

The Top Ten Strategy Execution Trends for 2016

Businesses are speeding along the information highway, always trying to stay ahead of the competition while constantly managing rapid change and driving innovation. In today's business environment, it's the early adopters and smart organizations that are succeeding. They are challenging the traditional ways work gets done, identifying the gaps that exist between strategy and execution within their organizations and embracing new leadership approaches with the goal of achieving alignment.

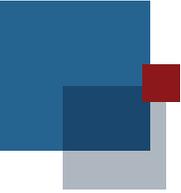
Given this constantly evolving business climate, TwentyEighty Strategy Execution has assembled a panel of experts to compile the top ten strategy execution trends for 2016. These trends focus on what smart organizations and business leaders are employing to shift from old school routines to progressive school practices.

Agile Is Evolving Enterprise-Wide

Agile is seeping into every aspect of the organization. Once firmly embedded in the IT department, Agile practices can now be found in the legal, marketing and HR departments and elsewhere. The need for speed is forcing us to change the way we do business. As a result, Agile adoption is growing. Smart organizations that have adopted Agile methodologies find that enterprise-wide agility is about questioning routines and identifying opportunities. But while Agile practices are being steadily adopted, organizations either still react so slowly that they can't seize opportunities or mitigate emerging threats (29 percent), or react quickly but lose sight of company strategy (24 percent).¹

2016 Top Ten Trends

- Agile Is Evolving Enterprise-Wide
- Execs Are Recognizing the Need For Experienced PMs
- The State of Organization Is Moving Toward Flat and Lean
- Millennials Are Changing Leadership
- Interdependencies: Silo Walls Are Growing Thinner
- Design Thinking Is Permeating Project Management and Beyond
- Big Data Will Drive Complexity
- Continuous Lack of Governance Hampered by Lack of Resources
- PMOs Are Becoming Strategic Partners
- Business Analysis (BA) Is Being Elevated



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Execs Are Recognizing the Need For Experienced PMs

Demand for experienced project managers and leaders is growing faster than the market can supply them. According to a recent TwentyEighty Strategy Execution Project Manager Salary and Talent study, 83 percent of project organizations reported that they were understaffed, with 44 percent of the open positions for senior project professionals.ⁱⁱ These numbers will continue to rise as demand for talent in the marketplace grows. For this reason, leadership should focus on avoiding the financially-driven war for talent, and instead commit to long-term investment in talent by “upskilling,” or training existing talent, faster.

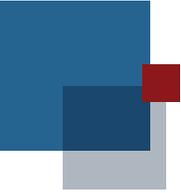
To be flat and lean, today's leaders need to be less top-down and more collaborative and inspirational at all levels in order to drive strategy execution and alignment within their organizations.

The State of Organization Is Moving Toward Flat and Lean

Smart organizations are finding a balance between hierarchy, bureaucracy and innovation by pushing decision making out to the edge. Given this dynamic change in the business environment, organizations are dumping the old post-industrial model of how work gets done and becoming flat and lean. To be flat and lean, today's leaders need to be less top-down and more collaborative and inspirational at all levels in order to drive strategy execution and alignment within their organizations.

Millennials Are Changing Leadership

Millennials are becoming the dominant demographic in the workplace. They are redefining “effective leadership” and how organizations engage with this future workforce. According to the recent Deloitte survey, today's Millennials place less value on visible (19 percent), well-networked (17 percent), and technically-skilled (17 percent) leaders. Instead, they define true leaders as strategic thinkers (39 percent), inspirational (37 percent), personable (34 percent) and visionary (31 percent).ⁱⁱⁱ Smart companies are adapting to this workforce shift.



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Interdependencies: Silo Walls Are Growing Thinner

When asked to identify the single greatest challenge to executing their company's strategy, 30 percent of managers cite failure to coordinate across units, making that a close second to failure to align (40 percent). They also say they're three times more likely to miss performance commitments because of insufficient support from other units, rather than because of their own team's failure to deliver.¹ To address this common challenge, smart organizations are eliminating layers of management and creating networks of teams. It's no longer about your "department," but your "team," which is made up of people from various areas inside and even outside of the organization who bring different skills and come together to achieve a common goal.

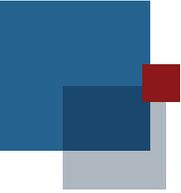
Today, smart organizations encourage innovation at all levels, meaning everyone should look at what they do and ask how they can iterate and innovate, even on a small scale.

Design Thinking Is Permeating Project Management and Beyond

Historically, IT, strategy and product development have been cast as owning innovation. Today, smart organizations encourage innovation at all levels, meaning everyone should look at what they do and ask how they can iterate and innovate, even on a small scale. It occurs when we look for opportunities to get more feedback from customers and observe how they using products and services. Gaining insights by rapidly prototyping and testing ideas before developing extensive plans is another way to innovate, learn from mistakes and improve. Continuing to develop and foster an environment where people are allowed to question the way it always has been done and take risks has powerful implications. This is design thinking, which drives innovation.

Big Data Will Drive Complexity

There is no shortage of data today. The challenge is what organizations can do with the deluge of information to make better decisions faster. Tying back to complexity, smart organizations are identifying how to best simplify information to have people understand and buy into new ideas. Forward-thinking organizations create more transparency around business decisions.



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They create the right tools and systems and ways of thinking about data to effectively mine what they have and apply it.

Continuous Lack of Governance Hampered by Lack of Resources

Governance failures are a key place in which strategy execution alignment falls down, yet not many organizations are willing to admit it. All too often, “go – no go” decisions are seemingly made at random without consideration for resource requirements. Proper governance requires transparency into the complete portfolio process, including resource allocation and decision-making criteria. Organizations that can balance their desire for growth and change against their available resources will continue to outpace their competition.

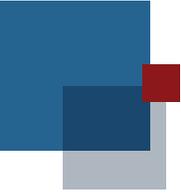
PMOs Are Becoming Strategic Partners

Because there is a real drive for project professionals to think more strategically and holistically about the organization and its objectives, PM leadership, including PMOs, will advocate for a more strategic role within the organization. The PMO ensures the execution is aligned with the strategy. Forward-thinking organizations have already elevated the PMO to that role. Those that are successful have a strategic mindset in the services they provide and can clearly demonstrate how they exhibit their value.

Business Analysis (BA) Is Being Elevated

Like the PMO, business analysts have an enormous impact on an organization’s strategy execution. As a result, leaders must embrace the BA’s role and elevate it to communicator and facilitator, going beyond just gathering requirements. The benefit is that employees across the organizational chart can contribute to the development of project portfolios and deliver business benefits that the organization needs. Smart companies empower BA to play a bigger part in the strategy execution alignment role.

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These trends reflect how smart organizations are coping with the ever increasing volatile, uncertain and complex environment we all must operate within. Because project-based work drives everything we do, propelling organizational success means recognizing the need for a balance of technical and relational skills instilled among individuals and teams, which is essential to effectively align and execute organizational strategy. The lack of skill balance significantly contributes to an organization's gap between strategy and execution. Investing in upskilling your workforce is one way to bridge the gap, embrace these trends and stay ahead.

References

ⁱ Harvard Business Review, Why Strategy Execution Unravels—and What to Do About It, by Donald Sull, Rebecca Homkes and Charles Sull, March 2015 <https://hbr.org/2015/03/why-strategy-execution-unravelsand-what-to-do-about-it>

ⁱⁱ Study: TwentyEighty Strategy Execution Annual Salary Survey 2013

ⁱⁱⁱ The Deloitte Millennial Study, January 2015 <http://www2.deloitte.com/global/en/pages/about-deloitte/articles/2015-millennial-survey-press-release.html>

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