

# Leveraging Assessments to Implement Strategy

By Patrick Murray from i4cp

**I**t's one thing to develop an exciting business strategy; doing what's required to deliver it is something else altogether.

The Institute of Nuclear Power Operations (INPO), an i4cp member organization, welcomed a new CEO in 2012. Subsequently, INPO adopted a new strategic planning approach and has used it to create a compelling business strategy. INPO's executive vice president of corporate strategy, Dianne Davenport, says that for any new strategy to be truly effective, it must be deeply understood and embraced by the organization's entire leadership team--top, middle and front-line management. Not only must this group be aligned with the strategy, it needs to confidently demonstrate to the entire workforce that INPO is moving in the right direction.

Gathering intelligence was a priority for Davenport. In addition, she wanted to know where INPO should be making other key changes in the organization's DNA--its structure, processes, culture and talent particularly--required to successfully implement the new strategy.

## **But how do you go about gauging and measuring complex situations like this?**

Another i4cp member company, a Fortune 500 manufacturing firm, planned to restructure a critical functional organization. Tough market conditions, combined with a need to streamline and modernize key processes and standardize on a new technology platform, had resulted in significant outsourcing and downsizing. The function's top exec, its senior HR business partner, and the senior internal organization effectiveness consultant supporting the function wanted to establish a shared understanding of how the entire leadership team viewed the organization in key areas like strategy, culture, and customer orientation and use this common view as a key element in developing its change plan. Specifically, they wanted to know:

- What were the organization's strengths and weaknesses?
- What should the change priorities be?
- How ready was the staff to take on the change?
- Which leaders were committed to the journey and which were still in wait-and-see mode?
- What aspects of the legacy culture were supportive and were there areas that needed to be changed from the outset?

Again, how do you gauge and measure this? How do you know if you are assessing the right factors?

Both of these organizations tackled their unique situations by gathering intelligence through i4cp's People-Profit Chain™ Assessment, which uses an integrated framework of strategy, leadership, talent, culture and market/customer key performance indicators (KPIs) to measure areas that an organization needs to master to consistently perform at an outstanding level.

INPO's assessment results, for example, found good support overall for the new strategy, but there was a need for greater understanding and involvement in implementation plans by mid-level leaders.

"We definitely found a few places within the organization where executives needed to communicate more detail and also hold people accountable for execution," says Davenport. "The assessment helped us locate those gaps. We also found that it was too soon to see all the changes in place that we know we'll need to make. We see these areas as opportunities we'll keep after in the future. We'll repeat the assessment periodically to measure our progress."

The assessment results of the Fortune 500 manufacturer confirmed what the leadership group had suspected, that in comparison to high-performance organizations, it was well behind in many key areas. According to the senior OD lead, "We were not surprised. This organization has gone through major disruption, and we are just now coming out of it. The i4cp assessment helped us to pinpoint areas we want to include in our plans to become a high-performance function in the future. We have a baseline and the exec team is on the same page with its priorities. We'll do a follow-up assessment in a few months to measure how much progress we are making."

### **What to Look For in an Assessment**

Strategic assessments can guide you to critical insights that can make the difference between successful strategy implementation and a strategic misfire. A well-developed assessment:

- **Tells you how well your organization is performing compared to a meaningful standard.** i4cp's People-Profit Chain™ Assessment, for example, uses KPIs with the highest empirical correlations to market performance in areas essential to implementation success: leadership, culture, talent, etc.
- **Helps your leaders identify areas of strength and weakness that form the basis for improvement plans.** Most assessments, including i4cp's, should be conducted periodically to measure progress or lack thereof--what gets measured, gets managed.
- **Benchmarks against other organizations as an indicator of your organization's current state.** A benchmark can provide a realistic standard for comparison. The People-Profit Chain™ Assessment shows how your organization stacks up to high-performance organizations.
- **Provides data to build consensus among leadership.** Getting leaders on the same page is the first step to building greater organizational capability. Often, organizations experience general, compliance-based agreement with strategies, but lack the commitment at all levels to do the work required in key areas to make strategy implementation a reality. The People-Profit Chain™ Assessment collects data by level and by business unit/department to provide both an enterprise view and internal organization views.

What is your organization's track record when it comes to strategy implementation? How successful is your organization at leveraging its leadership, talent, culture and customer/market orientation? Does your organization have the capability to excel?

Learn more about how i4cp's [People-Profit Chain™ Assessment](#) can help you answer these questions visit [i4cp.com/ppc](http://i4cp.com/ppc) or [contact account manager](#).