

Why do strategic plans fail?

While the data on the failure rate of strategic plans is all over the map, suffice it to say it's high! Here are ten common reasons why strategic plans fail. It's likely that the last strategic initiative to fall short in your organisation could be attributed to one (or some combination) of these ten causes.

1. History

You have to be mindful of your history when it comes to launching strategic initiatives. If, just a year ago, your organisation launched a new initiative with a great fanfare, only for it to die an unceremonious death, then your employees are not likely to be fooled again.

They're smarter than Charlie Brown – who, as you will recall, was repeatedly foiled by Lucy every time he tried to kick the football. If your announcement is met with rolling eyes and a collective groan, then you stand little chance of real success, no matter how brilliant the plan.

2. People and culture

Knowing what to do in the abstract is usually the easy part. Knowing what *you* can do, based on the unique skills and mindset of your team, is an entirely different matter. Understanding your people and the culture and subcultures within your organisation, and having a shared vision and values – these things are essential to developing a plan that stands a chance of success. Anything else is a recipe for disaster.

3. Leadership

How committed is your leadership team to the success of the strategic plan – not just in terms of what they say when the plan is announced, but how they communicate (words and actions) during the life of the plan? What signals do they send to the employees? How is your leadership modelling the way? If employees sense that the leadership's commitment is tepid, then that's what leaders can expect in return.

4. Discipline

Let's say you've got committed leaders and employees. That's great, but commitment to achieving strategic goals is still not enough. The question is: do they have the discipline necessary to make real behavioural change? Jim Collins refers to this in terms of “disciplined people, disciplined thought, and disciplined action”.

So, in individual terms, someone might be committed to losing ten pounds, yet lack the discipline to do what's necessary to achieve the goal and maintain the weight. It's no different in organisations. Without discipline, your strategic plan will have all the teeth of a typical New Year's resolution.

5. Communication

Most strategy-related communications, even if thoroughly planned and executed, are designed only to create clarity around what management wants the employees to do (which in itself can be a tall order). As a result, the communication efforts fall woefully short of the mark.

Good strategic communication should have one goal: to make sure everyone in the company sees the strategic plan not as just the leadership's plan, but as *their* plan. Failing that, you're asking your employees to be more committed to your goals than their own. This is not very realistic.

6. Monitoring, measurement, feedback

Even the best-conceived strategic plans require adjustments along the way. It's critical to monitor the plan's progress, measure outputs as well as outcomes, and obtain feedback from all your stakeholders.

It's also essential to consider unintended effects. For example:

- Is success in one area of your company undermining results in another?
- Are you realising short-term gains at the expense of long-term growth?
- Have you considered delays, both positive and negative, that could result in outcomes you may have to wait months or years to fully understand?

If your organisation didn't listen along the way and lacked patience, the result was probably a failed effort.

7. Lack of flexibility

While it's helpful to have all the right systems in place to track your progress, it's all for naught if you lack the will, the flexibility and the triggers necessary to make adjustments along the way. Over time, and presented with solid evidence, you can't be afraid to depart from the original plan. Keep the goal, change the plan – not the other way round!

8. Milestones and rewards

Most strategic initiatives of any consequence take time. Even the most disciplined among us need to be motivated and inspired to achieve a longer-term goal. Consider what it takes to keep your people on track. How do you stay focused on the goal and celebrate your progress? What are the best milestones and rewards for your plan? For your organisation? You can't let your organisation lose steam.

9. Bad planning

Make a list of the people in your organisation who were involved in developing your last strategic plan. Who were they? How deep did you go in the organisation? How wide? What was the extent of their involvement?

Or, did the senior leadership team develop the plan on its own and then announce it to the organisation? How did that work for you? Off-site huddles by the senior management team to develop a strategic plan often produce a plan that has no chance of success.

10. Bad plan

Sometimes plans fail simply because they are bad plans, and often they are bad plans because we don't get everyone involved that we should. Either we fail to tap into the collective talents and dedication of our people, or we misjudge the external environment and the response of our stakeholders. This can make employees feel isolated and the leadership look out of touch.

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