

## Leadership, Strategy, Vision and Phacoemulsification

### Description

Mark Moore's recent post entitled *Corporate Cataracts* focused on the need to match vision with strategy in order to achieve success at the enterprise level. The same can be said at the initiative level. In fact, executing on any tactical or strategic plan involves a series of What and How decisions at increasing levels of detail and failing at any level endangers the success of all of the dependent initiatives above the failed one. How can enterprises mitigate this risk?

*"If you don't know where you're going, any road will get you there."*

- The Cheshire Cat

### Whence Business Failures?

As Mark used the terms, vision is where you would like to be and strategy is how you will get there and we will stick with those definitions. Vision/Strategy failures are of three types:

- **Failure of Vision** – You can execute against your vision with excellence but if it is poorly conceptualized, then you will have taken a fast drive down a cul-de-sac. You arrived with alacrity, but nowhere you wanted to be.
- **Failure of Strategy** – You can have a brilliant market position mapped out but unless you can find a way to achieve the vision, you will burn cash and probably miss other opportunities trying to get there.
- **Failure of Both** – The common caricaturization of male drivers as being unwilling to seek directions when lost and attempting to get back on track by driving faster applies, as well. Some failures result from poorly-executed attempts to get to the wrong place.

For instance (we can take the opportunity here to engage in a little [schadenfreude](#)):

- **News Corp** – News Corp purchased MySpace for \$580 Million, later selling it for \$34 Million, a 94% loss and a failure of both vision and strategy.
- **RJ Reynolds** – RJ Reynolds spent \$1 Billion developing Premier, its smokeless cigarette. Given the current popularity of Vapes, a technology not yet developed at the time Reynolds was working on Premier, it seems as if the vision may have been valid but obviously, the execution was lacking.
- **Coca Cola** – For some reason Coca Cola felt the need to reformulate its flagship product in response to a perceived threat from Pepsi. Ultimately, this visionary gaffe turned out well for them, but only by happenstance.

### The Reinforcing Interdependence of Vision and Strategy Risks

Unfortunately, as we have seen, failure along either dimension not only precludes overall success, it also creates a circumstance in which it is almost impossible to succeed at the other. Context is what

binds them and without it, the risk of failure is heightened. Clearly, vision must precede strategy but the risks of partial success at achieving vision are often discounted or not evaluated, at all. The potential for success at achieving the vision may well be determined by strategic options an enterprise adopts to pursue it.

Those of us who are Project Managers, especially IT PMs, are well acquainted with the need to plot alternate paths to achieve best possible results when the opportunity to achieve 100% of a project's goals becomes infeasible. We are also well aware of the need to nail down business context and tie project requirements to it prior to marching off to execute a project.

Strategic business initiatives and corporate transformation projects are no different. When it is discovered that elements of a vision will not deliver the expected value or that they are unachievable with the strategy employed, then some unraveling of both the vision and strategy are unavoidable. In fact, termination of the initiative may be warranted, which is always a difficult conclusion to reach. The whole process of reconsidering an initiative often occurs in a state of fear, tension and frustration, none of which have been known to contribute to optimal decision-making.

### **Phacoemulsification**

Phacoemulsification is the surgical procedure that ophthalmologists perform to remove cataracts and risk mitigation measures performed at the outset of an enterprise strategic transformation serve exactly the same purpose. We know that group dynamics often lead to flawed decision-making processes and that, once initiated, projects tend to take on a life of their own. I have described the "planet killer" funding process that has contributed to more destined-to-fail software development projects than anything else I can think of and business initiatives are little different.

So, what can we do from a risk management perspective to reduce the number of poorly-envisioned projects or bankrupt strategies for achieving them?

- **Elaborate and Conduct Risk and Alternatives Analysis on the Vision**—If the business case is flawed, nothing you do will produce success. Identify the critical success factors—the things you must succeed at in order to achieve the vision—and alternative versions of the vision to determine which one is optimal and which others are viable. Create a risk mitigation and fallback plan to transition from the optimal vision to one of the other viable ones if it is necessary.
- **Produce a Formal Set of Requirements with Traceability to Elements of the Vision**—If it proves to be impossible to achieve some initiative requirements, you must know which elements of the vision will be endangered and what the impact on the value of the vision will be. You cannot make reasonable choices about modifying the initiative's goals if you do not know what the cost and foregone benefits will be.
- **Establish a Formal Progress and Risk Review Process**—A properly-designed risk management plan will include assessment criteria for each identified risk and should contain a pre-defined framework for responding to events that arise. A regular review of how things are progressing and a clear-eyed look at events that require a response and possible course correction is critical.

These measures are very much in line with the PMI's risk management best practices and are really as much common sense as anything else. Sad to say, common sense seems to be in pretty short supply sometimes, often with catastrophic economic results. Only by recognizing our penchant for self-delusion and occasional willful blindness can failures of vision and strategy be avoided.

**Date Created**

2015/03/20

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