

## Must-Win Battles

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**Another month, another initiative.** Or so it seems to embattled managers trying to win in their markets and at the same time deal with initiative after initiative coming from corporate office, the quality manager, the new executive next door, and so on. Each initiative, taken alone, may make sense. But too many unrelated initiatives lead to a loss of focus and energy. Each gets half-hearted attention, and those that really deserve a high level of commitment do not get it. As one executive stated: "Until we have our own agenda, we are at the mercy of others and their agendas. It is easier to say NO to a continuing stream of requests when we have a clear understanding of what we will lose by diverting our resources and attention."

Here we will describe a process to create focus and organizational energy by doing fewer things but doing them better. We call these few things your **must-win battles** (MWBs)<sup>1</sup> and the name says it all. These are the battles that your organization absolutely needs to win if you are to achieve your key objectives.

The MWB process builds on the "old" stuff – the tried and tested strategic planning tools. The difference is that it recognizes the absolute necessity to tie together these intellectual inputs with the organization's emotional energy to craft a strategy that works in practice. At the end of the day it is people that make or break a strategy. Too frequently there are gaps between strategic thinking and implementation. The process focuses management on the key priorities, but more importantly identifies how they as a team and individually can contribute to achieving these goals through tangible actions.

The MWB process is exciting. It creates a much higher level of personal commitment to

winning the battles ahead than a normal "strategy review and priority setting" exercise. This commitment is the key to success.

### What are Must-Win Battles (MWBs)?

Must-win battles are the three to five key battles that your organization must win to achieve its key objectives. Once established, MWBs become the focal point of the organization. They drive actions that the top team can track, monitor and discuss each time they meet. MWBs get priority when it comes to resource allocation and organizational decisions. But be careful: if you create more than three to five MWBs, each will diminish in importance and your organization's energies will be dispersed. Be disciplined and be tough.

**It's all about Impact:** The only criterion for determining what is and is not a MWB, is impact. The simple question is "if we win this battle, what difference will it make?" The answer has to be that it would make a huge difference – not just to one part of the organization, but to achieving overall collective objectives. If a MWB is not perceived by everyone in the organization as having a major impact on value creation, they will not give it their full commitment.

**The Marketplace is the Battleground:** Managers are often tempted to create MWBs that address internal challenges. Don't do it. If you create five MWBs, not more than one should be internally focused. The internal battles too often reflect the passion of executives who are competing among themselves for resources and attention. The point is to win and create value in the marketplace.

<sup>1</sup> The Must Win Battle process was first used at IMD in a program established in cooperation with Sylvia DeWilde of Ray and Annie McKee, previously at IMI and now with the Telex Leadership Institute.

**No Inspiration, No Energy:** Your MWBs should be exciting - real challenges create real energy. Obviously, you do not want your people charging off on hopeless quests that are impossible to win, but for maximum impact a MWB should focus on a collective objective that might previously have been thought impossible. And it must have real meaning to the whole organization. If your MWBs are not inspirational, the commitment and trade-offs required to win them will be difficult to maintain over time. One executive at the end of a MWB session said: "Intellectually we have been here before. We know what needs to be done. The challenge will be to maintain the energy and commitment that we have developed, and to make the individual sacrifices necessary to do what we know we need to do."

**Tangible Battles Drive Action:** MWBs need to be tangible and specific enough for you to define the actions needed to win and the measures of success. MWBs that say: *we must innovate more!* or *get closer to customers!* or *reduce costs!* are not useful. Your MWBs need to apply directly to your markets and your organization. If you find it difficult to create explicit targets and a list of actions required to win your battles, chances are your MWBs are not sufficiently specific and tangible.

**"Must Dos" Mean "Must Stops":** The list of actions required to win your must-win battles ("Must Dos"), should be paired with a list of other actions that must be stopped in order to minimize interference or free up resources ("Must Stops"). Creating the must-

dos is usually exciting, but building a must-stop list will be painful for those whose initiatives are being cut. But this is a vital part of the process - do not avoid it.

**What Inputs Do you Need?**

To develop MWBs you need to focus on five factors (**Figure 1**). These are: (1) an assessment of your competitive marketplace (including activities such as "Getting into the Heads and Hearts of Competitors and Customers"), (2) your company's objectives (including the hard financial and business targets set for the firm or unit), (3) a realistic and challenging assessment of the company's current and required organizational capabilities, (4) the collective ambition of the top management team (representing the team's desired legacy; the type of business and organization they wish to create and leave behind), and (5) the personal experience and ambition of the executives that will drive the MWBs forward (representing the emotional energy that will need to be harnessed to ensure action).

For managers used to strategic analyses, the first four factors are not new, and we strongly recommend that you don't reinvent the wheel: pull in prior thinking on strategy, objectives and organizational capabilities. For example, when setting up facilities for MVB discussions, we create a wall of posters summarizing the firm's existing strategy data and analyses. The challenge to the group is to focus on dialogue and decision making using insights from that analysis, but not revisiting it.

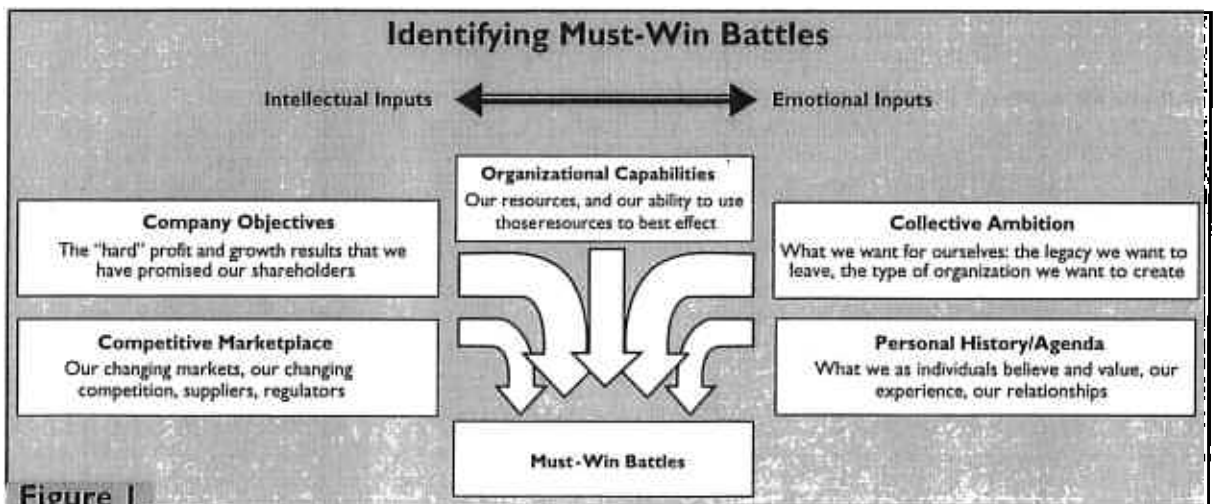


Figure 1

The Personal History/agenda factor is often avoided in strategy discussions. But it is critical to get the emotional energy out into the open so that you can focus it on driving forward rather than blocking. Again, it is people that make a strategy work, not intellectual brilliance alone.

If you are not confident that you have sufficient or the right inputs upfront, get these before you start the MWB process. However, recognize that the process itself will draw out the personal history and agendas of the participants – this is not something you can prepare ahead of time.

### **How Do You Get the Process Going?**

The MWB process itself needs to be both intellectually rigorous and emotionally involving, so that the chosen battles will be the right ones for the organization, - and passionately committed to by the managers who will have to win them.

Once you have the right inputs, you need to set the right context by inviting the right participants. The people who will need to win your MWBs should be the same ones who discuss, debate, and agree on the battles in the first place. This usually means a fairly wide involvement in the process; we typically see MWB sessions with 25-50 people. Handling large groups can be difficult – as the process generally creates individual winners and losers - but it is well worth it in terms of ownership of the end result.

The final critical factor in preparation is ensuring that the leader leads. The process has to be a direct discussion between leaders and their teams. The leadership role must not go to an academic or consultant. Outside support can help, because MWB discussions will include heavy debate, the need to challenge participants, and a drive for emotional commitment - all of which can be a significant challenge to many leaders. From personal experience, the most critical roles for outsiders are adjusting the discussion mid-stream when things do not unfold as planned, and giving the leader the confidence to continue open discussion, even when he or she disagrees with what is being said. Flexibility, trust and partnership are key – but the leader always drives.

When the stage is set, we have found the guidelines below useful as the process itself gets underway.

**Allow Debate and Decide Together:** The most successful MWB sessions often contain a crisis or period of sharp conflict. These arise when participants test the transparency and responsiveness of the process, or raise issues on which there is strong disagreement. Do not become defensive or try to stifle these discussions, but openly address and resolve them as part of the process. Your response - good or bad - will be a powerful message, demonstrating in practice how future disagreements will be handled.

**Build the Team and the Agenda Together:** Many organizations separate strategic work (intellectual work on "hard issues") from team building (interactive work on "soft issues"). Your process should take an integrated approach, using team-building discussions both prior to and during your MWB discussions to promote more meaningful dialogue and increase ownership of the MWB decisions. You build the team and the agenda at the same time.

**Align Individuals' Actions and Behaviors to the Collective Agenda:** Towards the end of your MWB process you should identify the behaviors that will be required to win your must-win battles - both at a team and an individual level. This means identifying acceptable and unacceptable behaviors, for which members will in future hold each other accountable.

**Define the Follow-up in the Process, and Ensure Follow-up from the Top:** Make sure you measure and follow-up on the actions you have identified to make the MWBs happen - or don't start in the first place. In successful processes, we have found it important to solicit feedback on progress from the original participants at regular intervals (e.g. after six months). This should address progress on the agenda (including factors supporting or hindering progress), the leadership team (in terms of owning and leading the agenda), and team members (in terms of sticking to both action and behavior commitments).

### What Do You Get at the End?

A successful MWB process will result in clarity and commitment to real actions. The organization will know what it must do to win – and the individuals and teams within it will know what their specific contributions will be to the actions needed. Senior management will know what success looks like and how to keep track of progress.

Even when behaviours have to change or resources have to be reallocated, the sheer empowerment of knowing what is important and where to focus your energy drives huge enthusiasm for shared objectives. The executive in paragraph one of this paper would find it easier to say YES as well as NO.

### Unilever in Africa

Unilever's African Regional Group had a long history of success, boasting leadership positions in most of its major product categories. Underlying this was deep local market knowledge, a high quality local talent base, extensive distribution networks, and a consistent flow of innovations. But in 2001, regional management recognized that many of its sources of success could be imitated by competitors. Future success would require a new focus that would create new energy.

The first result was a new vision: **"We will touch the lives of all Africans by better anticipating and fulfilling their cleaning, caring, and nutritional needs, everyday, everywhere."** This was backed up by a specific target: **"To double the sales in Africa in five years from €1.8 bil. to €3.6 bil. and to deliver above Unilever average value creation."** Aspirational in terms of its financial and business objectives, these statements were also inspirational to local employees who wanted to have a positive impact on their societies.

The five must-win battles developed by the regional leadership team to achieve these collective objectives were:

Everywhere (Ensure Unilever Brands are available everywhere in Africa)

Everyone, Everyday for Life (Provide for the everyday needs of all Africans)

Priority Pillars for Growth (Focus resources around three key product categories critical for future growth)

Winning West Africa (Meeting the potential of Nigeria, Ghana and Francophone West Africa)

Simply the Best (About having the "best people in the best business" – leadership, culture and communication)

The first MWB required a concerted effort to enter currently unserved markets. The second meant building an additional €1 billion business in low-priced "popular products." The third focused regional resources on product categories with the greatest long-term potential, even if they did not reflect corporate priorities in other markets. The fourth involved rebalancing the regional portfolio, reducing dependence on South Africa. The final MWB involved creating ways of working that would help the Group win the first four MWBs. Each MWB included explicit, measurable targets, and a tangible set of actions required to win the battle.

Winning the MWBs would require managers who had been focused on delivering results within their territory to co-operate more broadly across the region. Some executives would become more dependent on others to meet their local objectives, losing much-valued independence. However, everyone realized that the collective opportunity could not be reached if each country continued to operate alone. The commitment to a new way of working was made.

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