

Executing Company Strategy Like a Nascar Race

Using Exepron Critical Chain Project Management to Accelerate Strategy and Tactics (S&T)

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As Kim Allen, the former head of Scarborough Public Utilities confided to me, “Every year, we have a management retreat to create our strategy. We identify the top 25 initiatives, and add them to prior years’ initiatives that remain unfinished.” I have encountered this so often, that I label it the generic challenge of executing organization strategy – **perpetual delays**.

Every strategic plan has all the characteristics of a project – numerous interdependent tasks and resources, time critical elements, bottom line impact, busy people with many other things to do and crises to solve. We frequently observe good strategies being delayed as if they were in a traffic jam. Weekly or monthly reviews often do not work, yielding only excuse after excuse for poor progress.

Strategy execution is the victim of two horrible phenomena:

- **Gaps in execution** – It’s the typical start stop behavior that we witness in traffic jams. One of the tasks in the strategy is completed, but the next task waits days or weeks to begin execution.
- **Multitasking** – The people executing the tasks are also doing other work. They get frequently interrupted. So a task that might take 2 days of dedicated time ends up taking 2 weeks to finish.

Can we do anything to overcome these behaviors and execute strategy like a Nascar race? To answer “Yes”, top management *must* recognize that the core problem is management attention. Two key ways to deal with management attention in strategic plan execution are to have a viable plan, including a time frame and the critical resources needed to execute the plan, and then to make the execution visible to the entire management team. As you’ll see from the example below, when a team recognizes at an early stage the damage caused by delays, and the danger they are putting the strategy in, the behaviors change rapidly.

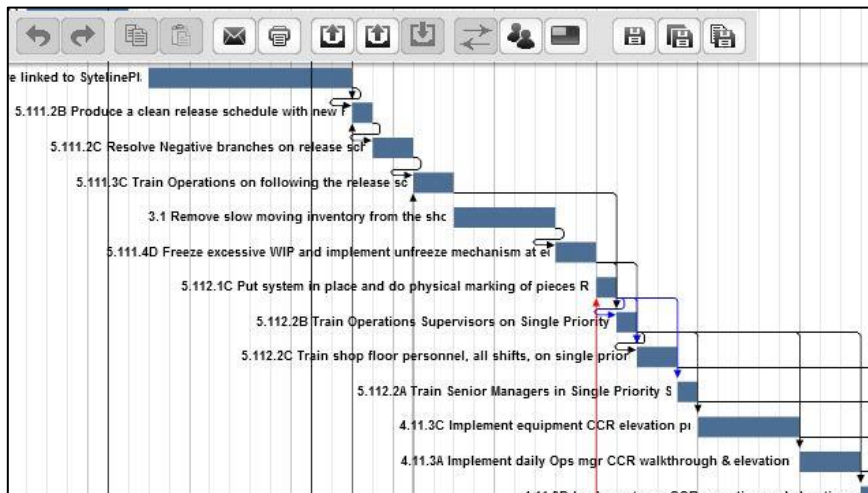


Figure 1 – Part of a Strategic Plan in Exepron

At TOC International, we recognized these challenges over the past 20 years. However, it wasn’t until we began using Exepron that we felt comfortable that the software would be a help, not a hindrance. In September, 2012, with the start of a new Viable Vision Project, we converted the first phase of the Strategy and Tactics we were using to an Exepron Plan (See Figure 1.)

Since the senior management team was already familiar with a Strategy and Tactics document, we used the identical reference numbers from the document as part of the task descriptions in Exepron. This created an easy cross-reference between the document and the Critical Chain Project Plan.

Executing the Strategic Plan

As we began executing the project, we gave the entire team access to the Exepron log on, with read-only permission on the project. Since this first phase of the project was a 6 month plan, but part of a 4 year Viable Vision project, we updated the project plan weekly in Exepron. After 2 months, the project appeared as shown in Figure 2.

When you begin to execute an ambitious strategy using the Critical Chain approach, a 2 month buffer on a 6 month project appears to a management team to be unnecessarily generous. But you can see from the Fever Chart how early the project slips into the Yellow Zone, after only a month of execution.

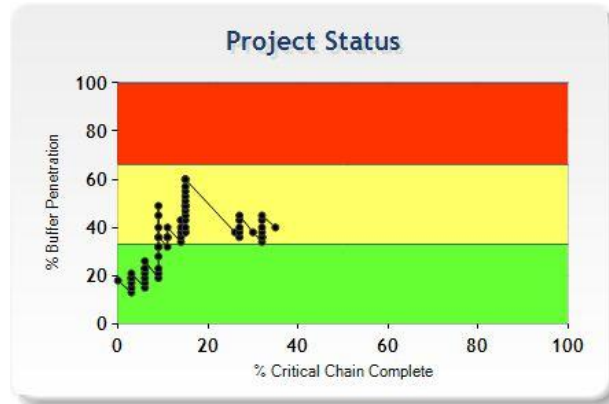


Figure 2 – Exepron Fever Chart of Strategy execution

	Task Number	Task Name	Remaining Days	Resource Types
Available this week	Task 10	4.11.3A Implement daily Ops mgr CCR walkthrough & elevation process	2	Operations Managers(3), TOC Production Expert(1)
	Task 5	5.114.4 Finalize Due date assignment process	1	Plant Managers(3), Sales (1), TOC Production Expert(1)
Task Available next week:	Task 4	5.115.1a Implement POOGI Flow Disruption process	4	Operations Managers(3), TOC Production Expert(1)

Figure 3 – Task Updates Made Easy

Each week, Exepron shows us the tasks available **now** for execution, and allows us to update the tasks that people are working on in less than a minute. Updates are always done in real time and then immediately available to the team. In the same view, we see tasks available next week, and can ensure that resources and tasks were properly prepared.

With 3 weeks remaining till project deadline, we are receiving outstanding benefit of this approach. After 5 months, everyone is eager to see the end, yet the project is not quite finished (See figure 4 – fever chart after 5 months). When the management team saw the latest status, they became even more determined to recover buffer and finish this project on time. The President of the company is on top of his team’s actions every day, reinforcing the relay runner work ethic every time he sees the Fever chart.

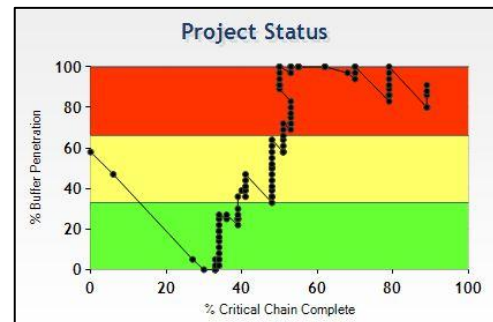


Figure 4 – 3 Weeks till Project Deadline

Early Warning

See Figure 5 below. The last 10 Task update points display the pace of execution, showing that the team's recover efforts have sufficiently increased the rate of execution to finish on time. Green color means "sufficient pace", Red color indicates "an execution pace that is unacceptable" and the Black zone means "drastic recovery action required".

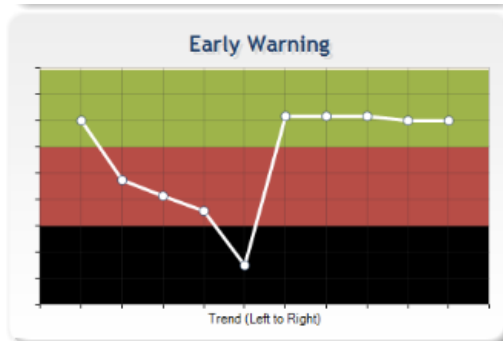


Figure 5 – Early Warning Indicator Changes

Early Warning: the Pace of execution: answering the question "Will my project finish on time?" This assumes that the team is on track or off track at the current level of effort. Early Warning is the answer to the question "should we speed up efforts or not?" Speeding up does not necessarily mean having to spend more money or resources but rather ensuring that the team focuses without distraction. Stop the Multi-Tasking.

Conclusions

Having Exepron planning and execution as part of implementing a Strategy and Tactics is like having a personal assistant with us every single day. We are Strategy and Tactics experts, not software gurus. Using this approach, we did not have much to learn to become totally effective in both the planning and execution. With updates so easy to use, we were able to focus our time in the areas of achieving the strategy that counted most. Tying the references in the Strategy and Tactics directly to tasks in the Exepron project gave visibility to everyone involved on the project status and what tasks were blocking the goal. We will not do any other implementation of strategy without this approach.

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