

Delta Organization & Leadership



CASE STUDY: MEASURING PROGRESS AND RESULTS

Using assessment to expose strategic roadblocks

The CEO and executive team had disparate views of the company's long-term strategy and plans for achieving it.

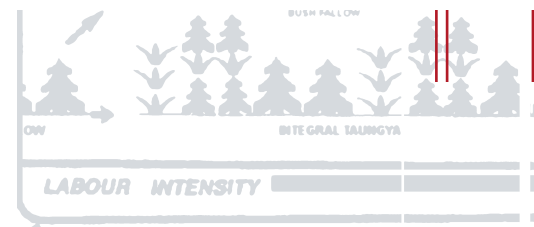
Challenges

At a critical juncture in the development of a global high-technology company, serious issues arose regarding the company's strategy. Competitors announced they were about to launch products to compete with the company's major and most lucrative lines. However, although they were unaware of it, the CEO and his executive team had disparate views of the company's long-term strategy and plans for achieving it.

The differences were revealed when several senior executives and the CEO, who had been in the role for just a few months, were interviewed for a top business publication. When the article appeared, their opinions were all over the map, revealing to the world an acute absence of consensus and clarity among the senior team members. They didn't seem to know the facts about how the company was doing or to share a vision of where the company was headed.

The CEO and his team quickly realized that their lack of alignment on direction and strategy could threaten the company's future.





Actions

We were asked to pinpoint the critical discrepancies in the senior leaders' views—those that could weaken the firm's competitiveness—and help them develop a shared, accurate view of the challenges and opportunities facing the organization. We designed a research approach that not only captured crucial facts but also presented them with impact so the issues were immediately apparent to all. We developed three sets of data:

What the leaders were saying. We analyzed transcripts of the press interviews to determine the similarities and differences in the leaders' perceptions. We then conducted an alignment analysis, a statistical examination of their comments that showed how each senior leader viewed the company's strategic direction, capabilities, and potential.

What others were saying. We reviewed analysts' reports and published articles to highlight external perspectives on the company's challenges and capabilities.

What the numbers were saying. We compared the company to its competitors in three major areas: finances, growth potential, and global market presence.

Results

Our findings enabled the leaders to see differences that could prove to be roadblocks to the company's success if they were not resolved. They became the basis for a very difficult discussion, and a turning point for the executive team.

Bringing differences into focus. When asked by reporters about the company's strategy for remaining competitive, the senior leaders offered a broad range of alternatives, from maintaining a balanced but focused portfolio, to accelerating new product development, to leveraging disciplined financial management. There was no clear consensus, which the conclusions we presented to them graphically demonstrated.

Recognizing a critical disconnection. Our analysis further showed that the leadership group didn't understand the company's strategic capabilities. Few of the leaders identified the processes critical to executing a desired strategy (e.g., effective knowledge management and fast product development) as strong organizational capabilities.

Moving ahead with greater consensus and unity. The composite snapshot of leadership views that emerged became a

valuable tool. It identified and provided the CEO and his team with a framework for discussing a number of crucial issues and for forging a clear path for the company.

Speaking with one voice. Communicating conflicting and confusing messages can make customers and shareholders nervous and erode profits, and our research showed the company had no common voice. The media and analysts had a grim outlook of the company's near-term performance and product development pipeline. Because they were unprepared, the executives who were interviewed missed an opportunity to convey why the company was uniquely positioned to meet its challenges. We subsequently helped the senior team coordinate key messages and manage the process of communicating with a range of constituencies.

Ultimately, the experience proved an important wake-up call for the top team. It underscored how important it is for leaders to come to a meeting of the minds on critical issues, particularly during periods of major change, and the power of using a robust, impartial assessment to identify and resolve their differences.

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Contact us at deltainfo@oliverwyman.com or visit our website at www.oliverwyman.com

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