CHAPTER 2

Using a Strategic HRM Balanced Scorecard as a Strategic Framework

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## Chapter 2: Suggested answers to quiz exercise

Quiz 2.1: Implementation Barriers 1

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# Quiz 2.1: Implementation Barriers*[[1]](#endnote-1)*

This quiz asks to think about some of the barriers to the implementation of strategy in organizations and respond to the questions posed. You can compare your responses to the research in this area.

*Question 1: Strategy is management’s responsibility (or everyone’s) responsibility.*

There is a general mantra that strategy is everyone’s business. But, what do respondents say? What percentage of respondents work within the belief that strategy is management’s responsibility?

*Evidence:* In the development and implementation of a strategy and several management authors and consultants use the term that ‘strategy is everyone’s job.’ However, in a study of 55 strategic decisions in 14 U.K. organizations in the public and private sectors, the researchers found that 59% of the respondents believe that strategy is management’s job. [[2]](#endnote-2)

*Question 2: Involvement Barriers.*

What percentage of managers who began the strategic process (at the top) stayed with it for the entire process?

*Evidence:* Given that participation enhances the implementation of strategies and the ability to cope with change, then more extensive involvement is advantageous. It is also when decision-makers have the opportunity to shape the strategy and its interpretation during a budget adjustment. Researchers tracked the decisions for five years and only 61% stayed with the decision until implemented. But, once the agenda appears set, many decision-makers move on to other agendas. Of 428 interested parties in the creation of strategic intent in the 55 strategic decisions, only 263 remained (an 8 to 5 ratio). Implementation was left to others who carried out specific tasks [[3]](#endnote-3)

*Question 3: Heavyweights and Lightweights*.

Who are some of the key organizational actors in strategic management? Rank the following roles in terms of implementation: The CEO, Purchasing, Marketing, Research, Finance, Customers, Personnel, Trade Unions.

*Evidence:* Customers, Personnel, and Trade Unions are left out of most decision-making and implementation and when they are involved they do not have much muscle. The heavyweights during decision-making and implementation are the CEO and Research. Finance, Purchasing, and Marketing, while active in the decision-making, drop in influence during the implementation.[[4]](#endnote-4)

*Question 4: Implementation Barriers*[[5]](#endnote-5)

Assume three barriers to implementing strategy: employee understanding, management understanding and linkage to budget.

1. What percentage of the workforce understands the strategy?
2. What percent of executive teams spend less than one hour per month discussing strategy?
3. What percentage of strategies are linked to budgets

*Evidence*: Based on a survey:

* 5% of workforce understand the strategy?
* 85% of executive teams spend less than one hour per month discussing the strategy.
* 60% of organizations don’t link budgets to strategy

## Discussion

This quiz should provoke a discussion about he difficulties of implementing strategy in many areas. The following are some questions to guide a discussion.

1. Are your estimates different from those summarized in the research?
2. What are the main barriers identified and which are most important in important?
3. What are things we might do in responding to these barriers?

# References

1. House, R.J., Hanges, P.J., Javidan, M., Dorfman, P.W., & Gupta, V. (2004*) Culture, leadership, and organizations,* Thousand Oaks: Sage, 193. Ratings from 1-3 are low; 4 and 5 are medium: 6 and 7 are high. [↑](#endnote-ref-1)
2. Miller, S., Hickson, D., & Wilson, D. ((2008) From strategy to action: Involvement and influence in top level decisions*. Long Range Planning,* 41: 606-628. [↑](#endnote-ref-2)
3. Ibid. [↑](#endnote-ref-3)
4. Ibid. [↑](#endnote-ref-4)
5. Niven, P.R. (2003) *Balanced Scorecard: Step-by-step for government and nonprofit organizations*. New York: John Wiley & Sons. [↑](#endnote-ref-5)