BUILDING A MODEL OF

STRATEGY EXECUTION EXCELLENCE:

A STUDY OF SELECT FIRMS IN INFRASTRUCTURE SECTOR

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CERTIFICATE

This is to certify that the thesis entitled '**Building a Model of Strategy Execution Excellence: A Study of Select Firms in Infrastructure Sector**' being submitted by *Amit Kumar Srivastava* to the Indian Institute of Technology Delhi for the award of the degree of **Doctor of Philosophy (Ph.D.)**, is a record of bona fide research work carried out by him. He has worked under our guidance and supervision and fulfilled the requirements for the submission of the thesis, which has attained the standard required for a Ph.D. degree of the Institute. The results presented in this thesis have not been submitted elsewhere for the award of any degree or diploma.

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Abstract

Many scholars suggested strategy models as formula for success. However, failure of many giant corporations shows that the even best-formulated strategies may fail to produce superior performance if not successfully executed. Many scholars as well as practitioners pointed out that strategy execution is the most significant management challenge. There has been a lack of strategy execution framework, which in turn became one of the fundamental reasons for execution failure. The negative consequences of failure of strategy execution are comparatively more serious in infrastructure sector, especially in developing countries such as India. However, the infrastructure sector in India is facing multiple challenges. The poor state of execution in infrastructure sector in India necessitates a systematic inquiry. The available literature on strategy execution rarely took infrastructure sector as the domain of the study. Thus, drawing from literature, the research under consideration explores the issues involved in strategy execution and building a model of strategy execution excellence.

The evolution of strategy execution research can be categorized in four Eras representing different time phase and research focus: Early Era (up to 1980); Separation Era (1981-1990); Eclectic Era (1991-2000); and Integration Era (2001 onward). The ‘Early Era’ defined strategy management as business policy to pull together the learning of separate business fields in analyzing business problems. The prime focus was on long-term approach to align the business with its surrounding environment. The ‘Separation Era’ focused on intersection of the strategic process of business firms and responsibilities of general management. Formulation was seen as strategic process and execution was left to the general managers. The distinction between

formulation and execution encouraged the illusion that good programmes necessarily produce good results. The divide of strategy management during 1980s continued for so long that the research on strategy execution got dispersed. The ‘Eclectic Era’ is characterized by this tendency of research on strategy execution. The roots of the strategy execution research were “eclectic” and integrated approach was almost missing. The last decade primarily focused on integrating the learning and development of framework of strategy execution. The last decade is defined as ‘Integration Era’. The scholars have come out with the proposition that strategic management should move from a 90:10 concern with strategy formulation relative to execution to at least a 50:50 concern with each. Emphasizing on integrated approach to strategy execution, many scholars, as well as practitioners raised a fundamental research question: if a strategy produces poor results, can it be brilliant.

The literature analysis highlights research gaps on two fronts: theme of the research and methodology undertaken. Some of the theme based research gaps are – a lack of empirically validated frameworks on execution excellence; few integrated approach to strategy execution excellence; and contextual limitations of the available frameworks. Some of the methodological gaps are – a lack of empirical justification of the frameworks, sampling, and research tools used; a lack of standardized data collection tool; and poor rate of response. Considering the research gaps and opinion of the experts and practitioners, this doctoral work aims to identify the macro and micro variables that influence strategy execution; identify important variables of ‘strategic performance’ linked with execution; establish the linkages among the identified macro and micro-variables; and develop a validated ‘Strategy Execution Excellence’ model and interpret it in real life situation.

The research methodology adopted combines both theory building and testing for more enriched theoretical contribution and accumulation and sharing of knowledge. The study attempts the multilevel theory building by combining different research routes in a logical manner to realize the research objectives of the study. The study is conducted in different phases using appropriate research techniques: (1) preliminary groundwork; (2) conceptual framework and hypotheses formulation; (3) empirical study for hypotheses testing; and (4) case studies for cross validation and interpretation of the model. Finally, the results from the empirical study and the insights from the case studies have been triangulated and synthesized, based on which a validated model for strategy execution excellence has been suggested.

The research findings are discussed addressing different issues contributing to successful strategy execution such as managing people and environment; performance management; role of leadership; managing organization systems and knowledge base; and managing organization design and development. The study significantly contributes through a validated research model, the structural paths, case insights etc. The study attempts to theoretically contribute to the 'fit theory', 'change theory', 'stakeholder theory', 'duality theory', and 'system theory'. Besides contributing to theoretical debates, the study also bridges the gaps between the different theoretical debates such as classical 'Fit Approach' and 'Change Approach' of organizational effectiveness. However, there are some limitations of the study.

The empirical part of the study is constrained by the limitation of opinion survey. Though some level of cross-validation has been done, a bias for the responses to other items cannot be ruled out. The study is confined to Power, Telecom, and Transportation sectors only. The other sectors of infrastructure could not be explored due to time and resource constraints. Case feedbacks were collected only from senior corporate practitioners, which may bring in some personal biases. Therefore, the validated model of the study requires review and reflection by other scholars in different contextual settings. The study also suggests direction for future research. Since organization structure, systems, and culture have emerged as the most significant predictors of performance, future studies may distinguish between the organizations on the basis of that. The mediating effect among Align, Act, and Adapt can further be analyzed to have greater insights. The proposed model can also be tested for other institutional and business contexts by observing the relative criticality of different factors.

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