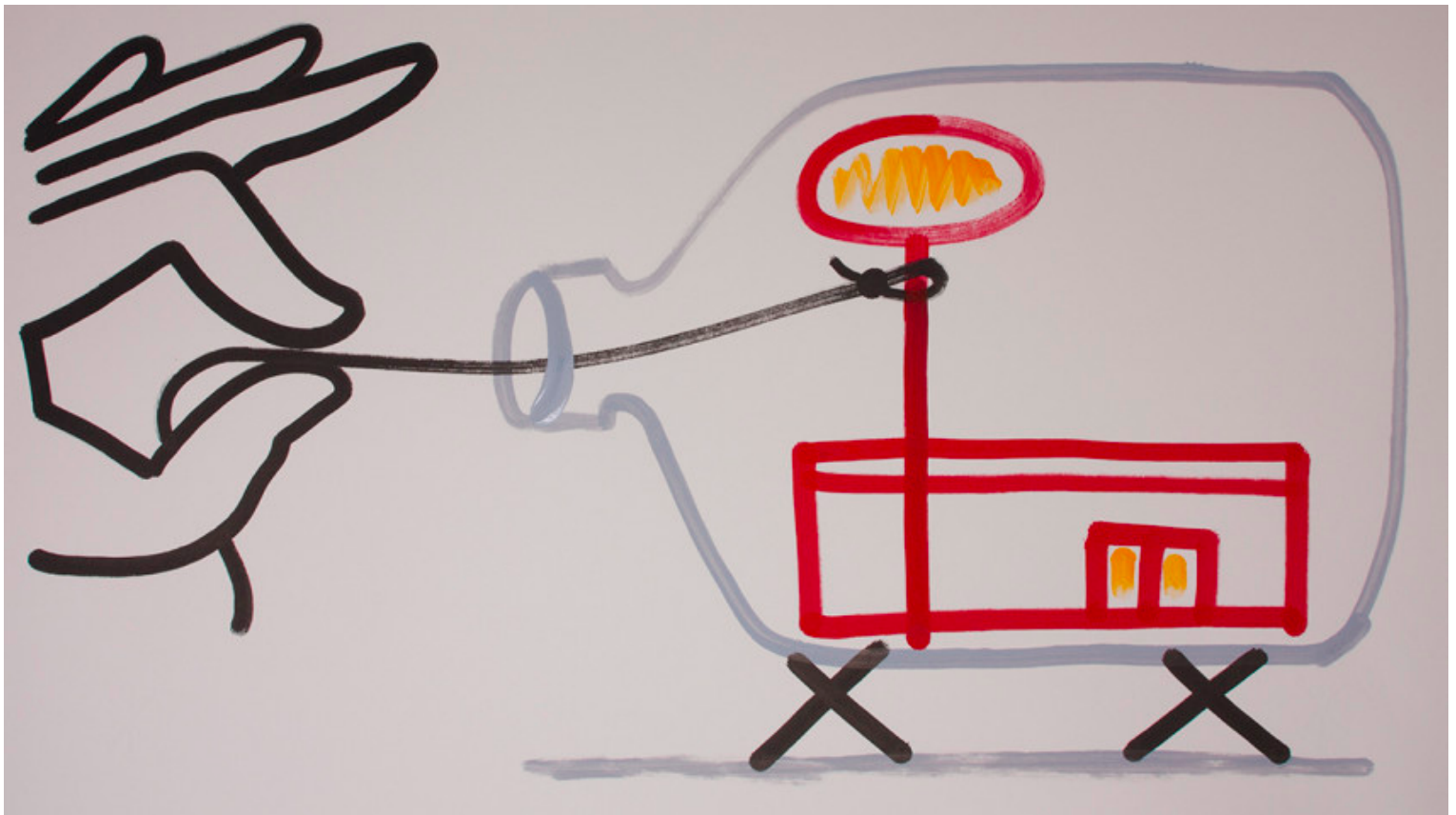


LEADERSHIP

Only 8% of Leaders Are Good at Both Strategy and Execution

by Paul Leinwand, Cesare Mainardi, and Art Kleiner

DECEMBER 30, 2015

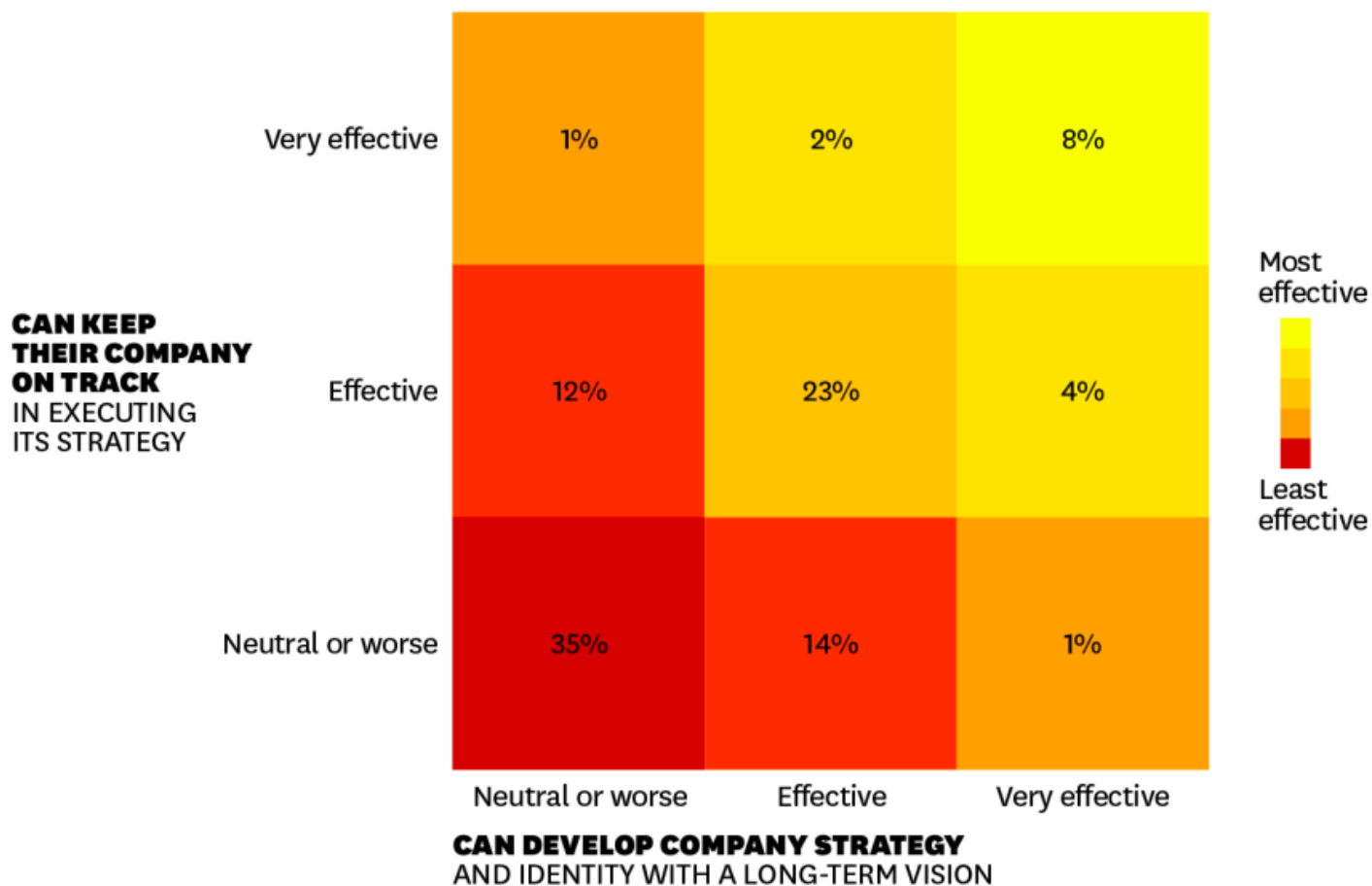


DAVE WHEELER FOR HBR

In a 2013 survey of nearly 700 executives across a variety of industries, our firm asked respondents to rate the effectiveness of the top leaders of their companies. How many excelled at strategy? How many excelled at execution? The results are shown in the chart below. These responses are sobering: Only 16% of top leaders were rated very effective at either strategy or execution. Only 8% were very effective at both, while 63% were rated neutral or worse on at least one dimension.

Top Leaders' Effectiveness at Strategy Execution and Development

Few are good at both.



SOURCE "WHAT DRIVES A COMPANY'S SUCCESS?" BY PAUL LEINWAND AND CESARE MAINARDI, 2013

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But there is heartening news in one finding. More than half of the leaders who are effective in either strategy or execution (that group of 16% in the top row and right-hand column) are skilled in *both* strategy and execution. This finding suggests that among the rest of us, those who become better strategists (those who can develop compelling answers to those fundamental strategic questions) will probably gain skill at execution as well, and vice versa.

In our research, we've found five leadership acts that help companies close the strategy-to-execution gap. The five acts of unconventional leadership also provide an opportunity for deep and powerful leadership development. Think of them as a chance to create an engine of growth for you personally and for the company:

Commit to an identity. As a leader, you can become a symbolic figure, a model of commitment. You

have something powerful to sell: a message about identity and the need to stay with that identity over time. As you demonstrate the courage of those convictions, you develop the influence and impact needed to build an extraordinary company.

Translate the strategic into the everyday. Although you occupy a top executive position, you also “get your hands in the mud,” as Starbucks CEO Howard Schultz puts it in his book *Pour Your Heart into It*. You become the architect of the capabilities you need, the chief of builders. In these roles, you operate at a fine-grained level of detail so that you can see, sense, and touch the details of everyday activity. But you also raise your view high enough that you clearly see – and show others – how all your global capabilities fit the value you offer customers. You need two kinds of perspectives, nearsighted and farsighted, simultaneously, and you can only develop them this way.

Put your culture to work. As a leader, you are infused with your company’s culture. You are a primary champion of emotional commitment. You practice mutual accountability; everyone’s success is important to you. Through teaching and learning, you devote yourself to the cultivation of collective mastery. You do all this in a way that matches the unique cultural attributes of your company, which are grounded in its capabilities system. You don’t act like you come from a remote corner office; you act like you are one with the company’s culture.

Cut costs to grow stronger. Your company consistently allocates its resources with an eye toward strategic priorities. As a leader, you do the same with your personal resources, particularly your time and attention. Are you devoting enough to the most critical capabilities and the value proposition they support? Or are you squandering too much time and attention on immediate demands, responding to everybody else’s idea of what is important?

Shape the future. As a leader, you are one of the first to experience the constant challenge of external change. You can muster the fortitude (and humility) to recognize when change in yourself is required. You build an extremely capable team, knowing that ultimately the future will depend on developing the next generation of leaders.

Nearly every CEO we’ve met has great aspirations to change the game, move beyond the constraints that his or her organization faces, and build a legacy that leaves years and years of growth. Living these five acts of leadership can help. They build your confidence, and that of your company,

and increase your ability to close the gap between strategy and execution.

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joe martins 14 hours ago

I'm unimpressed.

"In a 2013 survey of nearly 700 executives across a variety of industries, our firm asked respondents to rate the

effectiveness of the top leaders of their companies. How many excelled at strategy? How many excelled at execution?

"

Ok, now repeat the study. This time survey the employees of the respondents in the first survey. Anyone wish to guess the outcome? The results would, without a doubt in my mind, be similar to the first survey for a few reasons that should be obvious:

1. Rampant Dunning-Kruger effect and Illusory superiority. People tend to believe they're more skilled than they are....and that others are less so.

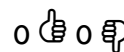
https://en.wikipedia.org/wiki/Illusory_superiority

https://en.wikipedia.org/wiki/Dunning%E2%80%93Kruger_effect

2. A general lack of the expertise and insight necessary to accurately assess the performance of others.

3. The general attitude people tend to have that they can build a better mousetrap.

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