



## Media Release

### Executing Strategy – keep it simple but stay committed

**Friday September 28, 2012.** Specialist business improvement consultancy Seaview Consulting Director David Fotheringham said that financial services businesses need to have a culture that firstly recognises and then embraces the need for change. Not all companies will achieve their objectives even though they have a clear strategic plan for their business and the know how to implement their vision.

Fotheringham believes that unfortunately there will be casualties reflected in many successful 'Pre FoFA' practices and dealer groups being unable to transition their operational infrastructures to address consumer and legislative demands of the future.

"A business improvement ambition will not suffice, a great strategy poorly executed will have the same result as a poor strategy implemented well, both will underachieve," said David Fotheringham.

"Successful strategy execution comes from the discipline of sticking to the process of implementing change."

Seaview Consulting has observed that those organisations that embed strategy execution into their business processes from top to bottom ensure every person is clear on the strategy, their role and their value in the process.

Successful execution of strategy requires the entire team to be pushing in the right direction towards the same goal. In simple terms, to stay competitive, the financial services business of the 21<sup>st</sup> Century needs to focus on continual improvement, adapt to changing technology that is influencing customer preferences, and respond to a changing regulatory and competitive environment.

Fotheringham confirmed that Seaview Consulting's view is that all businesses need to adhere to some basic guidelines in order to ensure effective strategy execution and he offered the following top 4 tips for business owners:

- i. Prioritise opportunities and focus on delivering short-term outcomes
- ii. Management adhere to the six C's
- iii. Identifying early adopters
- iv. A culture of accountability

"There is never a shortage of initiatives that could benefit the organisation; however, the challenge is to implement a filtering mechanism that moves beyond an individual's position or personalities to identify and prioritise those projects worthy of investment," said Fotheringham.

"The misapplication of resources to ineffective projects is one of the greatest causes of underperformance, staff frustration and dissatisfaction. Therefore, it is essential to establish a system that measures the value of each opportunity across a range of criteria in order to identify those offering the best return after factoring in complexity, resources required, cost and the time to deliver."

Seaview Consulting recommends that business owners adhere to the six C's –

**Clarity** – The vision and purpose of the business is crystal clear and the path to success clearly articulated in a manner that everyone across the entire organisation can embrace and understand.

**Control** – Responsibility must rest with the ultimate leader and not be delegated. The person driving the change initiative must have the authority to direct resources to instigate and manage the cost of change within their business unit or across the organisation.

**Capacity** – The organisation must have the financial capacity to invest in the change process, including the willingness to reassign or secure the best resources to the task at hand. Sufficient funding and resources must be allocated in the budgeting process to enable the change program to be implemented effectively.

**Capability** – If the right skills don't exist in the business they need to be put in place either by training or securing the necessary skills on a part-time or full time basis. It is unrealistic to expect people to lead others without the necessary training and knowledge.

**Communication** – The change journey is supported by an effective collaboration and communication framework that facilitates the progress towards stated goals and a forum for gathering and development of ideas. Success will come when everyone can accept both positive and negative feedback, in order to work collaboratively to address, resolve, or capitalise on the feedback to the benefit of the client or customer.

**Commitment** – Management must stay committed to the journey by working through the tough periods, face the challenges rather than turn away and be honest in their assessment of themselves rather than looking for excuses.

Fotheringham continued, "The traditional approach of assigning the task of change to managers and asking them to implement down through the organisation is flawed and fails to acknowledge each individual's strengths and weaknesses."

"The alternative is to identify the right people across the entire organisation who can motivate and lead their peers. Momentum is achieved by using a small group of enthusiastic staff members who are willingly to embrace change and who others in the organisation respect and follow. Use this group to develop, test, and refine solutions before pushing change onto the entire organisation."

Finally, measuring progress and holding individuals accountable for agreed deliverables is essential for success. The ability to celebrate success and acknowledge failures as being learning opportunities to move forward will enable staff to build confidence and make better decisions.

David Fotheringham concluded, "Implementing strategy effectively isn't easy but it can be managed better by adhering to a consistent and simple continuous improvement framework. While technical expertise can support the process ultimately, successful change comes from the commitment from the leadership team and their willingness to lead by example."

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