Direction Trumps Strategy

By *Theresa Welbourne*

March 6, 2008: While strategy is important, it's direction your staff needs, writes *CIOUpdate* **columnist Theresa M. Welbourne of eePulse.**

Think about how navigating in your car has changed. It used to be that you bought a map (which was never up to date), and then you used it to plot your course to your destination. You never knew if you would hit a detour, accident, or traffic jam.

Today, you get a map from the Internet that's updated on a regular basis. Many of us have global positioning systems (GPS) where you not only have up to date directions, a voice activated system telling you where and when to turn, but you also get up to the minute traffic updates.

But what about work? Since 2003, what I am seeing from numerous within-company studies and an ongoing, large scale research project of over 6,000 business leaders is that similar such improvements in direction has not benefited today's organization. In fact, while driving your car has gotten better, figuring out what to do on Monday morning has become exponentially more difficult.

This is one area where technology, in most cases, has made things worse rather than better.

As organizations all speed up, become more global, face a more complex and mobile workforce, and as work just keeps on stacking up, strategy (where many executives spend much of their energy today) may be becoming less important than direction.

Strategy is long term. It sounds good. Vision and mission are attractive, too. However, strategy and vision do not help the masses of employees who show up for work and say, "I don't know what to do today." The lack of "knowing" is not due to some new loss of intellect or less work. It's the opposite; the problem is a consequence of multi-tasking, constant inflow of information, new projects, changing priorities, etc., etc.

Exhibit No.1

Since 1996, I have been collecting data from employees in organizations doing short Pulse Dialogues (my word for surveys) as frequently as weekly. Although most of the firms I work with do not use weekly Pulse Dialogues, they do collect data bi-weekly, monthly, or quarterly. I do this to measure the drivers of firm and individual performance. What I've found is that employee energy at work was one of the most predictive metrics of performance.

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However, I quickly learned that energy fluctuates frequently. I also found that variance (standard deviation) in energy predicted turnover, customer service, sales, quality, 360° ratings of performance, and more.

The data I've collected since 2003 continue to tell a story about direction, and leaders say they are suffering, as well. They know the company's strategy—in many cases, they created it. These leaders, however, are showing up at work with the same dilemma no updated roadmap. They don't know how to get where the strategy tells them to go and, even worse, they lack direction for getting through the day.

The result is burnout, family problems, depression, stress, and lack of productivity. Leaders are reporting energy levels that are lower than rates where they say they are most productive. They too need a map.

To help reverse this trend, I've come up with the following four tips to help you begin the process of turning strategy into direction:

Tip #1: Now is the Time for Management

We all read about the "frozen middle" and the problem organizations are having in motivating middle-managers. Should anyone be surprised? These middle-managers are all working managers today. They know that direction is a problem, but they have no time or data to help alleviate the issue. Managers need to be managers again.

Not only should managers stage a stunning comeback, but managers need their own direction. Leaders need to be responsible for manager direction. Revisiting direction on a regular basis at the top will result in tremendous learning and perhaps changes in strategy or realignment between strategy and actions.

Tip #2: Bottoms Up Meets Top Down

The direction discussion is not one way. When I talk about giving managers time to manage, this does not mean further dissipation of the strategic direction messaged downward. What happens when managers start becoming managers again is they listen. They engage employees in dialogue about what work is flowing up, what projects are new, what old ones are incomplete, what should be terminated to take on new projects, the type of troubleshooting employees are doing, etc.

The direction discussion means higher quality dialogue that is two way, not one way. As a result, the folks at the top of the organization, the leadership team, have a lot of information they would not otherwise have. This means they will have more data that may indeed result in a change or evolved strategy; closing the circle.

Tip #3: Measure Direction Misfit

Measurement is key to being agile and linking direction misfit with the people who can fix the problems and take advantage of the opportunities that arise from lack of direction. Profitability, earnings and other key financial metrics are pretty healthy signals of lack of direction. If they are going down, there's a good chance direction is the culprit.

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Tip #4: Communication

Communications is the art that supports the science of strategy and direction. But traditional communication systems that support strategy are top down. Develop a process that encourages two-way communications.

In order to entice employees to share information (without fear of being ridiculed, being held in disdain by their boss, or made to feel they are unqualified to do the job), a very clear message of "sharing the pulse" of the organization has to be set up and maintained. Employees and mid-level managers need to know that if they talk about lack of direction, it's okay.

There's still too much fear of speaking up in many organizations, even though there is an adequate amount of one way and top down communications. Building a culture of listening and sharing, even with the abundance of email, text messaging, and blogs remains difficult. As we tumble into a recession, fear of losing one's job will increase, making it more risky for employees to share. Thus, the key job of the communications used to solve the direction problem must be to build trust through confidential, two way dialogues.

Summary

The importance of direction is not just a big company problem. It is not a US-centric issue. In every data set I study from around the world, I see the same phenomenon cropping up. Direction is trumping strategy, and the organizations that act on this knowledge will gain strong competitive advantage in the market. The IT groups that support their leaders in not only understanding the importance of this new trend but in building systems to help enable all employees to solve the problem will be on the cutting edge of creating high, measurable value for their stakeholders.

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