

# How well does your business prioritise?

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Put simply, many organisations need to do more to align their priorities effectively to enable successful strategy execution.

In theory, effective prioritisation should be simple. It involves business leaders setting and communicating clear strategic priorities for their organisation. To follow these priorities through, leaders must embed robust prioritisation methods to ensure that all (or most) activities are in line with their strategy.

However, it doesn't take much for businesses to veer off-track! If prioritisation criteria become loose, outdated or poorly communicated, off-strategy initiatives can become commonplace and businesses rapidly become less focused and therefore less productive. In today's complex, fast-moving and highly competitive environment, businesses cannot afford for this fragmented approach to prevail.

Not only does poor prioritisation result in projects being inadequately planned or resourced, strategies not being executed and market opportunities missed, but also employees can find themselves overworked and stressed. Individuals commonly complain that they are being '*pulled in too many directions*' and feel as though '*there are not enough hours in the day*'.

Assessing and improving an organisation's ability to prioritise can unlock untapped capacity, as well as enhance employee engagement, which can surge as staff become clearer on how the activities and projects they are delivering contribute to the 'bigger picture'.

## Poor prioritisation - a symptom of organisational inefficiency

Poor prioritisation manifests itself differently in different organisations. It is helpful to categorise the various 'symptoms' of poor prioritisation using a simple framework. Examples of such symptoms are:

- 1) 'over prioritisation', this occurs when businesses label everything as 'high priority' and so nothing is ever stopped
- 2) 'devolved prioritisation', which arises when prioritisation is not carried out by senior management, leaving staff to prioritise themselves. This results in poor alignment and personal agendas driving the focus of effort.

These 'symptoms' can be underpinned by potential 'root causes', which in turn may be related to leadership, organisational structure and/or culture. In this way, tackling the problem of prioritisation provides us with a lens through which to examine the overall health of the organisation. It is through overcoming these deep-seated issues that long term, sustainable prioritisation can be created. These issues can be remedied through a number of targeted interventions, such as leadership development, team decision making, capability building, culture change, restructuring etc., depending on the nature of the underlying root cause.

The following case study provides an example of how organisations can achieve sustainable prioritisation and the benefits that can be achieved.

## Case study : Consumer goods – supply chain

Context: The business was in the process of integrating a recent acquisition. In particular, it was struggling to integrate the back office, as 100 projects were underway across the businesses with not enough resources available to achieve them all.



Diagnosis: The organisation had prioritisation processes in place. However, the criteria were not stringent enough considering the limited amount of funds, all activities were defined as high priority, thus nothing was ever 'stopped'. A clear case of 'over prioritisation'.

Intervention: The leadership team defined criteria for evaluating and ranking initiatives. This included creating an inventory for all current initiatives and filtering out all that did not have accountability at a leadership level, a budget, clearly defined start and stop dates, and committed resource allocation. Next, initiatives were mapped against strategic objectives of the business. Remaining initiatives were then scored and ranked based on factors such as financial impact, complexity to implement etc.

Outcome: The business ended up with a prioritised list of initiatives and was able to mark a strict cut-off point above which they had the funds to implement, and below which they stopped and put onto a waiting list. As initiatives were executed, those 'below the line' were able to move up. To ensure sustainability, an investment management approach was set up so that all future projects were assessed consistently.

## Using a structured approach, management teams can exercise robust prioritisation to ensure strategy execution

Ensuring that leadership teams take a structured approach to prioritisation, whilst treating the root causes of the problems they are experiencing, is key to sustainable prioritisation. A one-off prioritisation exercise is of limited value as bad habits can creep back in quickly; it is always preferable to embed long term, sustainable prioritisation capability within organisations.

Successful business leaders tend to start by identifying and communicating clear and measurable strategic priorities, and aligning internal activities against these on a regular basis. They also tend to be clear around the following questions:

- What are we prioritising (e.g. initiatives/projects)?
- Who needs to be involved in the prioritisation decisions (e.g. team leaders, initiatives owners etc.)?
- Where and when will we prioritise (e.g. monthly/quarterly formal sessions)?
- How will we prioritise (e.g. scoring/ranking initiatives, majority voting etc.)?

Poor prioritisation is one of the most widespread problems in business today. With a simple yet focused approach, teams and individuals can significantly improve their ability to prioritise, and cut out unnecessary complexity from their day-to-day workloads.

There is certainly a case that it is easier to achieve much more by doing less.



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\*A version of this article first appeared in *Entrepreneur Country* on September 5<sup>th</sup> 2012