



October 2015

Dick Albu

Founder and President of Albu Consulting LLC

## 6 Guiding Principles to Successful Strategy Management

It is a well-documented fact that 80% of strategic plans fail to realize their value. If you've invested in developing a strategy and wondered why it is not producing the results you expected, you might consider some of these guiding principles to put you back on track.

Undoubtedly, developing and executing strategy (Strategy Management) can at times be quite frustrating, where obstacles seem to constantly get in the way of success. Over our 20+ years as strategy consultants working with middle market privately held and family businesses, we have experienced a wide range of situations, from companies that have never developed an explicit strategy, to those that have attempted it on their own, to those that have retained an outside advisor, all experiencing difficulty in achieving the objectives they set out to achieve. As a result, we have come to realize the value of some guiding principles leadership teams can benefit from when planning and implementing their strategic management process.

With this in mind, here are six guiding principles that should help you profit from strategy management.

1. **Focus on the most important.** Setting priorities is an important step in achieving your strategic objectives because as Stephen Covey of Franklin Covey stated, "The whirlwind of the day-to-day will consume everyone's time. Choose carefully what you believe needs to get done over and above an employee's 'day job.'" More will get done with less stress.
2. **Leverage strengths.** Don't try to change the organization into something it is not. Companies need to focus on, and leverage, existing competitive advantages. Understand your core businesses, what is driving sales and profits, and leverage everything you can from it. Balance that with innovation that will reinforce the core and expand the business base to new business opportunities that leverage strengths and capabilities.
3. **Communicate.** Be sure everyone in your organization understands what you are doing. Make your employees feel they are a part of the process and the success. Don't let rumors derail the efforts you are making. Keep your employees informed and invite comments and questions. Give your employees reasons to believe that the strategic plan will benefit everyone.
4. **Raise the Energy Level.** Create a pace of progress to create momentum and enthusiasm. Schedule progress meetings on a regular (monthly) basis. Make strategy management a priority and keep everyone interested and committed. Your people will become energized by their contribution to the process.
5. **Remain Flexible.** Strategy management is a dynamic and continuous process. Be flexible. Be prepared to make adjustments as competitors, customers and economic market conditions change. Conducting regular team strategy meetings will highlight progress made and action needed on key issues and opportunities.
6. **Invest in Outside Help.** Consider retaining a qualified outside resource to help facilitate the process. This approach allows the Owner/CEO to participate in the process and provides an objective third party that can challenge assumptions and ask the tough questions. As companies grow, the need for broader experience becomes greater. An outside resource can provide credibility and invite creativity.

Without question, strategy management is an essential part of every successful company. It provides the roadmap for profitable growth. Success ultimately depends upon senior management's ability to provide the kind of leadership to both a) develop a well thought out, fact based strategy, and to b) foster a work climate to enable the strategy's execution. This creates a sense of ownership and commitment that will ensure its success.

**Quote:**

The best CEOs I know are teachers, and at the core of what they teach is strategy.

**-Michael Porter**

*Dick Albu is the founder and president of Albu Consulting LLC, a strategy management consulting firm focused on engaging and energizing leadership teams of middle market private and family businesses. With offices in Stamford, CT, the firm is dedicated to helping its clients formulate robust business strategies and follow through on execution of key strategic initiatives. Dick Albu can be reached at 203-321-2147 or [RALbu@albuconsulting.com](mailto:RALbu@albuconsulting.com). Rob Krist, Managing Director can be reached at [RKrist@albuconsulting.com](mailto:RKrist@albuconsulting.com). Please visit Albu Consulting's website for more information at [www.albuconsulting.com](http://www.albuconsulting.com).*



**Albu Consulting**  
STRATEGY MANAGEMENT