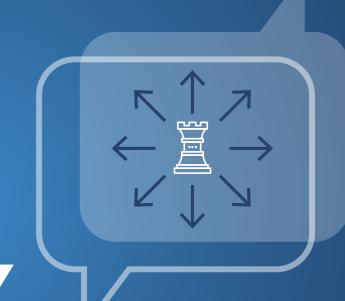
HARNESSING THE POWER OF FEEDBACK LOOPS FOR STRATEGY DESIGN AND DELIVERY



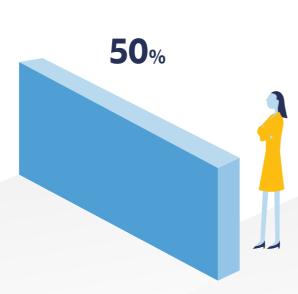
Based on a recent Economist Intelligence Unit survey exploring how companies implement strategy.

CHANGES IN COMPETITOR AND CUSTOMER DEMANDS FREQUENTLY UNDERMINE STRATEGY DELIVERY...

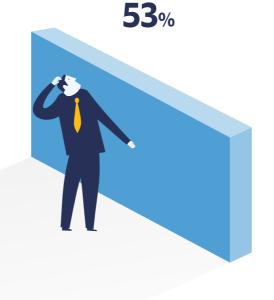
For your last major strategic change, to what extent did the following impede implementation? (Percentage answering "completely" or "a great deal")



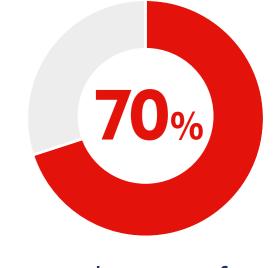
Changing competitor strategies



Entry of new competitors



Changing customer expectations/demands



say at least one of these factors impeded delivery "a great deal" or "completely"



... SO MOST COMPANIES MONITOR KEY **CUSTOMER AND COMPETITOR TRENDS** LIKELY TO AFFECT STRATEGY



the customer trends

monitor at least one of



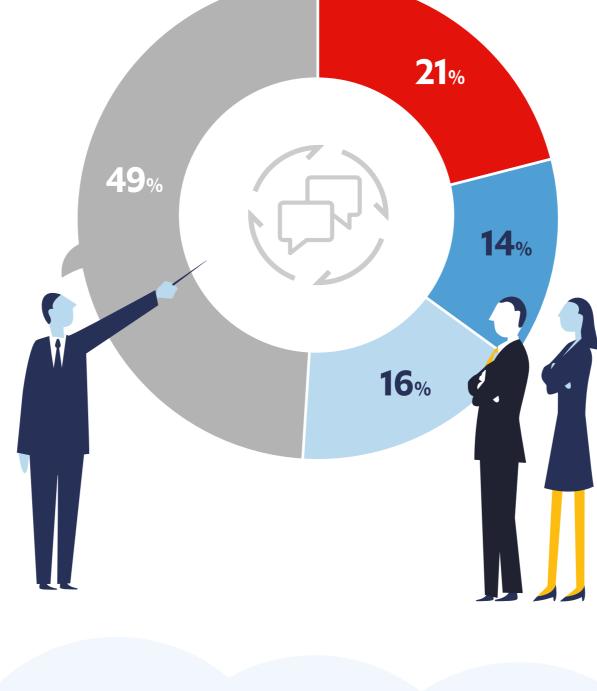
monitor at least one of the competitor trends

HOWEVER, MONITORING IS NOT ENOUGH: ONLY A MINORITY OF COMPANIES CAN GET THIS INFORMATION WHERE IT NEEDS TO GO

strategy to take into account information from the following? (Percentage of respondents)

Do you have effective feedback loops to allow those implementing





information Feedback loops for only consumer information

Feedback loops for both

consumer and competitor

- Feedback loops for only competitor information
- No feedback loops

Effective feedback loops for both customer and

competitor information

Effective feedback loop

OR competitor information

No effective feedback loops

63%

for either customer

ALLOCATION, STRATEGIC OUTCOMES AND OVERALL PERFORMANCE A. They enable agile and effective use of resources

COMPANIES WITH EFFECTIVE FEEDBACK

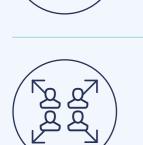
LOOPS HAVE ADVANTAGES IN RESOURCE

(Percentage of respondents in each group choosing each option) Rapid development and implementation

to ensure delivery of strategic goals

initiatives, when needed

Percentage of organisation's strategic objectives



Prompt and efficient reallocation of personnel among strategy implementation initiatives, when needed

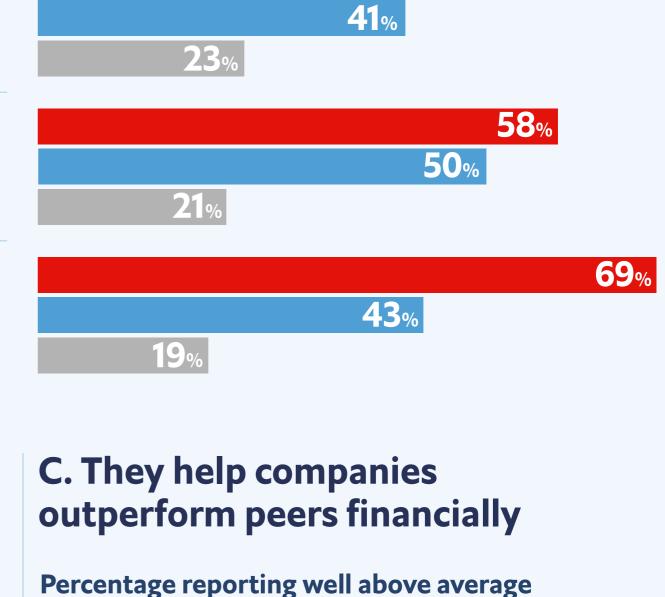
Prompt and efficient reallocation of

of new strategic initiatives when needed,



B. They result in fewer

funding among strategy implementation



not met due to flawed or incomplete implementation over the last three years

15%



financial performance compared to peers 35%

24% 18%



"The senior team need to be able to ask for and receive feedback from the street where

changes are happening. I don't want it filtered,

I want it to come straight to the C-suite."

22%

21%

Bob Collymore, CEO, Safaricom

Commissioned by

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