

## There Are Three Reasons Why Strategies Fail:

1. Poor strategy --- or no strategy.
2. No understanding or support of the strategy --- by management, employees, vendors or customers.
3. Poor implementation (tactics).

## First --- it's critical to understand --- What is *Strategy*? What's the difference between *Strategy* and *Tactics*?

*Strategy* addresses *WHY* and *HOW* your business will be more attractive to customers than your competitors.

- How you differentiate yourself from your competition.
  - Are you the *low-price* alternative?
  - Are you the *high-price, high-quality* alternative? Are you the industry innovator?
  - Are you the *specialist*? Is *customization* your point of difference?

*Tactics* --- or implementation --- address *WHAT* your business will do to compete:

- Marketing and sales campaigns, products, customer service are tactics that need to be aligned to your strategy.

## Six Ways to Achieve a Remarkable Strategy

Start with why remarkable strategies enable businesses to produce exponential success rather than modest improvement or failure. They enable businesses to surpass their competitors.

Remarkable strategies:

1. Answer the question: *Different or Better*? Most businesses focus on better without really being different. Remarkable strategies move the business toward being different *and* better in creating customer delight, not just satisfaction.
2. Drive to command a *niche* or *scale*. For a strategy to create consistently higher profit, it must either drive toward command of a product, service or a market niche, or to ever improving operational efficiency through scale. Those businesses that are caught in the middle - do not own a niche or do not have scale - are consistently weak on profit and growth.
3. Stretch the organization to challenge the status quo. Remarkable strategies challenge the way things are done today - whether it is the way customers buy or the operations of the business.

4. Anticipate and engage the organization in the future. A strong strategy anticipates its own obsolescence. Anticipation is the new *agility*.
5. Can be expressed in 2-3 short sentences so it's understood by everyone. They capture and hold the imagination of everyone touched by it - owners, customers, employees and communities - in a simple way. If it's not simple, understandable and memorable, it will be forgotten - resulting in drift, disengagement and poor execution.
6. Link directly to execution through a disciplined plan of action. They have clear priorities, clear ownership of those priorities from the top to the bottom of the organization, define success as a result, not an activity, and drive accomplishment of goals by quarters, not years.

## Now --- Let's take the three reasons strategies fail one at a time:

### 1. Poor Strategy, Fuzzy Strategy or No Strategy

- Strategies fail for lack of clarity. Many companies are fuzzy on what their core strategy is – price, quality, or customization --- or attempt to do more than one. Each of these three core strategies requires a different set of skills.
- Strategies fail to integrate uniqueness and clear differentiation into every aspect of the service or product the company offers -- today and in anticipation of tomorrow. Or, strategies fail to reflect what customers will really want. Watch these Apple commercials if you want to see how it's done. [15 Funny Apple Ads](#)
- Failure to avoid pursuing opportunities outside of the strategy.

### 2. Lack of understanding, support and effective performance from your organization.

- Failing to put your strategic objectives and logic in writing so that you can regularly refer back to strategy. The memory plays funny tricks and your agreed strategy may not be as you remember it.
- There is no such thing as over-communicating your strategy.
  - When employees are asked, “Do you understand your company’s strategy?” the answer is most often yes. When asked, “What is that strategy?” the answers are most often very diverse, even when given very few options from which to select. The result: many people working at cross purposes – with each other and with your strategy.
- Not promoting a company-wide understanding of the customer. Many leaders delegate focus on the customer to specific departments. It should be part of everyone’s job.

### 3. Poor Implementation --- tactical execution and management

- Making sure everyone in the organization understands the decisions for which they are accountable, and those for which they are not. Employees must be allowed the freedom to figure out implementation within boundaries set by accountability. Failure to do this is actually the number one cause of strategy failure.
- Lack of performance management systems that provide metrics and incentives that align with your strategy. Companies that are metrics driven outperform, by a wide margin, those that are not.
- Implementing programs that are inconsistent with your strategy --- e.g., offering price incentives when you're the *high price – high quality* brand.
- Implementing too many tactics that aren't proven to produce results or cost effectiveness. Technology has resulted in an explosion of *Go-To-Market* opportunities. Navigating that world is complex. Jumping on every bandwagon is foolhardy without testing to determine the impact and inter-relationships.

## Getting to a Remarkable Strategy

Many times the process of creating a strategy and keeping it on track is a major pain for companies. It doesn't have to be.

With some homework and good preparation, a strong strategy can be defined in just a few days – not weeks or months – and captured in a form that can be used every day, in every key decision meeting, with everyone.

The performance of practices that energize the organization and enable strong implementation can easily and quickly be measured. This enables focus just where it is needed.

The explosion of tactics can be sorted out in short order with analysis techniques most companies have not yet adopted.

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