Wrong, but not failed? Making strategy implementation resilient

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Making strategy implementation resilient

WHEN SUCCESS DEPENDS ON THE UNKNOWN
The success of strategy implementation typically depends on conditions we cannot foresee, and which will only become obvious during or after implementation.

TOwards resilient strategy implementation
Resilience is about reducing success-dependency on unknowns. So, how can strategy be designed for implementation under a wider range of conditions, than can be foreseen?

HOW DO LEADING BUSINESSES IMPLEMENT RESILIENT STRATEGIES?
We investigated resilient behaviour in businesses implementing strategy under highly uncertain conditions. Some examples of their responses are quoted below.

EXPOSURE
Change the setting to fit the needs of implementation.
“...Where are your exit ramps? Where can we consider the reversibility of an outcome...” CEO discussing reversibility of an initiative.

BUFFERING
Add excess capacity to initiatives that must not fail.
“We decided not to make a Chinese footprint. CEO after considering the uncertainties of setting up production in China.

MODIFIABILITY
Implement initiatives that can be easily modified.
“We should not come up with a very firm, fixed end-state, that might be right at the point you did that, but maybe five seconds later or a year later, that might be totally wrong. [...] we may consider to invest more and also some of the others we may decide to kill early on.” CEO discussing reversing expendability of strategy initiatives.

REDUNDANCY
Launch parallel, expendable initiatives, and commit later.
“If you come up with a very firm, fixed end-state, that might be right at the point you did that, but maybe five seconds later or a year later, that might be totally wrong. [...] it’s more about direction than destination.” CEO about open-ended initiatives.

MULTIFUNCTIONALITY
Implement initiatives with many successful outcomes.
“Some projects are just projects, business. Okay [...]. [But] this project we should have some learning around, and say, “is there something in there that we can apply to other projects?”. CEO discussing initiatives with multiple objectives.

REVERSIBILITY
Implement reversible, low-downside initiatives.
“The success of strategy implementation typically depends on conditions we cannot foresee, and which will only become obvious during or after implementation.” CEO discussing the importance of location.

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We conducted 36 interviews, and organised results within six principles of resilient design, adapted from Wied and Oehmen (2018)