that bound them. So, whilst this book is about communicating your strategy in an organization, it is applicable to communicating all sorts of changes in an organization, its culture and its values.

## THE APPROACH AND STRUCTURE OF THIS BOOK

Many books suggest what you should do to solve various problems. They focus on what to do and how to do it. My experience is that such advice is often limited in its usefulness. It is not just doing things that matters; it is

how you think about what you do and what you believe about what you do. These often have a far greater influence on success.

This book aims to give you tools to make decisions for yourself. It does not try to say, 'If you do all these things, you will successfully communicate your strategy.' What it sets out to give you is the underlying thinking, tools and techniques that you can choose from. More importantly, it provides advice on when to use those tools and how best to use them.

It is said that bad workers blame their tools. Likewise, an unthinking manager uses tools just because they are there. That is the route to fad management. Please do not go down this route.

This book aims to help you develop the thinking behind good communication of strategy. It aims to help you develop your judgement as to how best to communicate in a particular situation.

How you communicate your strategy will depend upon your personality, your thinking styles and your motivations. One purpose of this book, particularly in chapters two and three, is to help you to realize the impact of your way of thinking and your preferences. This does not just apply to individuals. Organizations, too, have personalities, thinking styles and motivations. These personal and organizational preferences will also influence how you will tend to prefer to communicate your strategy. This clash of preferences between individuals or between individuals and the organizational character often lies at the root of poor communication. Understanding it will help you address it, before you make mistakes.

Chapter 2 will confront some heresies about communicating strategy; who to tell the strategy to; and how people will react, benefit and be involved in the communication. The purpose of this chapter is to open up your thinking around communicating strategy. You are not expected to believe all these heresies immediately. You are only asked to start to question your own thinking and beliefs around communicating strategy. This chapter is also intended to make you think about who you should include in your communication and why you should engage them.

## 'I WAS IN A WARM BED, THEN I WOKE UP IN A PLAN'

This is a line in a Woody Allan movie.<sup>3</sup> If the strategy is communicated badly or implemented badly, it is how it can feel to many people.

Having spent a long time developing the strategy, you will be in a different place from those not involved. Just think: you may have spent several months

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3 From the film *Shadows and Fog*, 1992, MGM, directed by Woody Allen.

of detailed work analyzing the problems, gathering facts, exploring ideas and developing the solution. Your head has moved on from where you were several months ago. However, others have not been involved. They may know something is going on, but will not know what it is. Part of the challenge you face is to get yourself back to the situation where you started and look at where you are now, as if you were still there.

Throughout this book you will be asked to consider the situation and look at the strategy from the perspective of others. This is a skill that some people take time to build. It is one thing to say, 'I would not do that in their shoes.' You are not them. You are not in their shoes. There is a Native American saying, 'Judge not someone until you have walked a mile in their shoes.'

To walk in their shoes, you have to ask the question, 'How would I think if I were them?' Alternatively, ask, 'What would I have to know or believe to act like that?' Chapters 3, 4 and 5 will help you develop these skills and, through these, a more effective communication style.

Chapter 3 will help you identify the various players<sup>4</sup> that you will be dealing with, the reactions you want from them, the quality of relations you have and the timing of the communication. This will help you explore with whom you should communicate, why and how. By the end of this chapter you will have built up a picture of your players and how you could communicate with them. You will have started to assess the quality of the communication channels that are also in use.

If strategy is about change, and measured by results, strategic communication is measured by changes in actions and behaviours. Chapter 4 explores how change occurs. It describes the mindsets, motivations and typical reactions that you get when new strategies and change programmes are announced. Much of this book is about making sure the strategy is communicated so people understand and are engaged with it. However, there is also an aspect to communication that is no nonsense discipline. At some point, when people are not complying, you will have to get serious and potentially get rid of people. This chapter also explores some of the aspects of communication that go behind the message to show you are serious. This is, 'The discipline of change'.

Chapter 5 considers 'What is in it for me?' from the perspective of the various players. You can explore 'What's in it for them?' from different people's perspectives so you can build an even richer understanding of the various players involved.

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<sup>4</sup> This sentence uses the more general term 'players' to represent the many people affected by the strategy, rather than the more specific and overused expression 'stakeholders'. For the sake of simplicity, I have primarily used 'stakeholders' throughout the rest of the book, even though the stake in many cases is somewhat tenuous. They often seem more of an interested party or player in the organization's strategy.

## THE STORY OF THE STRATEGY

The book contains many small case studies, anecdotes and stories. These all come from real organizations or clients and are designed to illustrate points, bring out aspects of the technique or give you an example of how someone else has tackled a situation. This theme of telling stories permeates the book. Part of the art of communicating your strategy is telling its story. Storytelling is an art that transcends cultures. Chapter 6 explains how to develop the story of your strategy so it is complete. Chapter 7 provides techniques to tell the story more effectively.

Chapter 6 concentrates on *the content* of the story of the strategy. What is the strategy and what are the aspects of it that will need to be told? How can we tell these various aspects in a coherent way? The quality of the thinking within the strategy will strongly influence the telling of it.

Chapter 7 addresses *the telling* of the story of the strategy. It explores ways in which you can get your message across more effectively; how to engage people, pacing them and communicating the message, so it engages the many different ways in which people think about things. It also provides ways to prevent you stifling feedback through the accidental messages you might send out. It tells you how to be more systematic about gathering feedback and getting people to participate in the strategy, because listening sensitively to this feedback enables you to refine the message and its communication.

## ORGANIZATIONAL AND PERSONAL CONGRUENCE

When we listen to presenters or politicians, we instinctively notice how congruent they are. We may think, 'That person is lying or does not believe what they have just said.' In some cases they may say one thing at one time and something different at another time. In some cases what they say may not align with what they do. Chapters 8 and 9 address this question of congruence, not just for individuals but for the management team and the whole organization.

What applies to individuals also applies to the whole management team. If the management team leave the boardroom with different stories, then it will quickly become apparent to the rest of the organization. So Chapter 8 describes what can go wrong and helps you address the congruence of the management team before the message gets out. That way the message is consistent and aligned.

This congruence also applies to the whole organization. This is not just about the people telling the story. Are you about to communicate a strategy, only to be undermined by the very organization in which it will operate? In 'The handcuffed organization', Chapter 9 provides ways you can check

the coherence and integrity of the whole of the organization's message. It provides a checklist of organizational processes, systems and cultural components that you can use to ensure the message is not undermined.

Finally, Chapter 10 will bring all these pieces together by providing a plan for developing your communication strategy and a contents list for that communication strategy document.

## WHAT DO WE MEAN BY STRATEGY, ANYWAY?

This book is about two aspects of strategy: 'What is our organization's strategy?' and 'What is our strategy to communicate the organization's strategy?'

This book refers to 'the organization's strategy', without limiting what you may mean by it. In common with most strategy writers, the word will be used in a variety of ways through the book. This looseness can create problems of understanding – strategy is an overused word. It is useful to be clear precisely what is meant; for example:

*'You can strategically add strategy to any strategic sentence, to give it any strategic meaning you strategically want it to strategically have.'*

Unfortunately this almost random dropping of the word 'strategy' into sentences is all too common. In many instances, simply using the word 'important' would be sufficient. Yet we like 'strategy' because it sounds more 'strategic' (important). Every alliance and partnership is a strategic alliance or strategic partnership. Every important customer seems to be a strategic one. Where are the tactical ones? Every communication is strategic. Where are the tactical messages? Every investment is a strategic investment. Where are the tactical ones?

There are many uses of the word 'strategic' that are assumed or hidden when the word is over used. I suggest that, when you hear the word, you think to yourself which version is meant. Here are just a few uses, with examples of how they are used and what they really mean:

- Strategy as important: 'I want this (or me) to sound more strategic (important) than it really is.'
- Strategy as a plan: 'This is our strategy (plan) for improving the business.'
- Strategy as a position: 'How are we (positioned) strategically in the market?'
- Strategy as differentiation: 'What is our strategy (what is our unique selling point or differentiation)?'

- Strategy as a wider perspective: ‘Be more strategic (stand back from the problem or take a helicopter view).’
- Strategy as purpose: ‘This is our strategy (purpose).’ ‘What are we trying to achieve strategically?’ Often used in contrast to the actions (tactics) to get there.
- Strategy as a long term view: ‘Think more strategically (think longer term).’
- Strategy as a response: ‘What is our strategy (what is our response to our competitor’s actions)?’ Both chess and price wars provide examples.
- Strategy as choice: ‘What we choose to do, and choose not to do.’
- Strategy as politics: ‘He is very strategic (he plays politics well).’
- Strategy as a pattern of behaviour: ‘What is our strategy (what has been our persistent pattern of behaviour in this situation)?’

This last one is extremely useful. If ever you are unsure about the strategy of an organization in the past, it is useful to ask the question, ‘What has been the persistent pattern of behaviour, over the past few years, that has brought you here?’ The answer will reveal the actual strategy in use, rather than the one they say they have.<sup>5</sup>

Ultimately it can be useful to ban the word ‘strategy’. Doing so forces people to say what they really mean. It will expose those who drop strategically into sentences just to sound important. It will help those who are discussing different aspects of strategy to be far clearer about what they mean (be it plan, position, purpose or response), making it easier for others to understand and contribute as well.

Whatever form your strategy takes, or meaning it has, this book provides you with tools to articulate and communicate that strategy, so people get it. Just be clear what form of strategy you are communicating and how you are using the word.

## CONCLUSION

By reading this book, doing the exercises and trying out these ideas, you will improve your ability to plan your organization’s communication of its strategy and communicate your strategy better. You should also improve your judgement about communicating strategy, so you can make your own decisions about what is right in each circumstance.

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<sup>5</sup> ‘Thinking strategically; talking strategically’, by Phil Jones provides a more detailed and extensive description of these uses of the word ‘strategy’.

The nature of a book is that it tends to be read from front to back. Do not let this stop you going straight to sections as you feel they would be useful for you.

As you read through, there are plenty of examples to think about. You may find they ring true for you or remind you of situations you have had in the past. I encourage you to pause and think about the lessons these experiences have provided.

There are also questions in each section. I encourage you to do these as you go through and not to skip them. Thinking through them, in the order they have been presented, is a valuable way to ensure that you are getting the most from this book and will apply the lessons it contains to your situation. Of course they also act as a checklist you can come back to when you are using the techniques in your organization.