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ARTICLE



The same planning principles that put teams on the winners podium at the Tour de France can help your business effectively create, communicate, and execute your strategic plan.

Business Lessons From the World's Most Strategic Race

By Jeff Duelks, Sarah Frazee, and Rebecca Martin

The Tour de France (The Tour) is the most prestigious event in cycling, steeped in more than a century of history and one of the most popular sporting events in the world. For three weeks every summer, The Tour captures the attention of nearly 3.5 billion viewers as riders push themselves through grueling sprints and mountain climbs across France. The riders compete, along with their teammates, for a chance at the coveted yellow jersey—or maillot jaune. While most viewers are amazed at the athletes' sheer physical strength and endurance, many may not realize the complex plans each cycling team develops in preparation for the race.

It is unlikely your organization is racing through the cities and countryside of France. Yet the same planning principles cycling teams use to understand the race stages, prioritize their riders' efforts, and adapt to changing course conditions can help your team to effectively create, communicate, and execute your strategic plan.

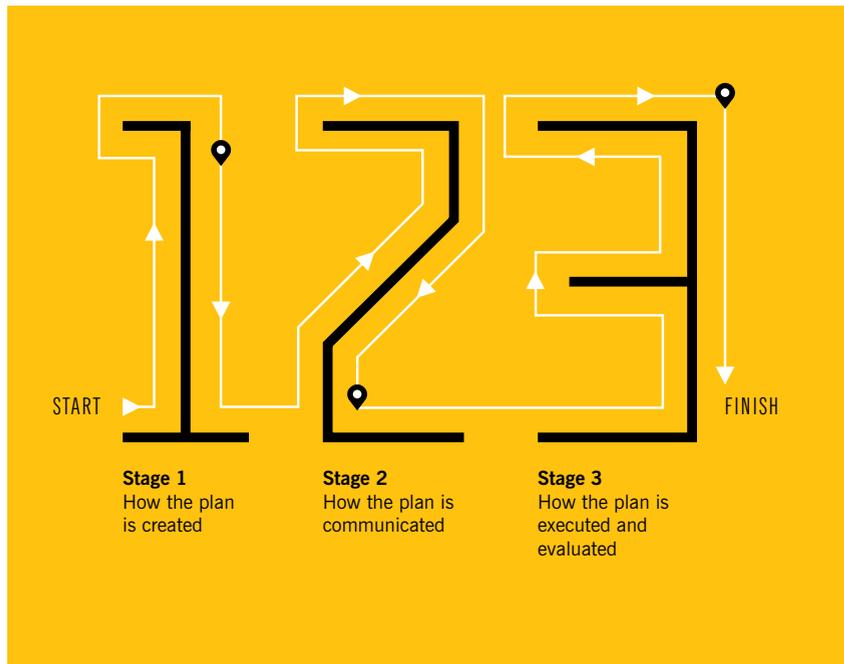
We recently surveyed nearly 100 cross-industry executives and professionals involved in their organizations' strategic planning processes to understand common strengths and pitfalls. For clarity, our team has grouped these insights and findings across the three primary aspects of strategic planning: creation, communication, and execution.

When asked to evaluate the overall success of strategic planning efforts,

46%

of participants responded that strategic planning challenges impact their ability to successfully achieve business objectives. Given that nearly half of respondents indicated they do not see the expected results from their strategic planning efforts, we probed deeper into the most relevant root causes.

STAGES



Stage 1

HOW THE PLAN IS CREATED

The overall goal for teams competing in The Tour may seem obvious—position the teams’ riders so that one of them wins The Tour—but it is important to break it down into an actionable plan. The Tour is broken up into stages, with unique components that help the team align on the best strategy for each stage (sprints, climbs, time trials, etc.). Team directors review the course, its stages, and information about their own riders to develop a strategic plan for the race and capitalize on strengths, identify opportunities to take the lead, and mitigate known weaknesses.

Feedback from strategy professionals suggests that there is significant opportunity to improve the strategic planning process, with just

23%

of respondents noting that they had a “well-defined” strategic planning process.

A poorly defined or ambiguous strategic planning process is likely to cause unnecessary stress and disruption to an organization’s normal operations. Approximately 25 percent of survey respondents stated there is a “noticeable impact” or “significant disruption” caused by the strategic planning process. The strategic planning process should serve to prioritize and redirect operational efforts toward achieving strategic targets. It should not be perceived as a disruption of day-to-day responsibilities.

While organizations vary in the way they create the strategic plan or the content of discussions, several key components exist for successful plan development:

A. Capture cross-functional ideas and initiatives

Each team’s riders have valuable input to share when developing the plan for winning The Tour. Likewise, a wide variety of stakeholders at your organization have insights needed to create your organization’s strategic plan. Key ideas and initiatives should be captured from cross-functional areas like finance, strategy, product, technology, revenue management, sales, marketing, human resources,

etc. Including a variety of functions and stakeholders in the process ensures that the strategic plan spans all areas that impact the organization, uncovers dependencies, and reduces surprises.

B. Align strategic initiatives with organization objectives

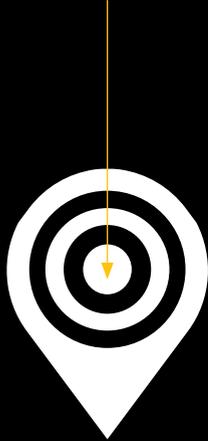
Strategic initiatives should be derived from and aligned to the organization’s overall strategy. Companies highly skilled at aligning company strategy with strategic initiatives typically employ a formal initiative intake process. Among the executives surveyed, we found that about 20 percent have no formal intake process and 45 percent have inconsistent processes or do not validate alignment effectively. When considering strategic initiatives, think about how they directly impact or support your organization’s strategy and avoid potentially wasting resources or creating distractions that can be detrimental to the business.

C. Evaluate and prioritize initiatives

Once strategic initiatives are aligned with your organization’s objectives via the intake process, those initiatives must be evaluated and prioritized. To facilitate prioritization of initiatives, use objective scoring criteria that is tailored to the needs of your organization and includes the initiative’s impact on your organization’s strategic objectives, resources (time, personnel, and funding), and dependencies. Once initiatives are scored, build your go-forward plan—your strategic initiative roadmap—taking into consideration priority and sequencing needs.



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Key takeaway: When building your strategic plan, expand your horizon to include a broad set of factors in addition to typical considerations of business growth. Define a clear strategic planning process, and push your leadership team to include topics that are important across business units and employee groups.

Stage 2

HOW THE PLAN IS COMMUNICATED

Being a competitor in the Tour de France implies you are part of a larger team. Teams have eight riders and, typically, one or two riders contend for the win. The remaining team members play significant roles, each designed to give contenders on their team the best chance of winning The Tour.

Communicating clear roles and expectations allows each rider on the team to understand the role they play and how they can support one another to position themselves for individual and team success. Each rider is crucial to the success of the team. Highlighting the significance of each role allows riders to take ownership of their responsibilities and build a strong sense of teamwork.

Similarly, organizations must clearly communicate strategic plans and priorities to their employees as they relate to their specific roles and responsibilities. Companies often place a major focus on corporate communications, but they may overlook the importance of communicating the strategic plan. If done correctly, communications

empower employees to take actions that enable an organization to achieve its strategic plan. Successfully communicating the strategic plan involves identifying key stakeholders, showing how they each contribute to the strategy and how they're affected, and establishing a communications plan to reach them. Each employee should be able to identify their role in the strategic plan and easily understand how they fit into the "what" or "how" of a corporate strategy.

While approximately 50 percent of respondents say their organization's strategy is "mostly understood," in total approximately

91%

of respondents do not feel that their strategy is "well understood and clearly communicated" to the point that employees across all levels "believe it."

Case study

CHALLENGE — A strategy executive recently summarized feedback from his organization related to strategic planning. He recognized consistent comments on the need for improvement around communications. Examples ranged from tactical product communications to broader corporate communications. Employees across all levels indicated that the current communications did not help them understand the overall goals of the organization and the "why" behind their roles.



KEY ACTION — To address this feedback, the vice president of strategy visited all divisions to hold in-person meetings with their leadership teams. This level of communication was a first within the organization and was necessary to communicate the current iteration of the strategic plan and increase understanding of the plan across the organization.

OUTCOME — Initial reactions during division strategic planning presentations were very positive. Employees voiced their appreciation for being included in the planning process, as well as an increased understanding of company goals and priorities for the next few years. The open conversation allowed leadership to answer specific questions about the strategic plan and reinforce the importance of all roles across the organization.

Key takeaway: Developing a clear communication plan across your organization facilitates buy-in among all employees and significantly contributes to the long-term success of your plan. Organizations should spend time developing specific and tailored communications for employee groups to socialize the plan so all employees “hear it,” “know it,” and “believe it.”

Stage 3

HOW THE PLAN IS EXECUTED AND EVALUATED

Once the race begins, the success of Tour de France riders and their team relies on the effective execution of their plan. However, changing weather conditions, rider health, and other considerations force teams to regularly evaluate and adjust their plans throughout the race. The most successful teams use real-time communication and daily team meetings to review their progress and adapt their strategy going forward.

Without this clear visibility into performance, the teams would be unable to adequately identify what is working well, what obstacles they face, and how to best position themselves for the remainder of The Tour. Daniel McMahon, who was able to sit in on the EF Education First–Drapac p/b Cannondale team meetings for Business Insider during the 2018 Tour, noted this: “Success in the world’s biggest bike race often comes down to executing a winning plan, and it’s on the bus that each day’s plan is reviewed in detail, or redrawn depending on how the race unfolds.”¹

Like Tour de France teams, once your strategic plan has been well defined and communicated, the tactical work begins to deliver the intended business and organizational results. Initiative or project execution varies greatly across companies, with some leveraging large-scale project management functions, while others operate more fluidly shifting responsibilities as needed to deliver.

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DANIEL MCMAHON

Approximately

46%

of respondents said their team could “use the most support” in the strategic planning process “executing specific initiatives.”

Despite these differences, successfully executed plans rely on the common ability to measure and evaluate the success of each project or initiative.

Defining measurable objectives

Successful execution relies on clearly defined objectives that the project team can work to deliver. Often, the team must break down overall strategic goals (the high-level objectives aligned with the organization’s strategy) into more measurable KPIs or objectives that allow the team to regularly evaluate progress. These KPIs should be defined during the creation of your strategic plan to ensure that individual projects are aligned to impact these meaningful indicators for your business. When developing their strategic plan to win the race, Tour de France teams set measurable KPIs related to speed, time, and other power indicators for each stage. Tracking these KPIs throughout the race enables the teams to measure progress and make adjustments as needed, just as this action enables organizations to track progress toward achieving strategic goals.

Approximately

62%

of survey respondents do not have a process to consistently define measurable objectives and KPIs.

Providing clear visibility into progress

Once measurable objectives and KPIs are defined, a process needs to be created to provide clear visibility into project or initiative status. Clear visibility into status allows the project team and leadership to review their progress and refine their plans as needed. While that alone is a useful outcome, a defined reporting process also provides leadership with the necessary information to prioritize and focus efforts on high-value topics.

Approximately

40%

responded that they use a “dashboard, scorecard, or other formal mechanism” to monitor project execution.

As our survey showed, many companies have a method to provide visibility into project status, yet do not feel that they have a process to consistently define objectives and KPIs. Without these formal objectives or KPIs, reporting tools may provide only

directional insights or tell an incomplete story regarding project success. Furthermore, it is not enough to simply use a dashboard or periodically track KPIs. Metrics must be relevant to strategic initiatives in focus.

Key takeaway: Dashboards and other tools are useful only if they provide clear visibility that can be used in future decision-making. Push your team to break down high-level goals into measurable objectives and KPIs that will help you to evaluate the overall progress and success of your strategic initiatives.

Whether you’re part of a team competing in the Tour de France or responsible for positioning your organization to achieve its goals, the importance of a structured strategic planning process cannot be understated. Start by developing a holistic and well-informed plan, communicate that plan to a broad set of stakeholders, and regularly and objectively measure progress toward achieving the plan.

Create the plan. Communicate the plan. Execute and measure the plan. 📌

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Source:

1 <https://www.businessinsider.com/inside-tour-de-france-team-bus-meeting-2018-7>