



Book The Art of Action

How Leaders Close the Gaps Between Plans, Actions and Results

Stephen Bungay
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Recommendation

Both business activity and military campaigns involve high-level strategy, action plans, the deployment of resources, tactical execution and opponents to be bested – either your competitors in business or your army’s enemy. The similarities resonate through all aspects of business and military operations, including the details of logistics, recruitment and staffing. Business strategy consultant and military historian Stephen Bungay considers these parallels in his intriguing work on strategic business execution. *BooksInShort* highly recommends his insightful reinterpreting of 19th-century tactics into 21st-century solutions to CEOs and their planning and operations staffs.

Take-Aways

- Organizations often fail to execute their plans and strategies efficiently.
- Such failures can stem from unclear goals, complex directions and poor communication.
- This environment confuses employees, who don’t know what to do.
- Executives of organizations that suffer these failures tend to issue minutely detailed – and often insulting – instructions that frustrate employees.
- Trust can deteriorate, everyone becomes cynical and goals remain elusive.
- The highly influential “scientific management” approach, developed in 1911 by Frederick Winslow Taylor, is a major reason modern organizations fail to execute.
- It casts employees as unthinking robots who must follow precise plans.
- Such detailed instructions prove dysfunctional when unforeseen events arise.
- Two 19th-century German military strategists, Carl von Clausewitz and Helmuth von Moltke, suggested a different and more effective approach.
- Keep goals clear, directions simple; communicate effectively and encourage your subordinates to improvise.

Summary

Can You Execute?

Organizations often find it difficult to execute their strategies. In the complicated world of business, companies inadvertently take on the confusion surrounding them and operations can devolve into opaqueness. Facing density and incoherence, employees spend extra time in analysis and discursive meetings. Decision making suffers. Frustration mounts among employees, managers and top executives. Concerned executives begin to spell out what their staff members should do in numbing and counterproductive detail. Employees naturally resent such micromanagement. Trust erodes. As a result, no one is certain how to proceed. Most importantly, no one clearly can answer that most basic question: “What do you want me to do?”

The Taylor Model

Keeping people busy is never a problem. More problematic is getting people to execute the right activities, the ones that make an organization more efficient and profitable. The old-style “scientific management” approach Frederick Winslow Taylor first suggested in 1911 bears much of the blame. He proposed developing an ideal plan and providing detailed instructions directing employees to carry it out robotically. But planners cannot predict the future, so such plans always falter.

“Executives who master the disciplines of formulating and giving good directions can explain to people what they have to achieve and why, and so make them ready to act.”

In Search of Excellence, the 1980 management bestseller, seemed to make the Taylor model less philosophically applicable. It suggested instilling “change management” and leading without managing. But those gauzy ideas proved hard to pin down. No one knows exactly what these concepts mean in practice, so the Taylor model remains dominant. Managers grouse that workers do not follow plans, and workers complain that managers’ plans are ineffective.

“The director is detached, calculating and flexible; the manager is engaged, realistic and pragmatic; the leader is committed, passionate and determined.”

Gaps develop among “plans, actions and outcomes”:

- **The gap between “plans and outcomes”** – A lack of clarity pushes people to overanalyze and to meet more often to define plans and achieve the right results.
- **The gap between “plans and actions”** – No one can program workers to perform perfectly. When plans and actions misalign, executives burden employees with detailed (annoying) instructions.
- **The gap between “actions and outcomes”** – Managers cannot control their organizations’ external environment. The results they hope to achieve from certain actions often are thwarted. In response, executives opt for onerous, ineffective controls.

What should organizations do?

Take these steps:

- **“Decide what really matters”** – Forget about developing the perfect plan. Use the available knowledge to target the best possible outcomes. Make your strategy “an intent rather than a plan.”
- **“Get the message across”** – Tell others the results you seek and why they matter. Keep things simple. Don’t overwhelm employees with instructions.
- **“Give people space and support”** – Nobody can predict future outcomes. Encourage your employees to be adaptable so that they always work to achieve your main goals. Let them operate within broad boundaries.

Carl von Clausewitz

The logical approach to “turning activity into action” predates Frederick Winslow Taylor. It goes back to the Prussian Army, and Carl von Clausewitz’s 1832 book *Vom Kriege* (*On War*). Von Clausewitz, an officer in the army, wrote that during wartime, “things do not happen of their own accord like a well-oiled machine, indeed, the machine starts to create resistance, and overcoming it demands enormous willpower on the part of the leader.” Von Clausewitz labeled this resistance “friction,” which one scholar described as “the totality of ‘uncertainties, errors, accidents, technical difficulties, the unforeseen and their effects on decisions, morale and actions’.”

“Each generation has to relearn old lessons and acquire old skills.”

Friction is both external and internal. Armies are comprised of human beings, who inadvertently add their own friction to events and outcomes. Von Clausewitz recognized that the chaos of war derives from its inherent friction. The three primary sources of friction are: “imperfect information,” “imperfect transmitting and processing of information” and “external factors.” The results of such friction are “not additive but multiplicative.”

Helmuth Carl Bernhard Graf von Moltke

In the 19th century, Field Marshal Helmuth Carl Bernhard Graf von Moltke adapted von Clausewitz’s insights to make his Prussian Army more deadly and effective. He developed an army operations manual, the *Auftragstaktik*. Its principles, published as “Mission Command,” help guide the North Atlantic Treaty Organization (NATO) and other military forces around the world.

“The intelligence of an organization is never equal to the sum of the intelligence of the people within it.”

Von Moltke insisted that his military subordinates must be able to think and act for themselves and always should be ready to act independently when necessary. He wrote, “Obedience is a principle, but the man stands above the principle.” Von Moltke stated that military officers must issue crystal-clear commands and fully understand their top leaders’ intentions. He said military orders must find their way “down ‘to the last man’.” He avoided planning into the unknowable future. As he said, “In war, circumstances change very rapidly, and it is rare indeed for directions which cover a long period of time in a lot of detail to be fully carried out.” Von Moltke told his generals, “The higher the level of command, the shorter and more general the orders should be.”

“A good strategy creates coherence between our capabilities, the opportunities we can detect and our aims.”

Von Moltke’s underlying principle: “The most alignment you have, the more autonomy you can grant.” This depends on superior briefings, as well as “backbriefing,” wherein subordinates check with their superiors to ensure they understand all their earlier directions. In orders issued before a battle, von Moltke kept to single-sentence paragraphs, and each sentence contained one clear direct idea.

“Friction makes doing simple things difficult and difficult things impossible.”

For von Moltke, a plan that is 70% correct is acceptable. A flexible organization can determine how to handle the remaining 30%, depending on the circumstances. Modern organizations can borrow and implement the principles of *Auftragstaktik*. Employees cannot be afraid to make mistakes and, indeed, must be allowed to do so. In this system of “directed opportunism,” trust must travel up and down the chain of command. The mission command approach rejects any static model of creating and implementing strategy. It demands “thinking and doing” – learning and adapting. Mission command is not “plan and implement.” It is “do and adapt.”

Addressing the Gaps Created by Friction

Contemporary employees are completely familiar with friction – and its ensuing chaos. As organizations grow in size and complexity, friction increases.

“A disproportionate number of fundamental organizational innovations have their origins in disaster.”

This opens “three gaps” that you must address to execute your plans:

1. The Knowledge Gap

Since the future remains unknowable, limit planning to what you can foresee. Your strategy must involve the goal you want and how you plan to achieve it (that is, your execution).

Strategy development and execution are inseparable. One depends upon the other. Your strategy expresses intent, which bridges the knowledge gap. Your strategy should include a viable framework for intelligent decision making, execution and action in a “logical sequence of steps.” These steps represent your organization’s “main effort” and should focus on what von Clausewitz termed “the enemy’s center of gravity.” This could be your competitor’s strongest market or your own company’s greatest inefficiency.

“A mission which tries to encompass multiple tasks can all too easily obscure what really matters.” (from *Truppenführung*, the German Army guide to leadership, 1933)

Von Moltke referred to strategy as “the evolution of an original guiding idea under constantly changing circumstances.” A wise strategy points your organization in the right direction and links “aims, opportunities and capabilities.” General Electric’s former CEO Jack Welch terms this approach “planned opportunism.”

“Fear is not a word commonly used in management literature, and it may sound overly dramatic. In reality, there is a lot of it about and it is often a reason why people decide to play it safe and do as little as possible.”

Leaders must be wise so they can create and implement effective strategies; they also must be seasoned, intuitive individuals with what Germans call *Fingerspitzengefühl*, meaning the “feeling in your fingertips” or what Americans refer to as “gut feelings.”

2. The Alignment Gap

The degree of planning must match the level of command, with more detailed planning for lower levels. Each level must know “what to achieve and why.” Without adequate information about corporate goals, employees at subsidiary levels cannot make intelligent decisions. They may pursue activities that do not support the overall strategy. To address this risk, you must clarify your strategy with a “statement of intent.”

“If Peter Drucker first urged managers to manage by objectives, von Moltke could be said to have led with directives.”

This statement should communicate your strategy as it applies to each level of the organization. As this message travels throughout the organization, help each subsidiary level work with additional specificity. Make sure leaders at each level convey their intentions to the next highest level. During these all-important leadership coordination briefings, “check mutual understanding,” and provide needed ground-level adjustments to increase “alignment across functions.” The structure of the organization must enable and empower the strategy. You need a hierarchy of accountable leaders who can “make autonomous decisions.”

3. The Effects Gap

Individuals should act on their own initiative within proper boundaries. They should pay more attention to intentions than to specific instructions and adjust their activities to the situation at hand. Employees must demonstrate “independent thinking obedience” – independent thought and action. Workers will not exercise independent judgment if they are afraid to make mistakes.

“Sins of omission are worse than sins of commission.”

Your organization needs strong-minded leaders. Von Moltke found the type of officers he wanted by setting up a *Kriegsakademie* (war academy), where military officers learned to think and act independently and to make decisions. They learned to issue clear directives to subordinates that matched outcomes with intentions, thus bridging the effects gap.

“Companies...fall prey to the temptation of replacing clarity with detail.”

Develop your leaders in a similar fashion. Focus first and foremost on your people. Ultimately, they are the ones who will make the difference.

For the best opportunity to succeed, assemble the right people, train them well, lead them properly and provide clear direction.

Ten “Glimpses of the Blindingly Obvious”

These ideas represent common sense, though often common sense “is not so common in practice.” The military calls these ideas glimpses of the blindingly obvious, or GBOs.

“If an organization systematically builds the strategic thinking and briefing skills of its executives, it can create something very powerful.”

Here are 10 of the most important GBOs:

1. People are not perfect. They possess partial knowledge and “independent wills.”
2. No one can predict the future. Do not plan beyond what you can forecast.
3. Ascertain what steps are the most essential and act accordingly.
4. People cannot act effectively if they do not understand the organization’s intentions.
5. Once you communicate this information, your staffers must demonstrate that they fully understand it and explain what they plan to do as a result.
6. Supervisors should make assignments to responsible, accountable individuals and establish the boundaries in which they can operate.
7. Employees must possess the proper “skills and resources,” and they should be ready to take independent action as required.
8. Employees must adapt their activities when necessary.
9. Your people won’t act independently if they believe the organization won’t support them.
10. Make all directives as clear and simple as possible.

About the Author

Stephen Bungay, an independent consultant and a noted historian, wrote *The Most Dangerous Enemy: A History of the Battle of Britain*. He is a director at London’s Ashridge Strategic Management Centre.
