



Future Trends

Playing to Win

Are you playing to win, or just trying to stay in the game?

By Roger Gudobba

In this highly competitive economy you need a strategy to flourish and grow. For far too many leaders, strategy is a struggle. Despite all the different tools available (or perhaps because of them), strategy can seem mysterious and scary, with huge rewards for success, disastrous implications for failure and many unknown dangers lurking along the way. Having a clear definition of winning provides focus and clarity at the individual, team, and organizational level. Are you focused on winning and moving towards it each day? Or do you play to not lose? To stay focused on winning, also get clear on what you will not do. Make a list of all the major initiatives and big projects that no longer fit your definition of

If you are not playing to win, **why are you playing?**

winning and shut them down. Then make sure those things don't sap your time, energy, and attention.

Most leaders know intuitively when a project no longer makes sense because the goals have gotten out of sync with changing market realities. Yet they still cling to the belief that they can somehow squeeze some mileage out of a dead horse. Don't let outdated assumptions and thought bubbles prevent you from getting those obstacles to winning out of the way!

Pause to think about what really matters. Start by asking yourself: What does winning look like for you? What do you need to do — as individuals and as an organization — to win? What will it look like when you have won? When employees know where they're going

and what they need to do to get there, it becomes much easier to reach your destination. It gets everyone aligned and moving in the same direction. And it motivates and inspires people to perform at their best.

Some leaders argue that it's impossible to think about strategy in advance and that instead a firm should respond to new threats and opportunities as they emerge.... Unfortunately, such an approach places a company in a reactive mode, making it easy prey for more-strategic rivals.... Not only is strategy possible in times of tumultuous change, but it can be a competitive advantage and a source of significant value creation. Winning matters. Without a competitive goal, it is easy to become complacent and settle for being 'good enough.' As Michael Porter first noted, powerful and sustainable competitive is unlikely to arise from any one capability (e.g. having an unparalleled sales force or the best technology in the industry), but rather from a reinforcing set of capabilities. Strategy is an iterative process in which all of the moving parts influence one another and should be taken into account together.

But don't just take it from me, with their book *Playing to Win: How Strategy Really Works*, authors A.G. Lafley and Roger Martin make the argument that delaying decisions on your strategy can have enormous consequences for your business. Martin and Lafley assert that strategy is a young discipline — it's "about making specific choices" in your business.

Company leaders, they say, commit five kinds of mistakes when laying out their strategies:

- 1. Leaders define strategy solely as a vision.**

Vision and Mission statements are elements of strategy, but they aren't enough. They offer no guide to productive action and no explicit road map to the desired future.

Instead of presenting your vision of winning like a quarterly financial report, **make it come alive!** Use it to inspire people.

2. Leaders define strategy simply as a plan.

Plans and tactics are also elements of strategy, but they aren't enough either. A detailed plan that specifies what the firm will do (and when) does not imply that the things it will do add up to a sustainable competitive advantage.

3. Leaders deny that long-term strategy is possible.

You are in a rapidly evolving marketplace. Things are moving so fast that you ditch long-term strategies, believing it's futile to decide what you will do 3 or 5 years in the future. That's a mistake.

4. Leaders define strategy as the optimization of what they are already doing.

Making choices is hard work, and it doesn't always fit into all the other work to be done in a business. Strategy choices have to be made thoughtfully and organically with a good deal of organizational give and take. They must be revisited and reexamined regularly.

5. Leaders define strategy as following best practices.

Such as benchmarking against competition, and then doing the same set of activities.

In a recent Rotman Magazine article, Roger Martin wrote, "There was a time not long ago, when people with average skills, doing an average job, could eke out an average lifestyle and live happily ever after." But as Thomas Friedman recently declared in the New York Times. 'Average is officially over.' Roger Martin went on to say, "What was seen as average performance in the past will no longer earn people an average wage or a middle class standard of living. The result? Every one of us needs to ask ourselves if what we are doing is – to some degree – unique and irreplaceable.

While Friedman was writing about individuals, his message holds equally true for organizations. The people and organizations that are most successful; these days are those who offer something extra – a unique value contribution that makes them stand out in their field. Think of it as a secret sauce."

OK, I know you're thinking how you can put all of this into practice. I challenge you to think: What is the unique value-add that justifies someone purchasing your product or service? That might sound like a simple question, but it isn't. Chris Zook, co-head of Bain & Company, and his colleagues found that while 80% of executives believe their offering is highly differentiated, only 8% of customers agree with them. Ultimately, differentiation lies in what you do for your customers each and every day.

Correspondent Deborah Roberts on the ABC News program 20/20 asked Carmine Gallo about the role vision played in Steve Jobs' success. This was his response: "Vision is everything. A bold dream attracts evangelists, and no lasting brand can be built without a team of dedicated people who share the vision. Passion fuels the rocket; vision directs the rocket to its ultimate destination."

So, craft a vision statement, but remember, a vision statement is not a mission statement. A mission statement is about 'us'; a vision statement is about 'them'. Ask yourself: What are you going to do for your customers? Instead of presenting your vision of winning like a quarterly financial report, make it come alive! Use it to inspire people. Share it with everyone in your ecosystem. Not just employees, but customers, vendors, suppliers, partners, alliances; anyone that has a stake in helping you win. Make sure your vision statement is bold, specific, concise and consistently communicated. Today everyone knows FedEx's three-word vision statement: Absolutely, Positively, Over-night. What is your organization's vision? ❖