

## What Is an Execution Environment?

Our lead paper, *Our Focus on Execution and Why It Matters*, described an execution environment as one that focused on getting the things done that a business needs to do. This paper describes how an execution environment differs from the typical business environment. Surveys tell us that organizations find it difficult to adapt to changing market conditions, are poor to coordinate and shifting people across units to support strategic priorities, fail to align processes, performance metrics, and rewards with meeting their strategic priorities, lack adequate financial and human resources to succeed with their strategic priorities, and are slow and inconsistent in addressing poor performance. You have likely experienced these problems. An execution environment overcomes them and others.

You likely think of your organization as having a culture and as operating by a set of processes, the most basic of which are (1) planning, (2) people, and (3) operations and budgeting, although yours may be more granular. You also likely think of each process as operating independently and having an outcome that is typically related to the process itself. An example is a planning process where the goal is to produce a strategic plan by a certain date. In this environment, your processes are about themselves and disconnected from the things that have to get done to make the business successful. What is lacking is a focus on getting done the "critical things" that the business has to do. The "critical things" that a business has to get done are defined by understanding and meeting the needs of clients, customers, and stakeholders. Without an execution environment, many organizations act as if they define the critical things that need to get done, and this leads to having processes that are isolated and arbitrary.

In contrast, an execution environment is one in which understanding and meeting



the needs of clients, customers, and stakeholders define what needs to get done, and getting these things done informs every process and activity. This is why we refer to execution as an environment, and not as an objective or outcome. An execution environment forces your processes to be optimized relative to what needs to get done,



and to be pragmatic, realistic, and coordinated. An execution environment makes everyone accountable for getting done what needs to get, rather than allowing people to define their accountability relative to what they see fit to do. An execution environment is the overall container of all of the processes and activities, and it informs all that is done by everyone, every day.

An execution environment is largely established by the questions you ask throughout the organization on each and every day. This is because decisions made at every level of the organization combine to determine the outcomes you achieve. Rather than a carefully planned strategy, a prudently crafted operating plan, or a detailed budget, it is the collection of decisions that get made throughout the hierarchy of your organization every day that directly determines the outcomes you achieve. It is your *execution* that directly determines your outcome, and your processes should be viewed as tools and methods to help ensure that executional excellence is an ingrained and pervasive part of all your processes and activities.

Since execution is about getting things done, it ensures that every process asks and answers critically important questions. What limitations (knowledge, people, budget) exist that cannot be overcome at present and will have to be lived with. What people skills will be needed? Who has them? What resources will be needed? Are they available, or already deployed? What is unknown and will have to be established? What are the metrics that can be used to assess progress and to judge the performance of people in a reliable and meaningful way? What logical sequence of tasks will get to the desired outcome? An execution environment, as you can see, is key to overcoming the isolation of the various business processes that typically exists in most businesses, and the ambiguity that exists in every business situation and decision. This makes business processes and activities reality-based. It demands that each process and activity informs the others so that meaningful outcomes are achieved.

## Spotlight Business Consulting

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