

Communicating Your Strategy: An Essential Guide

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Kotter (1996) states that an organizational strategy is, in effect, a change process. One of the most common errors organizations make in change initiatives is they under-communicate the vision or strategy. Major change is usually impossible unless you clearly communicate it to get buy-in from employees, which in turn makes them willing to help execute on the vision, even if it requires making short-term sacrifices. People will not make sacrifices, even if they are unhappy with the status quo, unless they understand the potential benefits of change and believe that a transformation is possible. Without a credible strategy communication process, employees' hearts and minds cannot be captured.¹



The process of communicating strategy should focus on *open* communications. The strategy requires an organization to plan its way forward to the benefit of all employees and stakeholders. The strategy design should include a clear set of choices that define what the firm is and is not going to do.

This whitepaper comprehensively outlines the 12 considerations you need for successful strategy communications planning.

1. Strategy Communication Planning

Strategy communication planning encompasses many aspects, as shown in Figure 1. Strategy communication is based on smaller chunks of communication aimed at achieving the overall long-term goal of the organization (such as, vision, mission, and objectives). Falkheimer and Heide (2018) posits that strategy communication builds on an understanding of the fundamental importance of communication for the existence, legitimacy, and operations of the organization. Further, strategy communication is the purposeful communication by an organization designed to persuade audiences with the goal of increasing knowledge, changing attitudes, or inducing desired behavior.²

Dahlman and Heide (2021) suggest change – planned and emerging – helps organizations adapt to external changes in the world and in their industry sector marketplace. Both strategy and change help drive success in an organization. Consequently, planned change management is deciding that at a specified point, the organization needs to change – for one or more reasons – and then executing on it. Planned changes arise from the larger management team. These changes include communicating the identified need for change and a formulated strategy. Emergent change means that through the deliberate and continuous strategy communication process, the entire organization collaborates and engages on how they view a particular scenario, takes actions over recurring periods of time, and revises the strategy as outlined in the communications planning process. This allows for change to happen in small steps.³



Figure 1: Aspects of strategy communications planning

2. Strategic Objectives

Rohm, Wilsey, Stout-Perry and Montgomery (2016) position strategic objectives as the core of strategy. Communication on organization-wide strategic objectives, to the target internal and external target audiences, are also the starting point for organization alignment strategy, as shown in Figure 1. Strategic objectives are the continuous actionable activities that operationalize a strategy. Strategic objectives are described, documented, and measured by developing key performance indicators (KPIs) (measures) and made actionable through initiatives (projects) and operational processes that define the DNA of the organization's business. The strategic objectives are monitored for status (done, in progress or not started) by development of data collection schedules frequency designed into the KPIs and initiatives. Consequently, based on the number of strategic objectives, strategic objectives described earlier in Figure 1 will heavily contribute to the annual communication schedules in the adopted strategy communications planning.⁴

3. Organization Alignment

At the organization-wide level, Rohm et al (2016) state that strategic objectives identify the key continuous improvement activities that are necessary to be successful and accomplish the vision, the mission, and success of the strategy. The organization-wide strategic objectives need to be aligned and cascaded down to all business and support units, which in turn identifies the activities necessary to define the strategy of the department, achieve their respective departmental mission, and support the organization. In other words, these departmental objectives must roll up and align with the larger organizational ones. At the individual employee and team level, strategic objectives identify personal activities that create value and support a department's mission and strategic objectives. Linking objectives at all levels creates alignment and accountability across the organization. Conversations around strategic questions and desired results help keep the focus on performance, achieve the desired change, demonstrate evidence of accomplishments, and create a climate and a culture in which employees know how their daily work connects to the organization's larger vision and mission.⁵

4. Strategy Communication Schedules

Kotter (1996) states that effectively communicating your key strategy messages requires the use of many formats and channels, to meet employees where they are most active and how they learn best. This creates credible (strategy) communication that lets you win the hearts and minds of employees.⁶ This multi-channel, multi-format approach combined with strategy execution monitoring and evaluation, especially in fully aligned organizations, creates the need for a continuous, rigorous strategy communication cadence throughout a fiscal year. This cadence is typically determined by the question: How much strategy communication is enough? What is the frequency? It is best to capture your key messages and repeat, repeat, repeat and stick with the drumbeat—in print, digital, and spoken communications. Winton (2019) proposes that the term for the number of times a person must hear a message before acting on it is called “effective frequency.” So, what’s the effective frequency for your organization’s strategy messaging? American Express, for example, feels that a frequency beyond seven continues to have a cumulative benefit. Marketing experts like to debate the “right ways” to calculate effective frequency. Some say repeating a message three times will work, while many others believe the “Rule of 7” applies. A study from Microsoft investigating the optimal number of exposures required for audio messages concluded that between 6 and 20 was best.⁷ Ultimately, your organization will need to decide what is appropriate.

It’s important to remember that the monthly or quarterly strategic objectives are the primary source of strategy communication. Keep in mind that because the strategic initiatives (projects) are tied to the strategic objectives, it means there will be plenty of new information at each data collection period to inform your audience. The strategy communication plan identifies when those data collections periods are executed, which is, in effect, your “effective frequency” reporting cadence.

5. Target Audiences (Internal and External)

Not surprisingly, your largest target audience for strategy communication will be the entire internal employee population as well as the Board of Directors and any other business entities that have a chartered relationship to the organization (for example, a central bank with member regional banks). Across the organization, employees need to understand how the strategy execution will change the status quo. To accomplish this—depending on the organization’s strategic objectives—Quirke (2008) posits that strategy communication could include but not limited to the following topics:

- The need to shift the business strategy, and how each employee can contribute
- Requirements to increase employees’ understanding of changes in the marketplace, the growing threat of competition, and the changing needs of customers
- A shift the focus of research and development people from pride in technology to understanding how it could be applied to solve customers’ problems
- Generating a greater sense of pride and excitement about achievements across the organization
- The need for greater cross-divisional/department collaboration to stimulate innovation
- Focus on improving operational efficiency to reduce costs
- Improve workforce knowledge and skills
- Increased technology utilization⁸

External stakeholders, those individuals or entities that have an interest in the success of the organization’s strategy, may also need to be made aware of the various aspects of the top-level organization’s strategy. For example, with the increasing focus on societal issues like sustainability and

other social and governance mandates and initiatives (such as diversity and inclusivity), communication of the organization's strategy could share and operationalize these mandates.

6. Annual Strategy Communication Plan

The organization-wide strategy (Tier 1) and the strategy alignment completed to departments (Tier 2) consists of strategic objectives. The strategy management function, which is sometimes embedded in the Monitoring and Evaluation Office or the Strategy Management Office, proceeds with developing the Annual Strategy Communications Plan in collaboration with the strategic objective's owners from Tier 1 and Tier 2. Figure 2 shows how you can implement messaging strategies using various tactics to push out key messages to the various target audiences.

By analyzing the data collection from the KPIs and initiatives associated with each strategic objective throughout Tier 1 and Tier 2, the results provide the information that will turn into key messages on the state of strategy execution.

Annual Strategy Communications Plan													
Communications Actions	Quarter 1			Quarter 2			Quarter 3			Quarter 4			Reminders
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
Tier 1 (Organization-wide) Continuous Strategy Communication Stream	Tier 1 Strategic Objectives: One (SO1) to (SO _n) per Month												Repeat Tier 1 SO Communications Cycle next year. Provides updates on SO Performance progress (Good or Bad) news. If bad news, what is the fix? Also a good way to recognize the Objective Owners and team members, publicly.
All Individual Tier 2 (Departments) - Continuous Strategy Communication	All Individual Tier 2 Departments Strategic Objectives: One (SO1) to (SO _n) per Month per Department												Repeat All Tier 2 Departments SO Communications Cycle next year. Provides updates on SO Performance progress (Good or Bad) news. If bad news, what is the fix? Also a good way to recognize the Objective Owners and Team Members, publicly.
All Tier 1 and Tier 2 Initiatives/Projects in Progress and Completed Continuous Communication	All Tier 1 and Individual Tier 2 Departments Strategic Objectives Initiatives and Projects. (SO1) to (SO _n) per Month based on Number of Departments												Repeat All Initiatives and Projects Continuous Communication Cycle next year. Good way to keep Initiatives and Projects the in front of employees which are attached to the Strategic Objectives of the organization and Departments. Provides Updates on the Scope and Timelines of the Initiatives and Projects. If not on-time and on-budget, what is the fix? Note, reporting progress on the Strategic Initiative/Projects is important but also is an opportunity to continually recognize the Project Managers and Project Team Members, publicly.
All Hands Annual Kickoff, Board and External Stakeholders Updates	All Hands Annual Kickoff Meeting	Brd. / Ext. Stakeholders Updates			Brd. / Ext. Stakeholders Updates			Brd. / Ext. Stakeholders Updates			Brd. / Ext. Stakeholders Updates		Repeat Annual Kickoff, Board and External Stakeholders Communications Cycle Next Year
Face-to-Face Flash Updates	Random Sampling of Tier 1 and Tier 2 Employees, Team Members of Initiatives (Projects), and Strategic Objective Owners by Brief Interviews per Month												Repeat Face-to-Face Flash Updates in Communications Cycle in Next Year

Figure 2: Example of an annual strategy communications plan

7. Messaging Strategy

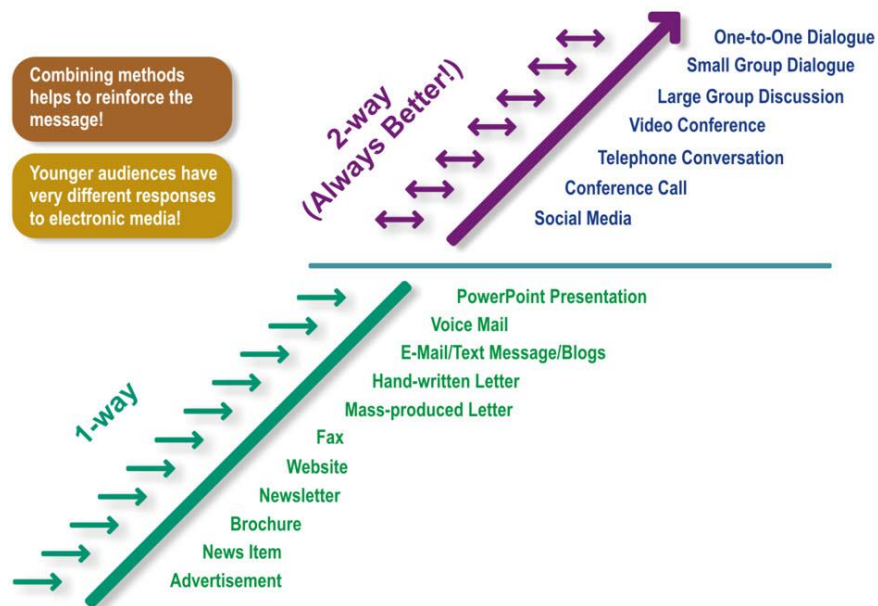
Once the data results from Strategic Objectives (KPIs) and Initiatives (Projects) have been collected for any period, the results need to be communicated. Quirke (2008) suggests that for the organization's strategy communications to assist the organization and employees to enact change, the results must be able to help employees share knowledge and information, extract meaning from reported information, and make decisions that add value and convert information into action through:

- Content – Providing people with data, information, ideas, and concepts
- Context – Ensuring people can process that information and make it relevant to their situation
- Conversation – People need to discuss, explore, test, and understand the implications of what they are doing
- Collection feedback – Ensuring that communication has been understood as intended⁹

If your strategy communications plan is fully executed, your organization should have a shared vision going forward. This means the strategic objective owners have successfully delivered on their accountability and the expected return on investment of the strategic objective will be achieved.

8. Messaging Tactics

Once the messaging strategies have been developed, the resolution of the following question needs to be determined: "What channels will be employed to get the results information out to be used to analyze and take action on?" (See Figure 3.) While not an exhaustive list of the channels that an organization could use, Figure 3 reinforces two-way discussion, which plays into the messaging strategies mentioned earlier. This information will be used by the strategic objective owners in the review of KPIs results for the reporting period as well as the initiatives.



Source: Adapted from "Ladder of Communication Effectiveness", Centre for Strategic Management, 2005

Figure 3: Two-way versus one-way communications

9. Messaging Initiatives and Projects

The results from the reporting on the progress on strategic initiatives should focus on:

- Are we on schedule?
- Are we on budget?
- Are we in scope?

At this stage in the strategy communications process, all data collection for each strategic objective for key performance indicators and initiatives has been collected. Now it's time to proceed to developing the key messages (for example, storytelling).

10. Key Messages (Storytelling)

As the data is collected and analyzed against the strategic objectives KPIs and associated initiatives, key messages must be developed for communicating the results. It is tempting to just publicize the resulting numbers in dashboards (red, yellow, green), project percent complete, and budget expended at the reporting milestone. Instead in all communications actions in Figure 3, take the opportunity to tell the story behind each strategic objective and associated initiatives.

For strategic objectives, you can refresh, inform, recognize employee efforts, and engage your audiences by using the following in key message format:

- **Strategic Objective Name**
- **Brief Description of Strategic Objective and Intended Results**
- **Results of the Key Performance Indicators** (to date)
If green, great! If not, take the opportunity to suggest a fix (if known), but more important, promote the idea of a "situation session" to dive into the reason (cause) for the unsatisfactory results. Ideally, this session will be followed by any number of proposed resolutions (actions) to consider from the situation session. Proposed resolution(s) should also be documented.
- **Initiative (Project) Name**
- **Brief Description of Intended Results** (of initiatives/projects)
- **Results of Initiatives (Projects) to date**
If the initiatives are on time and on-budget, great! If not, take the opportunity to suggest a fix (if known), but more important, promote the idea of a situation session to dive into the reason for the unsatisfactory results. This session would be followed by any number of proposed resolutions to consider from the situation session. Proposed resolution(s) would also be documented.
- **Provide public recognition** to strategic objective owners and initiative project managers and project team members

The situation sessions should refer to the messaging strategy elements mentioned earlier to move the strategic objectives back into a positive performance state.

11. Measure and Evaluate

While strategy communication is structured based on the strategic objectives, the team operationalizing the messaging does have to make sure to keep a wide-angle lens on when developing the key messages.

Dewhurst and FitzPatrick (2019) propose that in the strategy communications space, there are many elements to consider during the evaluation process.

For instance, do you have effectiveness shapers – are you doing the right things? Are you delivering clarity about business objectives? Are you authentic through involvement of senior leaders? And does your strategy plan have buy-in from them from year-to-year?

Also, do you have efficiency drivers – are we doing them in the right way? Do you have appropriate resources to conduct the strategy communications planning and execution? Are you employing a range of channels? Are all managers supporters? Can you easily get the dates from them that you need?

Do we have a clear purpose and set of values that inform decision-making at the top of the organization? Does the purpose of the organization align to what is morally and culturally appropriate for its workforce? Are the business strategy and related plans credible, and will employees be able to see their roles in them?

Each year your measure and evaluation process, will likely expand in many directions and should not be simply repeated every year without rigorous evaluation.¹⁰

12. Resources and Budget

After structuring to communicate the strategic objectives, you need to look at resources and budget. There is little point in having a beautifully defined strategy communications plan without the funds for the organization to bring it to life. An audit needs to confirm whether the communications function has the right structure, right people, and right budget to get the job done. Resources will be needed across the organization.

Dewhurst and FitzPatrick (2019) further propose that for successful execution of your strategy communications plan, you need to consider the following:

- Leaders at all levels set clear direction and provide context
- Employees have easy access to relevant information
- Leaders and employees contribute to a climate of openness and trust
- Employees receive timely feedback and recognition of their role
- Employees can provide input and influence
- Employees are enabled to connect and share with colleagues¹¹

Conclusion

Lack of continual strategy communications ranks very high, along with not completing strategic initiatives on time and on-budget, as factors for failed performance management strategies. To achieve all the potential benefits from performance management initiatives, it is essential to take time to keep your strategy communications top of mind. If you'd like to learn more detail about strategy communications planning, reach out to the Balanced Scorecard Institute to speak with our specialists.

About the author

Joe DeCarlo is the Senior Vice President, as well as a senior consulting associate, who has 40+ years of extensive experience in business structuring, strategy formulation/implementation including balanced scorecard use, change management, and the design/execution of innovative operational business models/solutions in the private, public, and nonprofit sectors with first-line and executive level management positions.

About the Balanced Scorecard Institute (BSI)

BSI provides consulting, training, and professional certification services to organizations worldwide related to strategic planning, balanced scorecard, KPI/performance measurement, and strategic project management.

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This article is derivative work based on a blog published January 19, 2022 and can be found at the following link: <https://balancedscorecard.org/blog/common-risks-and-challenges-impacting-strategy-execution/> where strategy communication was flagged as a common risk and challenge to strategy execution.

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