



by Rick Torben
Senior Executive - <http://www.torbenrick.eu>

Article excerpts from:
[What is the relationship between Culture & Strategy?](#)



Culture Eats Strategy for Breakfast

But wait...can't the two align?

Corporate culture is an incredibly powerful factor in a company's long-term success. No matter how good your strategy is, when it comes down to it, people always make the difference.

Strategy, at its core, is rational and logical, clear and simple. It should be easy to comprehend and to talk about. Without a clear strategy, a company is lost.

Culture, on the other hand, means different things to different people. It is emotional, ever-changing, and complex. Culture is human, vulnerable, and as moody as the people who define it. It can be intimidating and frustrating, often leaving leaders dodging it, neglecting it, or discounting it. Because so many companies are run by people whose expertise is heavily skewed to the rational, financial, and legal side of the equation, culture is often subordinated, misunderstood, or underappreciated.

The most critical element in any strategy is its translation into reality. The only true measure of success is in its execution. And one of the key determi-

"A strategy that is at odds with a company's culture is doomed. Culture trumps strategy every time – culture eats strategy for breakfast." - Attributed to Peter Drucker and popularized in 2006 by Mark Fields, president of Ford Motor Company, where it continues to hang in the company's War Room



Culture Eats Strategy For Lunch

By: Coffman Organization
Running Time: 2:24

nants of successful strategy implementation is organizational alignment.

Have you ever watched the rowing eights event? Now, think about the performance of the top teams – what do you see? You will see nine people (including the coxswain) working together in synchrony to achieve their primary goal of crossing the finish line first.

To achieve success, the rowers must stroke at the same pace with the blades

of every oar pulling at the same depth in the water. They all know the overall game plan for success and they are ready to respond to the orders of the coxswain (whose job it is to quarterback the execution of the race strategy and communicate the adjustments that keep the boat on course in changing wind and water conditions) as individuals and as a cohesive unit.

Each member of the team knows what their job is during the race and that they can rely on their coaching, training, boat, and equipment, and the skills, technique, and commitment of their teammates



while the race is on.

When team alignment and cohesion is off, the boat strays off course, essentially wasting time, energy, and the resources that were invested in trying to achieve the goal of winning the race.

Here's one graphic to illustrate



the relationship between Strategy and Culture.

The strategy path defines what needs to be done; the culture path emphasizes how things are normally done. The best companies maintain an alignment between the two paths.

So what is the relationship between culture and strategy?

- Strategy drives focus and direction while culture is the emotional, organic habitat in which a company's strategy lives or dies.
- Strategy is the headline on the company's story – culture needs

“STRATEGY IS IMPERATIVE FOR DIFFERENTIATION, BUT A VIBRANT CULTURE DELIVERS THE STRATEGIC ADVANTAGE.”

- Strategy lays down the rules for playing the game, and culture fuels the spirit for how the game will be played.
- Strategy is imperative for differentiation, but a vibrant culture delivers the strategic advantage.
- Culture is built or eroded every day. How you climb the hill and whether it's painful, fun, positive, or negative defines the journey.
- When culture embraces strategy, execution is scalable, repeatable, and sustainable.
- Culture is a clear competitive advantage.
- Culture must be monitored to understand the health and engagement of your organization

➔ Discussion Questions

- How well does AmFam's strategy currently align with ingrained practices and attitudes of our culture?
- As leaders, what can you do to bridge the gaps between strategy and culture?