



download
#02

STRATEGY EXECUTION HEROES

Link your objectives
with the next level up

A template

This document is part of a set of supporting material available for download upon purchase of *Strategy Execution Heroes* by Jeroen De Flander (ISBN 978-908148731-3).

This document is licensed under a Creative Commons 'Attribution Non-Commercial No Derivatives' 3.0 License. This means you are free to copy, distribute and transmit the work under the following conditions:

- Attribution: You must attribute the work in the manner specified by the author or licensor (but not in any way that suggests that they endorse you or your use of the work).
- Non-commercial: You may not use this work for commercial purposes.
- No Derivative Works: You may not alter, transform, or build upon this work.

For more information, see <http://creativecommons.org>



Tips to cascade strategy: **getting started**

- Take the strategy or the strategic objectives of your department as the starting point.
- If your organisation doesn't have a cascading process, do it in your own department/group.
- Don't cascade by duplicating the objectives of your organisation, but break down those organisational objectives into a series of smaller objectives that describe what each unit or department needs to achieve.
- Only cascade to where it counts, to where there is highest leverage to achieve the corporate objectives.
- Accept ongoing responsibility for creating alignment between the company's objectives and strategy and the objectives of your unit.
- In most organisations, knowledge and mid-level workers grasp objectives and targets well, while lower-level employees require more explanation of how their efforts connect to business strategy.



Tips to cascade strategy: **communication**

- Invest in communicating the objectives of your department and the changing priorities.
- Keep the language simple; break down the objectives so that employees and managers can understand how their individual objectives drive business success. It's important to clearly communicate what is being measured and how.
- It is a manager's job to take the corporate strategy and objectives and redefine them in a way that makes them real for the people in their department.
- In order to have engaged and motivated employees, provide meaningful and attainable measures, and then communicate how the department is performing – recognising both positive results and areas of improvement.

Tips to cascade strategy: **link with individual objectives**

- To link employees with the corporate strategy, executives should cascade the strategic objectives of the organisation's various entities down the hierarchy.
- Each individual in the team should be assigned specific individual objectives that support the company's strategic objectives.
- Individuals must understand the activities they are expected to perform, how their performance will be measured, and how their performance will help the organisation to achieve its high-level targets. Each objective needs to be weighted so that all employees know where to concentrate their efforts.
- Remind your people frequently and continuously on how their objectives fit into the bigger picture, including your manager's objectives.
- Make sure you understand your manager's objectives and the link/contribution of those objectives with the objectives of the department.
- Involve people in the process of determining their 'line of sight' to the corporate strategy.

Tips to cascade strategy: **definition of individual objectives**

- Cascading incorporates top-down and bottom-up thinking, therefore involvement of your direct reports in the definition of their individual objectives is important.
- Directly involving subordinates in discussions on how to execute strategy can greatly improve employees' commitment.
- Explain the relation between your individual objectives and the objectives of your department. Redefine them if they are ambiguous.
- Make sure your people know what is expected of them, in a language they can understand.
- Since the day-to-day behaviour of your people reflects their true motivations more than their verbal promises, it is important to understand their needs. Spend time in getting to know and evaluating the motivations of your people in order to set adequate objectives.
- Ask input from your direct reports. Discuss the following questions with your people:
 - | Which of your objectives are unclear?
 - | How are they linked to upper management's objectives and the strategy?
 - | What objectives are you apprehensive about?
 - | How are your objectives linked downward?
 - | What are the obstacles to achieving your objectives?
 - | What support do you need from me, or others, to resolve these conflicts and obstacles?



Template to visualise the link between your objectives and the next level up

Strategic Objective Alignment N versus N+1		Objectives next level up	Objectives next level up									
Perspective	Your objectives		1	2	3	4	5	6	7	8	9	10
Financial	description objective	1	x									
	description objective	2		x								
	description objective	3			x	x	x					
Customer	description objective	4					x					
	description objective	5						x				
	description objective	6		x			x			x		
	description objective	7										
Internal process	description objective	8							x			
	description objective	9								x		
	description objective	10										x

- Map your objectives and those of your manager in a matrix.
- Consider listing your objectives according to the four dimensions of the Balanced Scorecard.
- Put an 'X' in each cell of the matrix to indicate a link between one of your objectives and those of your manager.
- Check to ensure:
 - | All your objectives have a link with those of one level up (i.e. horizontally read, is there a 'X' on all lines?).
 - | All objectives of one level up are covered by your objectives (i.e. vertically read, do all columns have an 'X'?).