

Strategy and execution – who holds the reins? Survey



Who holds the reins?

Results at a glance

“What do successful companies do better than their less successful competitors?” – Is it the strategy itself? The ability to execute it? Management’s commitment?”

This survey focuses on the **strategy process** and the **commitment** of the main actors. How do **CEOs**, **CFOs** and **strategists** influence the company’s success? Which phases in the process are particularly emphasised by successful companies, which of them less so? With what expectations do the actors come together and what is different about the representatives of successful companies?

In general, the **quality of the strategy process** is judged critically, whereby in particular strategic analysis, i.e. the principles of strategy development, and monitoring the execution are seen as the major areas for improvement.

The commitment of the actors differs distinctly and also displays clear patterns with regard to company success:

- **CEOs** are highly involved in all phases of the process. Their colleagues expect even more enthusiasm in strategic analysis and the development of strategy. It is precisely here that the CEOs of successful companies also display significantly more effort, which evidently has a positive effect on the company’s success.
- **CFOs** are on the whole rather reluctantly involved. Their colleagues, in particular the CEO, expect more commitment, above all in strategic analysis and the monitoring of execution. The CFOs of successful companies display distinctly more enthusiasm not only in the development of strategy but already at the stage of strategic analysis.
- **Strategists** are clearly focussed on their core tasks, i.e. strategic analysis and the development of strategy. However, their colleagues expect greater commitment, in particular in planning the execution of strategic measures. It is precisely here that the strategists of successful companies also display above-average commitment.

Expectations and recipes for success are varied. It is nevertheless easy to see that successful companies profit from a higher quality of the strategy process as well as from greater enthusiasm on the part of the main actors.

We wish you interesting and informative reading!

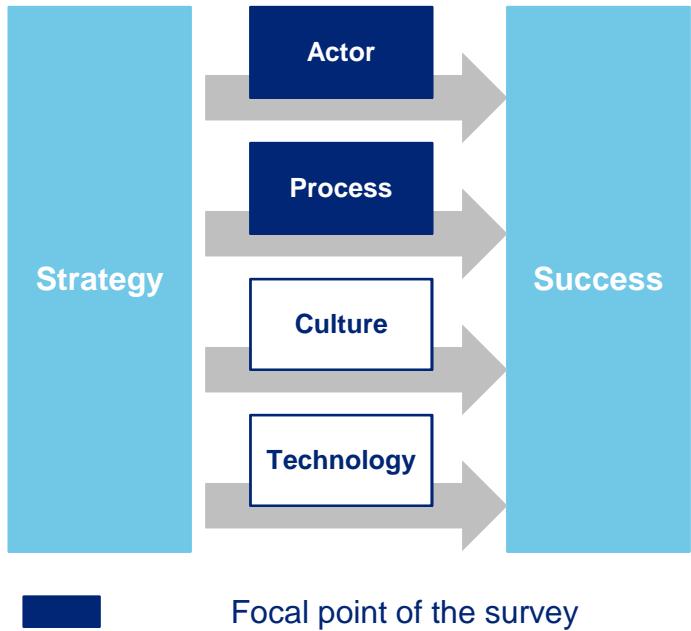
Rolf Epstein and Fabian Marckstadt

Introduction and overview

The survey focuses on two success factors for companies

How do the actor and the process influence the company's success?

Success factors



- Strategy leads through various factors to the company's success.
- The survey focuses on the actors and the strategy process.
- We will focus on other factors in subsequent surveys.

Our understanding of the four success factors

- **Actor** includes the persons and roles involved in a company's strategy process and their organisational structure. This includes not only operational staff, management and directors/CXOs but also supervisory bodies.
- **Process** means the totality of all phases of the strategy process from the analysis of frame conditions through the development of the strategy to the planning of execution and the monitoring of the progress and results of execution of the strategy.
- **Culture** includes a Company's behavioural success factors, from the ability to innovate to the creation of an appreciative and execution-orientated environment. This includes, among other things, motivation, willingness to accept change and participation in the company's orientation and success.
- **Technology** includes not only the direct tools of the strategy process in the company – from monitoring and data analysis to platform for communication and networking – but also the fundamental role that technology plays as a success factor in the value generation of the company as such.

The survey assumes an ideal-typical strategy process

Four phases, each with core activities, form a common theme throughout the survey

We distinguish four phases in the strategy process

- A uniform understanding of the – internal and external – initial position is created within the framework of the **strategic analysis**. This provides the conditions for the development of options for strategic action.
- Options and scenarios are worked out and evaluated in the **development of strategies**. They are the basis of a ready-to-vote Strategy Paper which summarises goals and needs for action both from the qualitative and from the quantitative/ financial points of view.
- **Execution planning** supplies the concretisation of higher-level needs for action into initiatives or actions for individual business units. In addition, measurability must be established, which will enable strategy to be anchored in individual objectives agreements.
- **Execution monitoring** is the regular comparison of the progress of measures and attainment of objectives with the execution plan. The initiation of corrective measures falls under this phase. The initiation of new strategy approaches may become necessary, for example if underlying conditions change.

Success factors in each process phase

- A holistic view, from the analysis through to execution monitoring*
- Clear focus on the material results of each process step



* Execution of strategy: do you have the topic under control? Deloitte 2010/2011

The survey examines the roles of the actors in the strategy process

CEOs, CFOs and strategists form the basis for the role-specific analyses

We focus on three actors in the strategy process



- The strategy process has a multitude of directly and indirectly involved actors. CEO, CFO and strategist assume essential roles here.*
- The emphasis of the survey is on the commitment and expectations of the actors in the phases of the strategy process.

Involvement in the strategy process is multi-layered

- **CEOs**, Executive Board chairpersons, General Managers and Heads of divisions are typically directly and decisively involved in the entire strategy process.
- Nowadays, **CFOs**, Financial Directors, Commercial Managers and Heads of Controlling are likewise decisively involved in the strategy process.
- **Strategists**, Heads of Strategy or management functions such as product strategy and company development are decisively involved in strategy by virtue of their roles.
- **CXOs**, i.e. other Directors and General Managers, as managers, are equally involved in the process and are grouped with the CEOs.
- **Managers** as a whole are not examined separately but as participants in every phase of the process.
- **Staff** are involved in the process in an executive capacity, however there are – particularly in smaller companies – also concepts of direct involvement.
- The **Supervisory Board** or other internal or external supervisory bodies can be involved directly or indirectly in the strategy process, depending on the company.

* Strategy is a top-level issue, execution too! Deloitte 2009

The survey is based on four separate analysis components

Process evaluation, understanding of roles and success factors are considered individually

1. The strategy process



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Where do the actors see potential for improvement in the strategy process?

2. The actors compared



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How do the actors contribute to the strategy process?

3. The actors in detail

3.1 CEOs



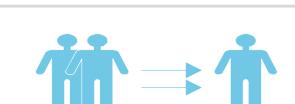
Assessments of role and process

How does each actor involve him/herself and how does he/she assess the potential?



Expectations from the others

What does he/she expect from his/her colleagues and to what extent are the expectations met?



Expectations by the others

What do the others expect and where are expectations far apart?



Recommendations for you

What do actors in successful companies do differently?

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3.2 CFOs

3.3 Strategists

4. Actors and archetypes



What types of actors are there? Who is especially successful?

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Survey results at a glance (1/4)

Assessment of quality and involvement with regard to the strategy process

Phases of the strategy process



Assessment of the quality of the strategy process

- The strategy process is predominantly viewed in a critical manner, although participants have differing emphases:
 - **Strategic analysis** is judged by CFOs and CEOs to be in major need of improvement.
 - Overall, the respondents judge **strategy development less critically**.
 - All participants see potential for improvement in **execution planning and monitoring**, especially the strategists.

Main emphases of involvement in the strategy process

- The actors involved have differing **emphases**:
 - **CEOs** are intensively involved in all phases of the strategy process, particularly so in **execution monitoring**.
 - The **CFOs' focus** is clearly on **execution monitoring**.
 - **Strategists** focus strongly on their classic areas of responsibility, **strategic analysis** and **strategy development**.

Survey results at a glance (2/4)

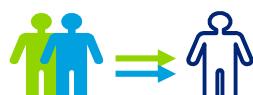
The CEO: process evaluation, understanding of role and success factors – in brief



- CEOs are involved in an above-average manner in all phases of the strategy process, particularly intensively in execution monitoring.
- In each case, more than 50 % of respondents see significant potential for improvement in both strategic analysis and execution planning.



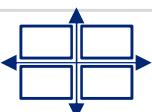
- From CFOs, CEOs expect distinctly stronger commitment in all phases of the strategy process, in particular in execution monitoring.
- The commitment of the strategists meets the CEOs' expectations in the areas of strategic analysis and execution monitoring, but distinctly more is expected in execution planning.



- CFOs and strategists expect more commitment from CEOs in the areas of strategic analysis and strategy development.
- In the area of execution monitoring, in which the CEOs see themselves as being particularly strong, the other actors expect distinctly less commitment.



- CEOs of successful companies are more active, particularly in strategy analysis and development.
- Execution planning does not appear to be a distinguishing characteristic of CEOs; rather, restraint is needed in the framework of execution monitoring.



- CEOs with the greatest average company success – as 'visionaries' – are strongly involved in strategic analysis and strategy development and tend to be more reticent in execution.

Survey results at a glance (3/4)

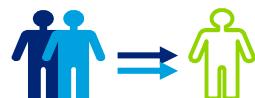
The CFO: process evaluation, understanding of role and success factors – in brief



- CFOs show an above-average strong commitment only in the execution monitoring phase, in all other phases the commitment is more reticent.
- About two-thirds of the CFOs questioned see the greatest potential for improvement in strategic analysis and in execution planning.



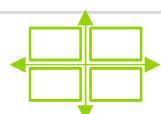
- CFOs have expectations regarding the commitment of CEOs in the areas of strategic analysis and strategy development. They consider themselves responsible for execution monitoring.
- To a large extent, strategists meet the expectations of CFOs. Greater commitment on the part of the strategist is demanded only in the area of execution planning.



- CEOs and strategists expect a distinctly greater commitment from the CFO; only in the area of strategy development does the CFO's commitment meet their colleagues' expectations.
- CEOs and strategists quite clearly see the CFO's main focus in execution monitoring and expect correspondingly distinctly greater commitment in this phase.



- The CFOs of successful companies in general display greater commitment in all phases of the strategy process.
- The CFOs of successful companies concern themselves more intensively with strategic analysis and strategy development in particular.



- CFOs with the greatest company success on average – as 'visionaries' – are strongly involved in strategic analysis and development; as 'all-rounders' they show great commitment in the whole process.

Survey results at a glance (4/4)

The strategist: process evaluation, understanding of role and success factors – in brief



- The strategist clearly shows commitment in the classic areas of responsibility of strategic analysis and strategy development.
- Strategists see distinct potential for improvement in execution planning and monitoring progress, however, they themselves are only committed to a lesser extent.



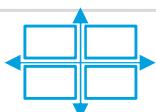
- Strategists expect distinctly more commitment from CEOs in strategy development; on the other hand, CEOs exceed the expectations of the strategists in execution monitoring.
- Expectations from CFOs in the execution planning and monitoring phases are distinctly greater than the present commitment of the colleagues would suggest.



- CEOs and CFOs expect greater commitment on the part of the strategists in the strategy development and execution planning phases.
- In strategy planning and execution monitoring, the strategist's involvement corresponds to the other actors' expectations.



- The strategists of successful companies involve themselves clearly more strongly in selected phases of the strategy process than their colleagues.
- The strategists of successful companies concern themselves more intensively with the analysis of the strengths and weaknesses of their own company.



- Strategists in the companies most successful on average – as 'all-rounders' – are generally and intensively involved in the strategy process, from 'vision' through to 'action'.

1. The strategy process

The strategy process is not running smoothly

Considerable room for improvement is seen in all phases

Major consensus on potential and emphases

- More than half the respondent companies see major room for improvement in all phases of the strategy process.
- Execution planning and monitoring are assessed critically: two-thirds of the companies see considerable room for improvement here.



The results vary considerably in the company context concerned: facts and assessments

Differences in the sector context:

- Companies in the financial services area see more room for improvement in strategy development.
→ Not surprising, as the development of scenarios in the currently highly volatile financial sector represents a special challenge.
- Sectors characterised by regulations such as energy and telecommunications see particular room for improvement in execution planning.
→ Continual changes in legislation can complicate thorough, detailed planning of the measures to be implemented.

The role of company size:

- Small companies on average see greater room for improvement in strategy development.
→ Resources and time are possibly lacking, whereas large companies can employ their own strategy departments.
- By contrast, execution planning is the bigger challenge for large companies.
→ Perhaps an indication that the coordination effort hampers execution to a special extent.

Effect of group structure:

- Parent companies see the greatest need for improvement across all phases in comparison to financial and management holding companies.
→ On the one hand there is a possibility that structures are not clear enough to construct the phase transitions successfully, or on the other hand there is simply no crackdown.
- Basically, companies with a stronger central steering culture see more major challenges in the process.
→ This can be because the transmission and integration of the organisation does not succeed, or because there is no understanding and consistency in tracking.

The actors perceive different ‘construction sites’

Assessments vary widely, depending on the role and the phase of the strategy process.

Improvement potential by actor and process phase



- **Facts and figures are lacking.**

In strategic analysis, great room for improvement is seen above all by CFOs. A phase in which they traditionally influence only via internal analysis. CEOs also see the most important starting point here.

- **No grounds for complaint.**

The assessments are the most similar in strategy development. What is striking is the self-critical attitude of the strategists towards their natural domain: strategy development. The colleagues see only minor potential here.

- **The strategy is not hitting the ground.**

Strategists see very much room for improvement in execution planning, in other words when they typically hand over the topic and must rely on the organisation. Many CEOs and CFOs also see major potential here, however the strategists are clearly the most critical group.

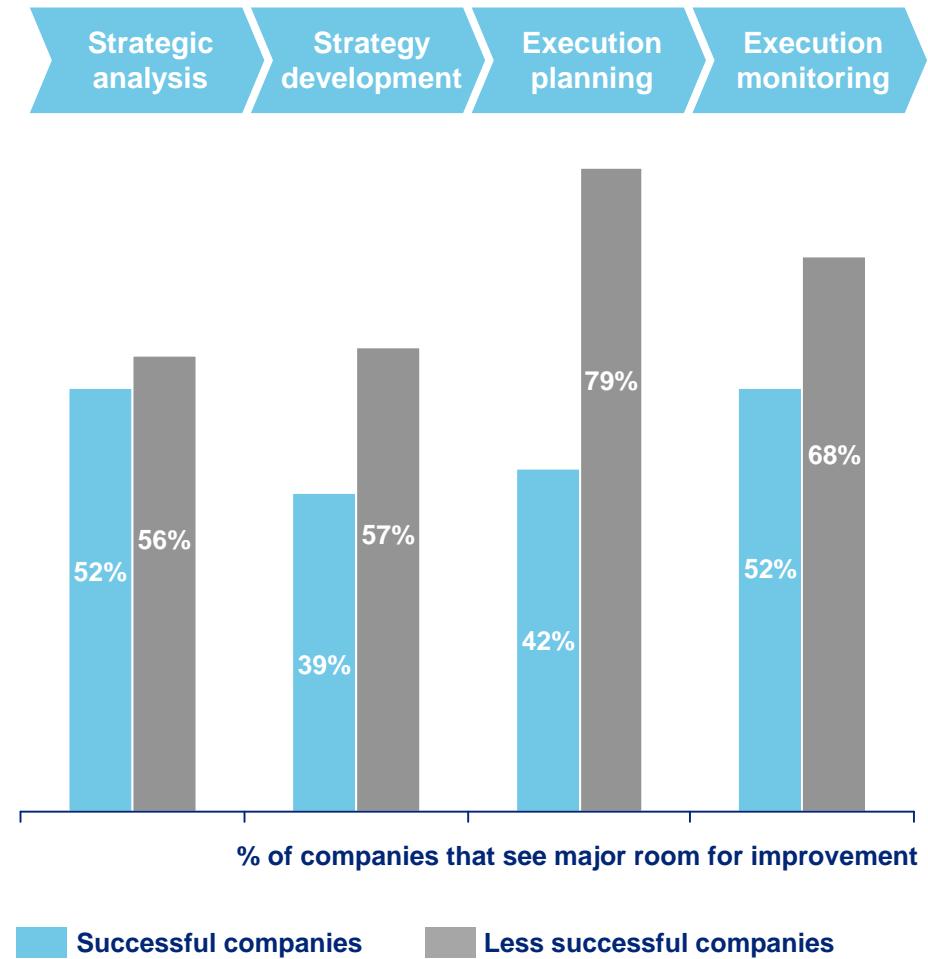
- **Discipline in monitoring must be insisted on.**

In the area of execution monitoring the CFOs and strategists are largely in agreement, but CEOs, too, assess the ability of monitoring to improve as being high. Despite great unity, the strategists on the other hand – with 68 % – are conspicuous as a particularly critical group.

Improvements in the strategy process obviously pay off

Successful companies perceive higher quality in all phases of the strategy process

Comparison of room for improvement in each phase

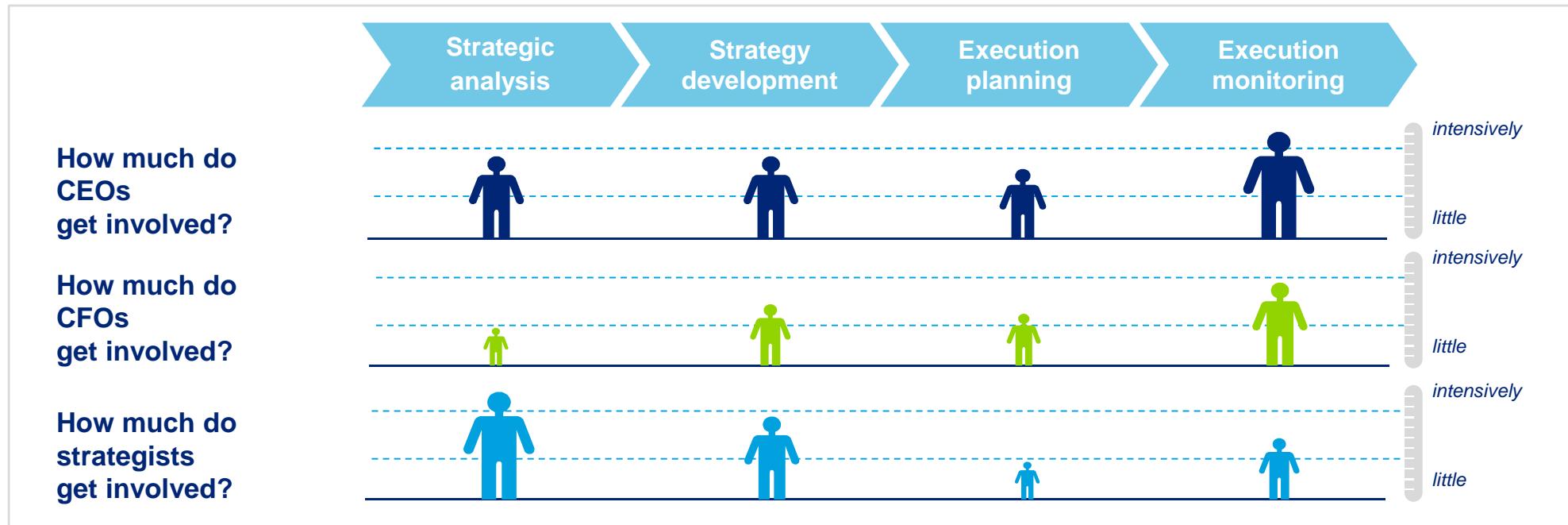


- **Successful companies** see less room for improvement in all phases of the strategy process. The quality of the process appears to have a distinct payoff in company success. It is remarkable that 52 % of successful companies see great potential in strategic analysis and implantation monitoring – i.e. at the beginning and end of the process. On the other hand, a clearly smaller proportion of successful companies see a need for action in the areas of strategy development and execution planning.
- While the assessment of **strategic analysis** is nearly uniform, the assessments in the subsequent phases diverge distinctly. Process quality appears to have a critical success pay-off in the area of execution planning.
- Against this trend, less successful companies see considerable potential in strategy development too, while successful companies are more likely to be satisfied in this respect.
- **Less successful companies** should focus in particular on planning and monitoring when improved the process, as disproportionate room for improvement is seen here and an effect on company success is to be assumed.

2. The actors compared

The actors display distinctly differing commitment

CEOs get involved consistently – their colleagues follow classic role models



- ▶ **Is the process a top-level issue exclusively?** CEOs are highly involved in all phases of the strategy process. The comparatively leading role in execution planning and monitoring is surprising.
- ▶ **Does the strong reticence of the ‘paymaster’ in the strategy process promise success?** CFOs do not take the lead in any phase. The focus is on execution monitoring.
- ▶ **Does execution really not matter to strategists?** Strategists have a strong focus on their classic areas of responsibility. With a clear claim to leadership here, while subsequently involvement clearly sinks.

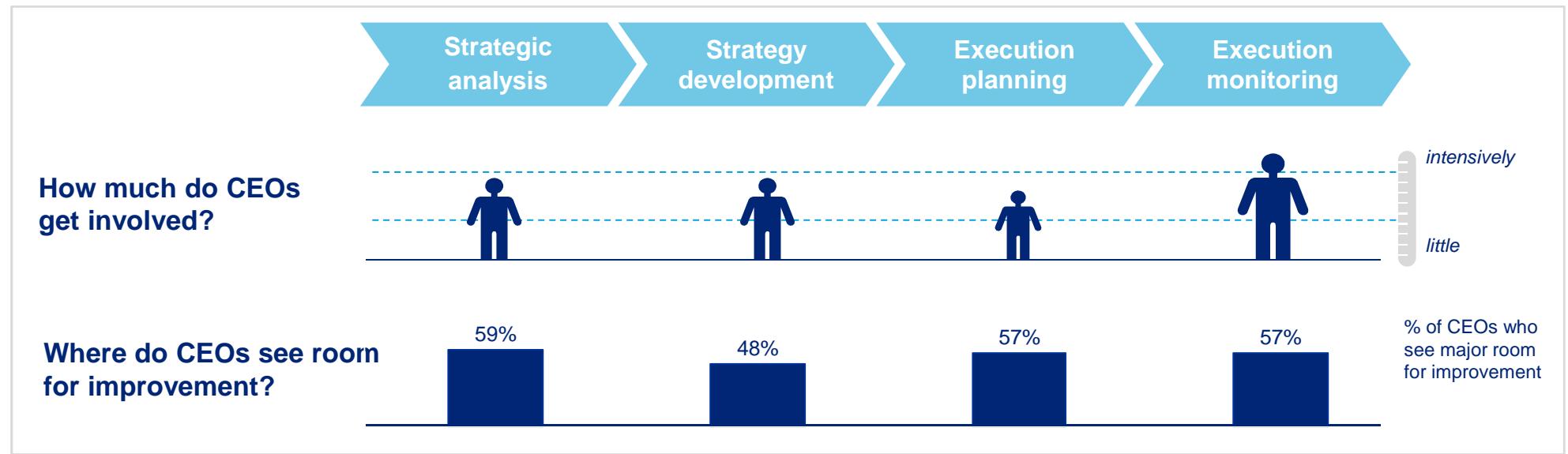
3. The actors in detail

3.1 The CEO



The CEO: assessments of role and process

Obviously nothing works without the CEO – despite commitment, much potential is seen

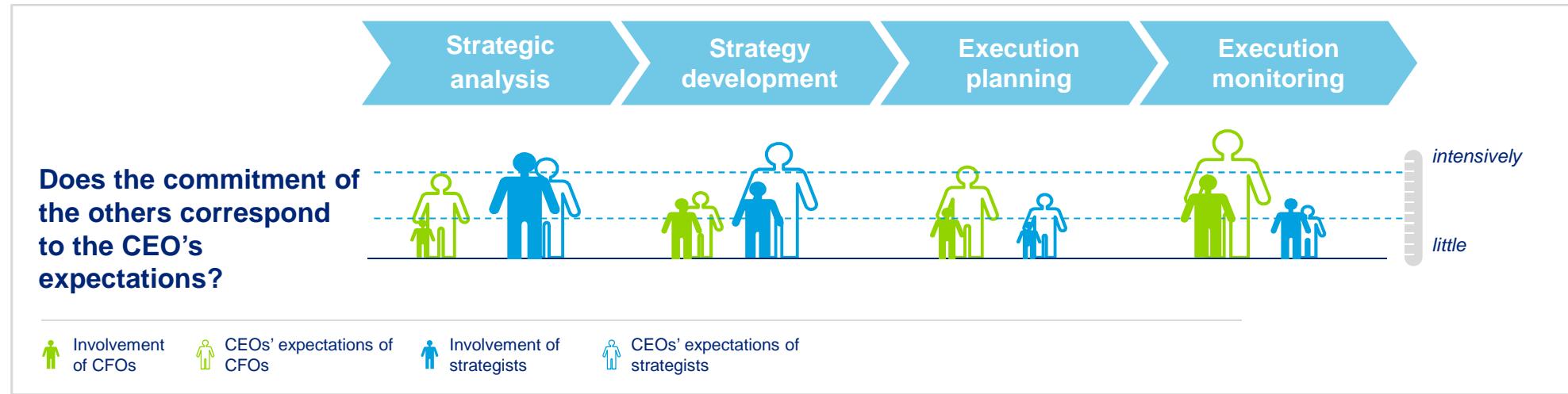


- **Strategy and execution are obviously a top-level issue throughout –**
CEOs have above-average involvement in all phases of the strategy process – if at all, CEOs ‘let go’ in execution planning and trust the organisation’s ability to plan the right actions. Albeit at the price of an obviously all the more tight monitoring – CEOs see themselves relatively and absolutely most intensively in demand here.
- **Strategy development as a showpiece discipline? –** More than half of the CEOs are convinced that there is only minor room for improvement in strategy development, the commitment of the CEOs obviously pays off in this phase.
- **Problems with monitoring? –** The picture with execution monitoring is surprising – here we find a relatively large need for improvement coupled with the most intensive involvement across all phases of the strategy process. In the opinion of the CEO, other actors should make a major contribution here too.



The CEO: expectations from others

CFOs and strategists barely meet the CEO's expectations

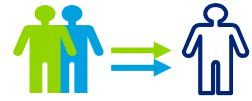


In all phases, CFOs involve themselves less than expected:

- CEOs see no real role for themselves above all in strategic analysis, although 76 % of them demand strong involvement of the CFOs here.
- Only a third of the CFOs are heavily involved in execution planning also, although nearly half the CEOs expect heavy involvement.
- Even in the case of the focus on execution monitoring, claimed by the CFOs, expectations diverge considerably. CFOs are thus in demand throughout – at least in the management of expectations.

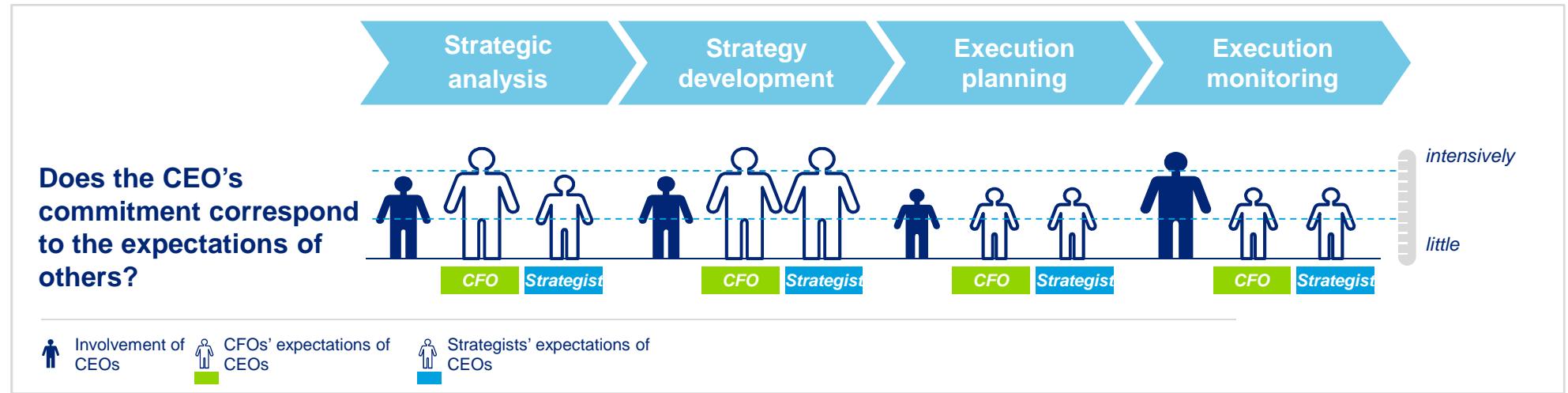
Strategists need to catch up in the showpiece discipline:

- CEOs demand the classic role model from strategists.
- While the high expectations in strategic analysis and the low expectations in execution monitoring are to a large extent fulfilled, expectations in the showpiece discipline of strategy development and also in execution planning clearly diverge.
- 87 % of CEOs expect the strategist's intensive involvement in strategy development, distinctly more intensive than they see themselves involved.



The CEO: expectations by the others

From the colleagues' point of view, even more is expected in strategy development



Colleagues expectations from CEOs are to a large extent similar – in the strategy development, execution planning and execution monitoring phases, CFOs and strategists expect virtually the same commitment from CEOs, only in the strategic analysis phase do CFOs wish to see distinctly more involved CEOs than strategists do.

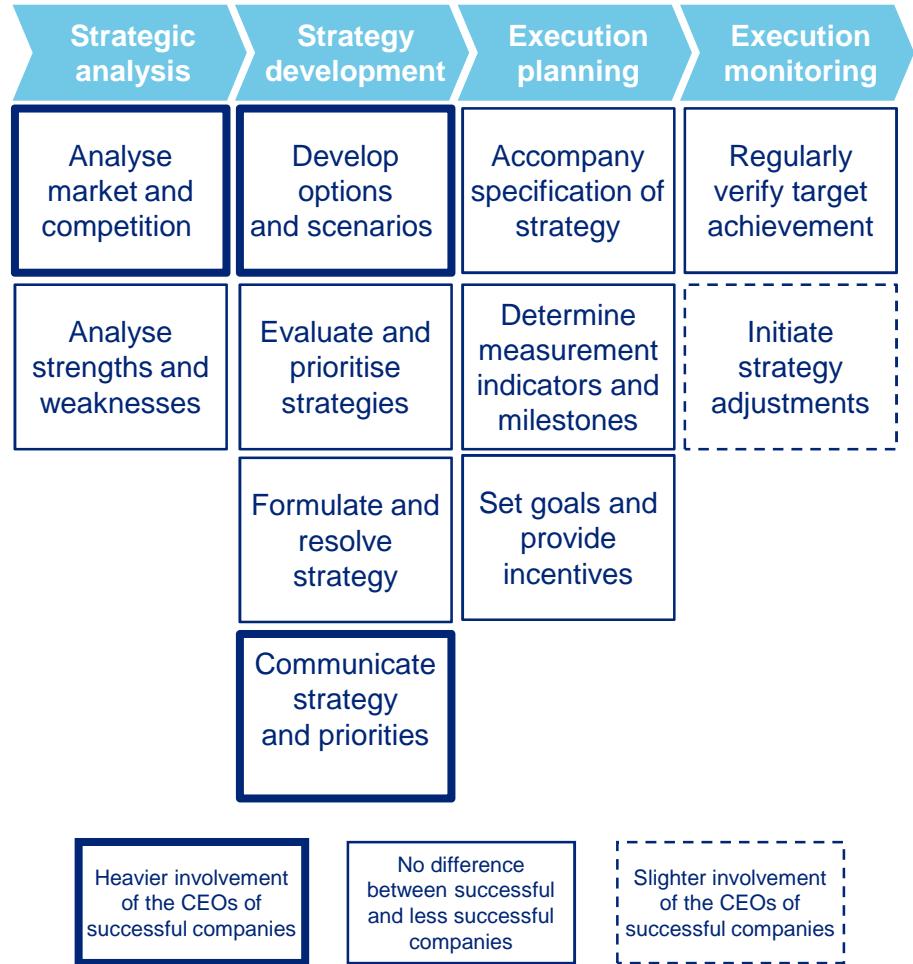
- **Concentration on analysis and development** – Both colleagues expect even stronger commitment in strategic analysis and development from CEOs.
- **On track in execution planning** – commitment in execution planning corresponds to expectations.
- **Is less more?** While CEOs place their emphasis on execution monitoring, colleagues expect a distinctly lower commitment.



The CEO: recommendations for you

The CEOs of successful companies are more active in strategy analysis and development

Potentials and fields of action for CEOs



Recommendations for action

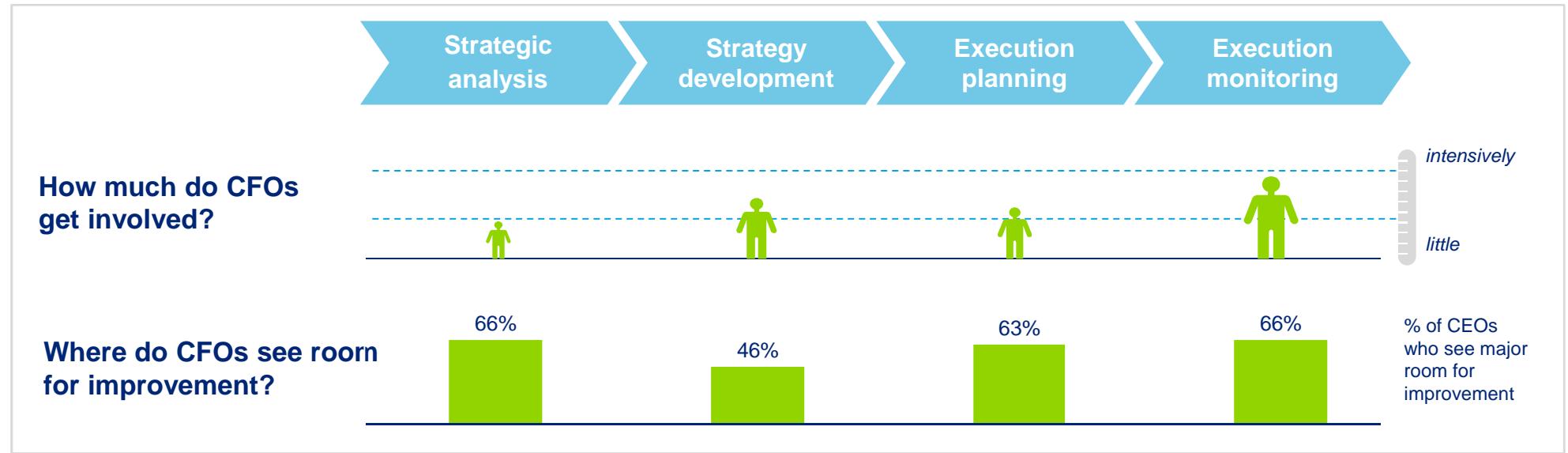
- Take the whole strategy process seriously.** The CEOs of successful companies are more active throughout all phases of the strategy process than the CEOs of less successful companies.
- Look around you.** CEOs look significantly more closely at the market and the competition, whereas no difference is noticeable in the analysis of the strengths and weaknesses of their own company.
- Look into the future.** The CEOs of successful companies lay special value on the development of scenarios. Here, 45 % of CEOs are highly committed, while only 17 % of the CEOs of less successful companies involve themselves intensively..
- Communicate the strategy actively and credibly.** The CEOs of successful companies take communication seriously: 77 % are intensively involved here, while only 42 % of the CEOs of less successful companies are active here.
- Trust your organisation.** Execution planning is obviously not a distinguishing characteristic for CEOs. Indeed, restraint in monitoring appears to be called for – thus delegation and room for manoeuvre for the organisation are a genuine success factor for CEOs.

3.2 The CFO



The CFO: assessments of role and process

Why so shy then?



- **Everything under control?** – Overall, CFOs involve themselves slightly to moderately, only in execution monitoring do they see themselves as having a clear participation in the process. It is interesting that precisely at this step of the process most CFOs see the greatest room for improvement – perhaps ‘more CFO’ could help at this point.
- **More commitment to the analysis** – while more intensive commitment to execution monitoring correlates with considerable room for improvement, strategic analysis shows a completely different picture: CFOs see almost similar large room for improvement, but they themselves are hardly involved.
- **Focus on planning too** – the picture in execution planning is similar. The involvement of CFOs is below-average here too, but they perceive relatively distinct room for improvement – whether they are really the key to the solution, their reticence a part of the problem, or they are simply pointing to the right places in the process is worth examining.



The CFO: expectations from others

Especially the CEO does too much, or too little, in short: not what he should – that's what CFOs think.

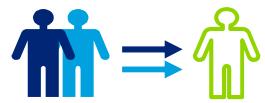


CEOs set their emphases wrongly or differently:

- CFOs expect strategy, CEOs give monitoring. In execution planning, one meets at mid-level.
- Focus on strategy** – 73 % of CFOs expect strong CEOs in analysis and strategy development. Even more here than the strategists themselves.
- Reticence in execution** – the expectations of the CEOs in execution are in all very reticent – here the CFOs tend rather to see themselves in demand. Conspicuously, CEOs see themselves as being materially more heavily involved.

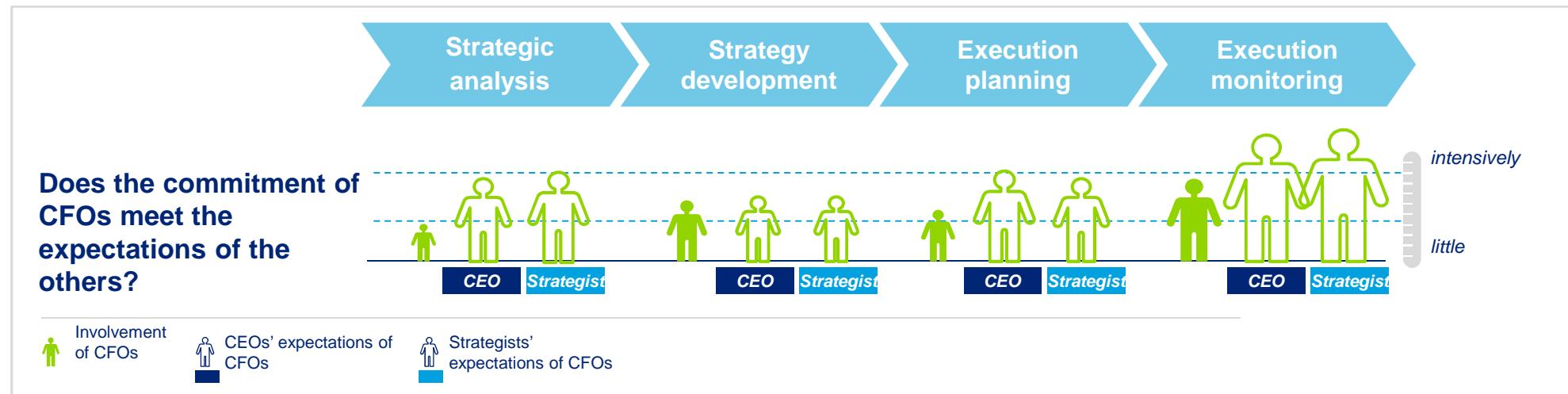
Strategists fit quite well into the CFOs' pattern:

- CFOs demand and receive a lot of analysis, less development and hardly any execution from the strategist.
- CFOs want strategists above all for analysis** – 89 % of CFOs expect intensive involvement of strategists in this phase.
- In execution planning, the CFOs expect heavier involvement by the strategists than at present, 64 % of CFOs even expect distinctly more intensive involvement, whereby, overall, reticence dominates.
- Remarkable that more is expected in planning precisely from the strategists, while CEOs obviously meet expectations at a mid-level.



The CFO: expectations by the others

The colleagues are in agreement – CFOs meet expectations only in strategy development



The reticence of the CFOs does not correspond at all with colleagues' expectations. A more intensive involvement of CFOs in almost all phases is demanded by CEOs and strategists with a surprising consensus – in strategy development the CFOs' moderate involvement seems to correspond to the expectations of the others.

Strategic analysis obviously needs the expertise of the CFOs – in particular strategists would like to see CFOs more intensively involved here. Indeed, more than half the strategists require a distinctly more intensive commitment – it remains open whether an attempt to shift responsibility is being made or genuine team play initiated.

- **Whoever wants to monitor later on must also be on board at planning time** – at least that's how CEOs and strategists see it, 50 % and more of whom demand the greater involvement of CFOs in execution planning. However, only 34 % of CFOs fulfil this expectation, in particular CEOs expect distinctly more commitment here.
- **Control is good – is more control better?** CFOs have – if at all – positioned themselves as the lords of execution monitoring – but it is precisely here that they are faced with considerable expectations of CEOs and strategists, who unanimously demand distinctly more intensive involvement of CFOs in this phase of the strategy process.



The CFO: recommendations for you

The CFOs of successful companies are more active all round

Potentials and fields of action for CFOs



Recommendations for action

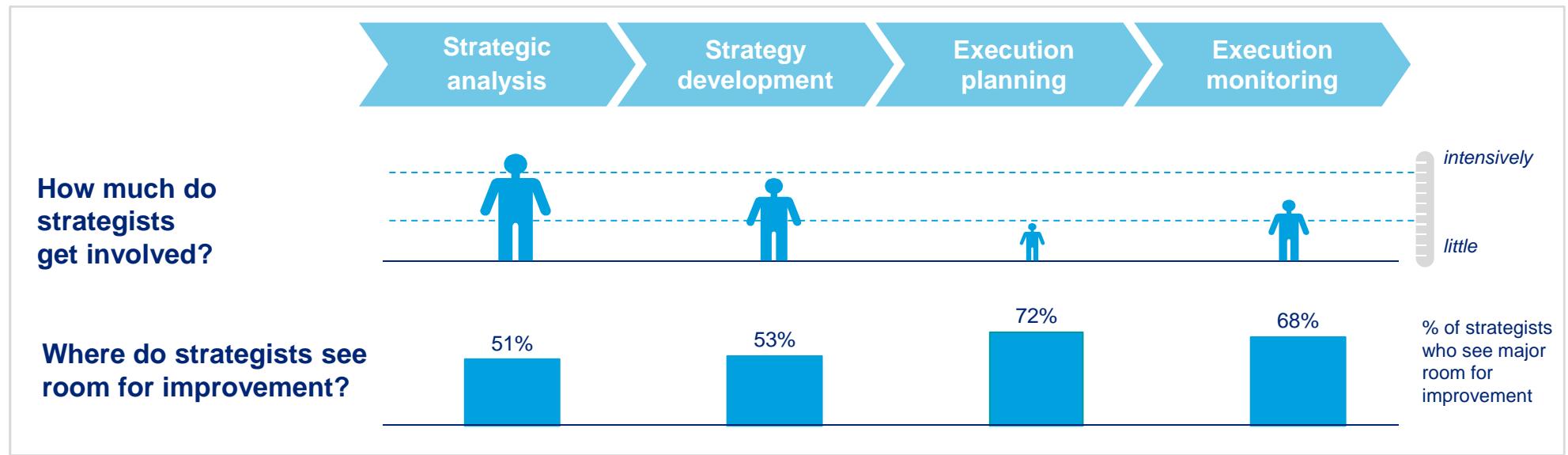
- Participate actively.** The CFOs of successful companies are more heavily involved in all phases of the process than the CFOs of less successful companies – it seems it's not about distinguished reticence but about well-measured and focussed commitment.
- Help to shape.** 63 % of the CFOs of successful companies are intensively involved in the development of options and scenarios already in the strategic analysis phase; at less successful companies it is only 19 %.
- Lend a hand in the execution process.** Whoever wants to monitor must participate at least in determining measurement indicators and milestones at the execution planning stage, like the CFOs of successful companies. This then also results in a rounded-off picture when the regular follow-up on tracking target achievement and strategic progress is involved – that seems to succeed for the CFOs of successful companies as a coherent process.

3.3 The strategist



The strategist: assessments of role and process

Strategists are strategists from head to foot, and that's all



- **Strategists are only strategic** – the classic role distribution dominates: strategists are particularly heavily involved in analysis and also in development. Execution planning and monitoring play a distinctly subordinate role.
- **The core discipline firmly and happily under control** – in all, only about half of the strategists see considerable room for improvement in the phases in which the strategists are intensively involved. The less the strategists are involved, the greater they assess the potential for improvement – this appears excessively distinctly in execution planning.
- **Concern about strategy execution** – strategists appear to be concerned about the fruits of their work. More than two thirds of the strategists see great room for improvement in execution planning and monitoring, the phases in which the strategists are more reticent – interesting is the question as to who should take charge in the strategists' opinion.



The strategist: expectations from others

Basically, it's all wrong – from the strategist's point of view

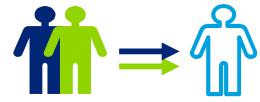


CEOs sometimes meet expectations a little more, sometimes not at all:

- From the strategists' point of view, CEOs only partially have the right focus.
- In the case of strategic analysis there is broad agreement between the actual commitment of CEOs and the expectations of the strategists.
- From the strategists' point of view, strategy development should be accompanied more intensively by CEOs.
- Execution planning and monitoring should be accompanied with restraint by CEOs; for monitoring the strategists see the CFOS, not the CEOs, clearly in the lead.

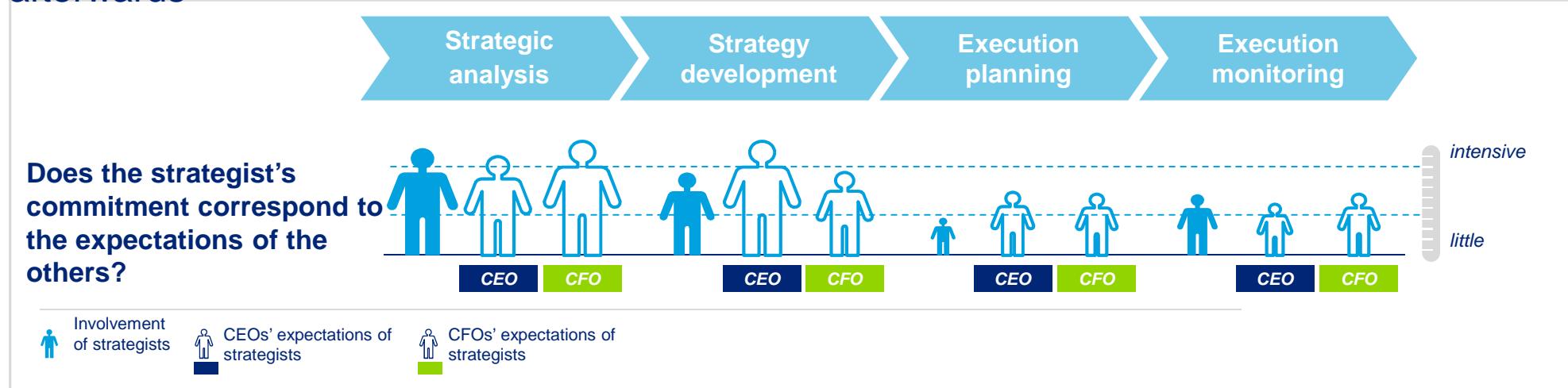
CFOs sometimes meet expectations a little less, sometimes not at all:

- From the strategists' point of view, CFOs don't take strategy seriously enough – in all phases they expect greater commitment from the CFOs.
- There is a considerable gap in expectations already at the strategic analysis phase, similar to the one in execution planning – 89 % of strategists expect committed CFOs.
- 78 % of strategists see execution monitoring as a core competence of CFOs, which indeed tends to be confirmed by CFOs. However, there is a considerable gap with regard to the intensity expected by the strategists.



The strategist: the expectations of the others

Strategists ought to initiate and manage but by all means keep their eye on the ball afterwards



CEOs and CFOs agree that the strategists' focus on analysis is not sufficient – the presence and commitment of the strategists is needed, particularly in strategy development but also in the subsequent process phases.

- **Strategic analysis creates quantitative facts** – from the CFOs' point of view, the strategists should become even more intensively involved in strategic analysis; however, CEOs' expectations are already met.
- **The CEO needs You!** - CEOs wish for distinctly more intensive commitment from the strategists in particular in development, but also in execution planning – when it comes to monitoring, the strategists apparently display exactly the right commitment from the CEOs' point of view.
- **CFOs consider the strategists' commitment to be close to their ideal** – only in execution planning do CFOs perceive a somewhat more intensive commitment, albeit at a low level overall. If only this agreement were mutual, this could be the starting point for genuine team play between strategists and CFOs.



The strategist: recommendations for you

Concentrate first on your core responsibilities, then on the others

Potentials and fields of action for strategists



Recommendations for action

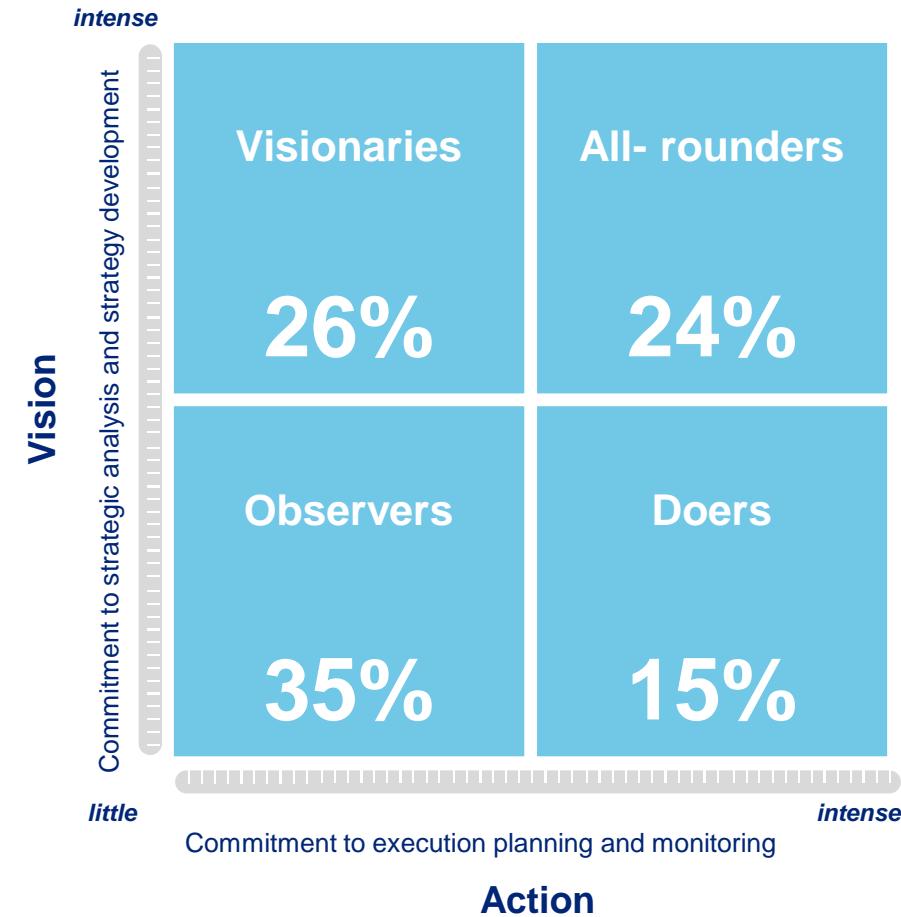
- Involve yourself more heavily at selected points.** The strategists of successful companies are more committed overall than the strategists of less successful companies, but with a clear focus on selected activities.
- Don't underestimate the inside view.** The strategists of successful companies concern themselves intensively with the analysis of the strengths and weaknesses of their own company in particular.
- Practise restraint.** Successful companies' strategists are distinctly less involved in the evaluation and prioritisation of strategies than the strategists of less successful companies.
- Help downstream.** Successful companies' strategists invest especially in the communication of strategic priorities. They contribute distinctly more in this area than the strategists of less successful companies do.
- Share your knowledge.** When things get more concrete, successful companies' strategists are distinctly more involved in execution planning than their colleagues.

4. Actors and archetypes

The focus and intensity of the commitment of the actors points to the four archetypes

Four types, observers, all-rounders, visionaries and doers are observed

Proportion of all participants by archetype



Derivation of the four archetypes

The four phases of the strategy process can be compressed into two stages:

- “**Vision**” – strategic analysis and development
- “**Action**” – Execution and monitoring

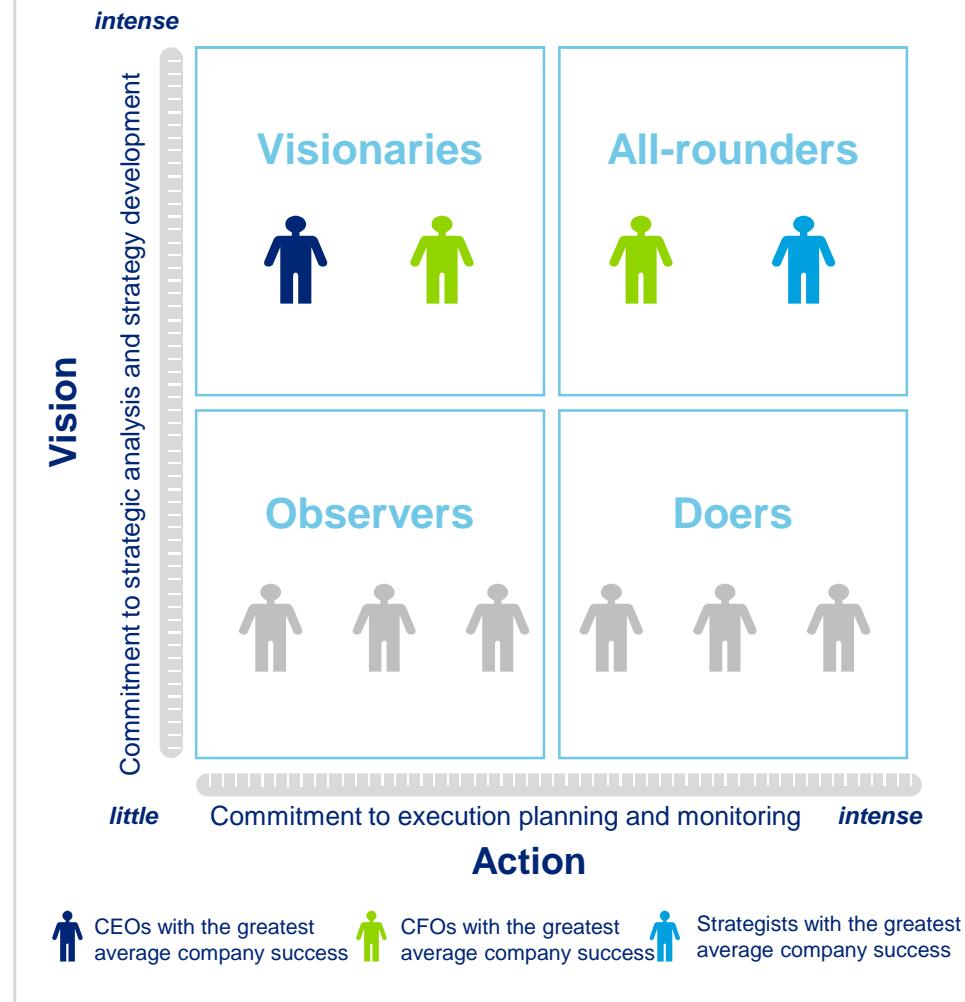
Depending on the intensity of the involvement in the two dimensions we distinguish four archetypes:

- “**Observers**” are neither noticeably “visionary” nor especially “active”, i.e. they are rather restrained in the whole process – at 35 % a relatively large group.
- “**Visionaries**” are heavily involved in strategic analysis and development and to a large extent hold back in execution – the second largest group in the field.
- “**Doers**” are heavily and exclusively involved in execution planning and monitoring – at 15 % by far the smallest group of the 211 participants.
- ‘**All-rounders**’ are continuously and intensively involved throughout, from ‘vision’ to ‘action’ and represent, with 24 % of the participants, a group as nearly as large as that of the visionaries.

Each archetype displays a clear pattern in relation to the company's success

Visionaries and all-rounders obviously have an advantage

Archetype with the greatest average company success per group of actors



Visionaries and all-rounders show the greatest success for the company – they hold the reins

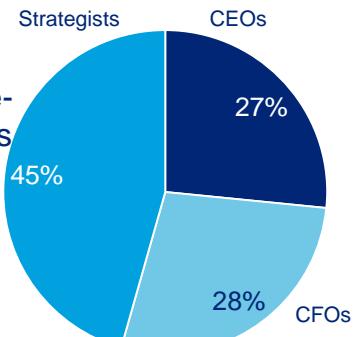
- **CEOs confirm the trend:** among all CEOs, the visionaries bring the highest success for the company. Intensive commitment in strategic analysis and strategy development obviously has a positive effect on company success.
- **CFOs are surprising:** In the CFO group it likewise appears that the visionaries determine above-average target achievement for their companies – here too it seems that intensive commitment has a positive effect on company success. The all-rounders group is equally successful among the CFOs, i.e. the group of CFOs who show above-average involvement in all phases of the strategy process.
- **Strategists are in demand:** The picture for the strategists is clear. The all-rounders among the strategists show on average the greatest success in achieving their targets – and as result stand out distinctly against the other three archetypes.

About the survey

211 participants from various actor groups, company sizes, group structures and sectors

Participants polled

- In all, 211 company representatives took part in the survey.
- 56 CEOs:** Executive Board chairpersons, other Directors, General Managers and Heads of divisions
- 59 CFOs:** Financial Directors, Commercial Managers and Heads of Controlling
- 96 Strategists:** Heads of Strategy, Heads of Company Development, etc.



Differences in management philosophy

Parent company:

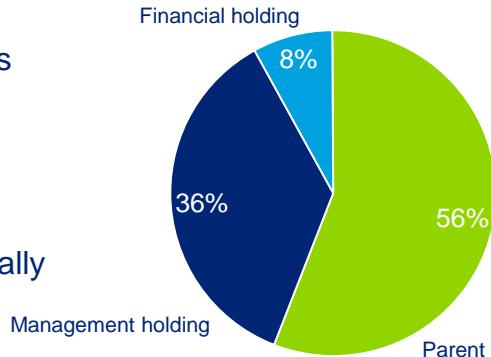
Direct influence by upper management on business units

Management holding company:

Only major management tasks are managed centrally

Financial holding:

Only financial targets are managed centrally

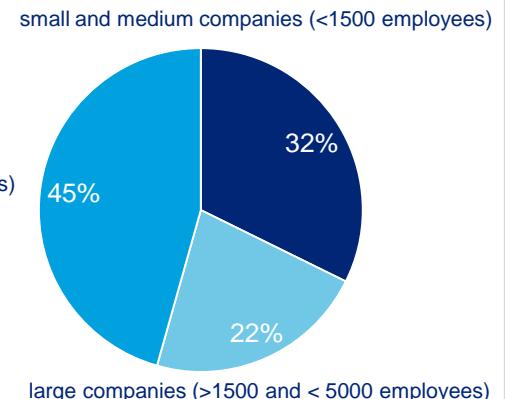


Differences in company size

- Representatives of small, medium, large and very large company were polled in the survey.

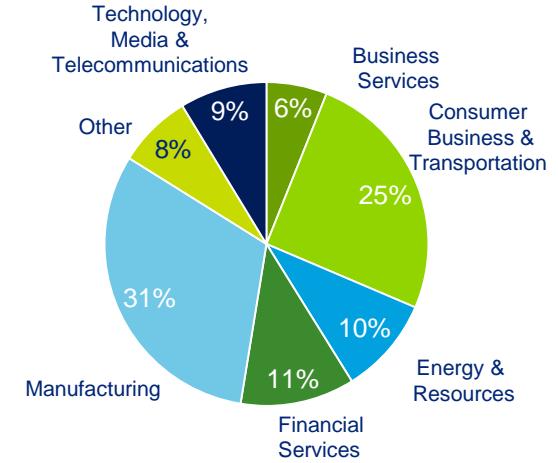
very large companies (>5000 employees)

- Two thirds of the participants were from large or very large companies.



Sectors polled

- The majority of the companies polled can be assigned to the following seven sectors.
- The manufacturing companies and the consumer goods industry sectors form the largest groups.



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- from planning to the successful execution of strategic initiatives
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Contributors to this survey

Birte Kloppenburg, Henning Mannott,
Dr. Christian Pfennig, Carlo Sapp

Just ask us!



Rolf Epstein
Partner

Strategy & Operations
repstein@deloitte.de



Fabian Marckstadt
Senior Manager
Strategy & Operations
fmarckstadt@deloitte.de

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