Why is this capability important?
In today’s flattened, fast-moving organizations, the most effective leaders craft strategy using an agile, test-and-learn process: They make hypotheses and continuously test and revise them as conditions change. This helps them capitalize on emerging opportunities as well as tackle unexpected challenges.

What does it mean?
These days, leaders at all levels often help shape, as well as execute, strategy. To do so, they draw on their close view of markets, competitors, and customers. And they feed insights from this vantage point up to the top executive level to inform strategy. Effective leaders:

- Foster a culture in which everyone is engaged in thinking strategically and sees how their role fits into the overall strategy
- Communicate a compelling strategic direction and lead conversations about strategy
- Provide mentoring, coaching, and training to help their teams build strategy-related skills—including understanding the organization’s strategic priorities, monitoring the business environment for important trends, and responding quickly to challenges. Through these means, such leaders make strategy a living component of their work rather than a plan that gets stashed in a desk drawer and quickly forgotten.

Today’s successful companies close the strategy-to-performance gap with a new strategy approach best described as ‘decide-do/refine-do.” This agile, test-and-learn approach helps bridge the chasm that exists at so many companies between great strategy, great execution, and great performance.

Why is this capability important?
Today’s landscape is ever changing. Organizations must be prepared for disruption and ready to continually, and proactively, navigate how they compete. Leaders at all levels must be able to not just help craft strategy but to effectively execute it as well. If they don’t, the results can be dire: loss of market share, slower growth, inability to retain top employees, and buggy-whip irrelevance.

What is the capability?
In today’s flattened, fast-moving organizations, the most effective leaders craft strategy using an agile, test-and-learn process: They make hypotheses and continuously test and revise them as conditions change. This helps them capitalize on emerging opportunities as well as tackle unexpected challenges.

Who benefits?
Leaders at all levels benefit from this capability. They can:

- Engage employees at all levels in strategic conversations
- Monitor the business environment for emerging trends
- Seize opportunities and respond quickly to challenges
- Sponsor strategic experiments with a test-and-learn mindset

70% of strategic initiatives fail due to poor execution

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