What are the Four Disciplines of Execution and How Do We Use Them

In our recent Partners in Improvement forum, we discussed the ideas in McChesney & Covey’s book, *The Four Disciplines of Execution*, and how we can use them — especially disciplines three and four — to improve our business results. The ‘Four Disciplines’ which the authors call 4DX, is a management system of making consistent and systematic progress on the vital few.

An organization can have an excellent strategy, but fail to execute effectively on that strategy. Almost always the reason is that everyone is BUSY. Organizations experience a conflict between all of the demands to keep the business running on a day to day basis (the ‘whirlwind’) and the time required to move the organization forward to accomplish something great, to make the organization better and better, i.e. to execute effectively on the strategic initiatives required to achieve the vision. With never enough time to adequately address the everyday demands of the whirlwind, organizations often are unable to get to the work that will make the big difference.

McChesney & Covey identify four key elements of execution that can help any organization achieve steady progress on the strategic objectives:

I. Identify and focus on a Wildly Important Goal (a WIG),
II. Monitor and act on LEAD measures,
III. Keep a compelling SCOREBOARD updated by the people doing the work,
IV. Develop a rhythm of ACCOUNTABILITY.

These four disciplines enable us to apply Deming’s Plan—Do—Study—Act cycle in the face of the whirlwind.

The authors acknowledge that most of the organization’s time and capacity should be focused on ‘the day job’ — the tactical work necessary to deliver on the organization’s products and services. But unless we systematically carve some capacity out of the whirlwind of daily demands, we will never have the capacity to execute on the strategic objectives. Important initiatives that will move the organization forward, eliminate the waste, streamline and strengthen the value stream can be choked or starved by the demand of the more urgent and less important. “The day-to-day work and the work to make lasting and important improvements clash because they rely on the same resources and when urgent and important clash, urgent wins.”

Consequently, even when we set aside meeting time to discuss an improvement project, a team can end up with inadequate progress between the meetings and make inadequate progress on these goals. Or the improvement team may focus on one of the many good but not great objectives. Or they may go about it by focusing on outcomes rather than root causes, results measures instead of process measures, lag measures instead of lead measures.

The beauty of ‘The Four Disciplines’ methodology is that it keeps the management process simple and focused by addressing these common causes of slow progress on strategic improvement. These disciplines are simple
to say, but not easy to do. Yet they do work. As Deming once described his method of transforming an organization into a high quality, high performing organization, “I didn’t say it would be easy; I just said it would work.”

### Identifying the Wildly Important Goal

The first discipline is to identify the Wildly Important Goal (WIG). This is the thing that will make the biggest difference for the organization. It is not the four, five or ten things, but THE thing. McChesney & Covey maintain that if a person or team have 2–3 goals in addition to ‘the whirlwind’ of their ‘day job,’ they stand a chance of achieving the 2–3 goals. If they have 4–10 goals, they are likely to achieve 1–2. If that same person or team has 10–20 goals, they are unlikely to achieve anything outside of the ‘whirlwind.’ This is the law of diminishing returns. The available attention can be divided among numerous goals into portions so small that they amount to nothing at all.

The authors maintain that the first discipline of execution is to focus a team on **NO MORE THAN 1–2 goals at the same time**. More improvements and more goals and objectives can and will be sought, but not at the same time! What’s more they say that the second goal can be different from the first goal but **MUST ENSURE the success of the first**, most important goal. They say it is not enough to be aligned, it must be imperative to the success of the first WIG. Thirdly, each WIG must have a clear finish line or statement of success. It must be stated in this form: we will get from x to y by when.

They also suggest a cascading relationship among the WIGs in an organization. The leader of the organization identifies the 1–2 WIGs to focus on at this time, and the leader’s direct reports will identify WIGs for their teams that support the organization’s goals. This is how it should work. If the top WIG is the war, the supporting WIGs are the ‘battles.’ The rule is that the battles must win the war.

The vision has the entire organization using the time they carve out of the whirlwind to support the organization’s achievement of the 1–2 WIGs. When these are achieved, the next WIG is selected and achieved.

One of our Partners in Improvement has all their CI projects on one map with all the connections clear and visible — they know that all their ‘battles’ will win the ‘war.’

Of all four disciplines, deciding 1–2 WIGs may be the hardest, McChesney & Covey say, because it means saying ‘no’ or ‘later’ to a lot of good goals. It is very hard for leaders to say ‘no’ to good ideas, as the Partners in the forum could attest to.
But without the ability to identify and communicate the 1–2 most important, an organization risks sacrificing the execution of the goals. Progress may be made, but the authors warn that it will be incomplete and uneven. Even if an organization does accomplish some of the goals, they have no assurance they will be the most consequential goals. One Partner shared that they just have too many irons in the fire at once — making it very hard to get and keep engagement with the key goals. As Steve Jobs once put it, “People think focus means saying yes to the thing you’ve got to focus on. But that’s not what it means at all. It means saying no to the hundred other good ideas that there are. You have to pick carefully. I’m actually as proud of the things we haven’t done as the things we have done. Innovation is saying no to 1,000 things.”

One of the Partner companies has a strategic five-year goal for growth and alignment and all of the WIGs support that goal. Their supporting WIGs are the battles they need to win in order to achieve the big one. One Partner emphasized the value of constantly returning to the strategic measures: ‘How are we doing on these?’ Returning again and again to these vital and very few goals helps the leadership to focus the organization on making the most impactful improvements. Another Partner invests time to explain the ‘why.’ Once everyone understands why the goal is so important, everyone gets involved in achieving it.

To select a WIG, McChesney & Covey suggest four steps:

1. First, identify the possibilities. Consider which area of the team’s performance we would want to improve in order to achieve the organization’s overall WIG. Consider what strengths the team has which they could better leverage or weaknesses to improve to achieve the organization’s overall goal. Ideally the WIG is identified with both the leader and the team participating. To develop a high performance team, the leader will want to set the strategic direction and clarity about what matters and solicit active input from the team.

2. Second, rank the possibilities by their impact on the organization’s highest level WIG. Some of the ideas will be low impact and can drop off the list.

3. The next step is to test the top ideas to select the best one. Apply these questions:
   - Is there a seamless line of sight between the candidate WIG and the overall WIG? If it fails this test, eliminate it and go on to the next idea. If it passes, go on to the next question.
   - Is it measurable? A WIG must be measureable from the day you begin executing. The authors assert that ‘Time invested in a game without a score is time lost.’ If it is not yet measureable, set it aside until a measurement is available. If it passes, go to the next questions.
   - Who owns the result? Does the team have at least 80% ownership of the results or are there significant dependencies on other teams. If it is less than 80%, neither team will take full responsibility and accountability will be lost. Joint ownership can be a powerful driver of performance if, and only if, both teams and both team leaders understand they will win or lose together. The fourth and final question is:
The Four Disciplines of Execution

Who owns the game, the leader or the team? If the WIG depends too much on what the leader does, the team will lose interest in the game. A team WIG should be strongly “influencable” by the team, not just the leader.

If the proposed WIG fails to pass any of these tests, reconsider it.

4. Finally, define the WIG clearly and precisely. McChesney & Covey have four rules for describing or defining a WIG:
   1) Begin with a verb.
   2) Define the lag measure (results measure) in terms of x to y by when.
   3) Keep it simple.
   4) Focus on what, not how. You define the how when you decide (make your bet) on the lead measures.

Act on the LEAD measures

The second key discipline is to focus on the lead measures instead of the lag measures. We might call them process measures and results measures. Lag measures are the results or outcomes. The WIG, stated as from x to y by when, is a lag measurement. Lead measures are the process measures that predict and influence the results measure. We monitor the lag measure, but we must act on the lead measures to achieve the goal.

Determining the right lead measure is essential to influencing the lag measure and achieving the WIG, and it is not always obvious what it should be and how we should measure it. We tend to focus our attention on the lag measures — sales goals, weight loss, yield, etc. — both because they are what matters and because they are easily measured. But these are not directly “influencable”. To influence your weight goal, you must act on the lead measures: exercise (calories burned) and calories consumed. Measurements of calories consumed or burned are not as easy to get as the lag measure, but you cannot alter the lag measurement without influencing the lead measures.

While it is well established which lead measures will predict and influence weight loss, often the important lead measures are not so obvious. We need to closely study and understand the process to understand the key lead measure. Often the lead measure addresses the constraint and the constraint can be different at different points in time. For example, if your WIG is to reduce out-of-spec pastry product from 8% to .5% by 2014, an initial examination of the process might indicate that the most important cause of variation is adding too little or too much filling. But once the filling operation (the most important lead measure) is under control, the next most important predictor of amount of product out-of-spec might be the frosting station.

Similarly, if increasing Sales ‘from x to y by when’ is your WIG, the most predictive and influencable lead measure might be the number of sales calls. The team could work on increasing the number of sales calls in order to increase the sales. But at another organization or a different time in that same organization, the best lead measure to influence might be quality of preparation for the sales call (the number of calls for which the
sales rep has x, y, and z information about the client in advance). The team must understand enough about the process to choose a good lead measure to act on, one that both predicts and influences the lag measure. They must also constantly monitor their effect on the lag measure to ensure they are working on the right thing in the right way.

The lead measures must be predictive AND something that the team can directly influence.

Notice the clarity of action we are building as we implement these disciplines. Instead of many vaguely measured goals, we have 1–2 clearly defined — ‘x to y by when’ — goals. Instead of obsessing on the lag measurements, we focus all our efforts on the lead measures. This clarity is what enables us to carve time out of the whirlwind. Our next steps are to create a compelling scoreboard to keep track of our progress and create a culture and rhythm of accountability to act on the results.

Root cause analysis is an excellent method of identifying the right lead measures. Once you understand what causes the lag measure, you have found the right lead measure. Now you can test whether your solutions are moving that lead measure (i.e. addressing the root cause) and then the lag measure. This approach helps keep us from managing the business through the ‘rear view mirror.’

### Keep a Compelling SCOREBOARD

The scoreboard shows the lead measures and lag measure defined in the first two disciplines. Creating a scoreboard is easy, but creating a compelling scoreboard is not. This scoreboard must be ‘a players’ scoreboard’ not a ‘coach’s scoreboard’. It must support, guide, and motivate the players to act effectively on the lead measures and influence the lag measures. It must have the feel of a game — people play the game differently when they are keeping score (until you have a scoreboard, they are just practicing!) And they play differently if they are keeping the score than if you are keeping score. The action of recording their own results for everyone to see has an effect on people — fostering ownership, engagement, and a deeper appreciation of the impact of what they do on the score.

McChesney & Covey give us four rules that a compelling scoreboard must adhere to:

#### It must be visible

The best scoreboards are clearly visible to the team. If it is out of sight, on your computer or on the back of the door, it is less effective at aligning the team to focus on moving those measurements. Some Partners had advanced systems of monitoring, while a few were at the beginning. One Partner had recently moved from an organization with advanced monitoring of lead measures — overhead, visible boards, updated throughout the day, influencing the lag measures that are critical to the customer and critical to the process. Another had

“Disciplines one, two and three create a winnable game for a person. Not just a game, but a winnable game.”  
- McChesney
simple scoreboards in all the production areas so that everyone could see how they were doing every day and throughout the day.

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<td>The scoreboard should show only the data required to ‘play the game’ — to let the players know how they are doing day to day or minute to minute on their progress on the lead measure and the lag measure. The authors compare it to a football scoreboard which shows just the key data elements the team needs to know to determine how well they are doing at that moment and how much time they have to achieve their objective. If the scoreboard is complicated with a lot of metrics, it will diffuse the focus.</td>
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<th>It must show lead and lag measures</th>
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<td>The scoreboard must display both lead measurements and the one WIG lag measurement. For example, if the lag measurement is the rate at which mortgages can be cleared to close each week and the lead measurement is the percent of origination packages that are complete and accurate when sent to processing, then both of these measurements must be recorded on the scoreboard. If the lag measurement is the number of safety incidents and the lead measurement is compliance with safety procedures for each construction crew, both the compliance rate and number of safety incidents must be on the scoreboard.</td>
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<th>It must show at a glance if you are winning or losing on the WIG (from x to y ...)</th>
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<td>The scoreboard must help the team easily determine how the two bets they are making are working out:</td>
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<td>• whether the actions team members selected to influence the lead measures are working, and</td>
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<td>• whether improving the lead measures is really affecting the lag measures so that they achieve the WIG.</td>
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This scoreboard and the story it tells help the team to identify the next actions to take to achieve the goal.

Our Partners shared examples. One Partner has five different locations and they created scoreboards so that everyone could see their performance, whether they were winning or losing. Different teams had different scoreboards, but everyone could see all of them. They could share their methods and learn from the different teams. Sharing raises the bar and provides information about what is possible. Making the scoreboards visible was essential to spurring this sharing and improvement. The scoreboards created for the teams a clear and winnable game and employee engagement rose.

Another organization had every store work on the WIG of reducing shrink. Each store chose their own lead measures they monitored individually, but the lag measures were reported on a common scoreboard so that everyone could see how their team was doing relative to the others.

One Partner pointed out the value of displaying both lead and lag measurements with a run chart. The run chart indicated how much common cause variation was in the system and how the metrics were trending over time. This is much more effective than just showing the numbers of units that are in-spec or out-of-spec, because it helps you determine if a change is a real improvement or just normal variation. It is amazing and
motivating to see how much can get done and how far they have come — and they can clearly see how far they still must go to achieve that WIG of moving ‘from x to y by when.’

One Partner company uses their scoreboard to illustrate the voice of the customer — how many favorable comments or survey responses they have received. In order to predict and influence the favorable customer responses, they must make a bet: they must correctly identify and measure the lead measures and act on those measurements every week in order to see favorable results.

McChesney & Covey offer slides of scoreboards at http://www.4dxbook.com/qr/Scoreboards

Create a Cadence of Accountability

While disciplines one, two and three create a winnable game, the fourth discipline — accountability — is the discipline that enables you to win. Without a cadence of accountability, the team will have a much more difficult time. By ‘cadence’ the authors mean an inviolable regular schedule, commitments, and expectations. The commitments can be modest, such as ‘what is the one thing I can do by next week to move forward,’ but they must be met. The threat, of course, is the whirlwind of running the day-to-day business that will consume all the available time.

To make sure that the whirlwind does not smother the WIG, McChesney & Covey recommend that each WIG team meets for about 20 minutes, meeting every week. To be most effective and efficient, this meeting must happen at the same time and is never canceled no matter what. Skipping a week interrupts the momentum and substantially slows results until that momentum is rebuilt. A team that frequently reschedules will never escape from the whirlwind long enough to achieve their WIG.

What’s more, every week every person on the team shows up thinking about the same critical question: ‘what are the 1–3 things I can do in the coming week to move the lead measure.’ At each meeting each team member reviews the scoreboard, reports on their commitment from the last meeting, and commits to 1–3 things they will do by the next meeting.

The authors emphasize the importance of rhythm in the accountability. Team members are accountable to each other to fulfill the commitments because the team cannot achieve the WIG without it. McChesney & Covey have an eight minute video at http://www.4dxbook.com/qr/WIGSession.

The authors offer a case study of a grocery store applying these four disciplines to achieve their one WIG (down from ten) which was to grow store revenue by 10%. They identified what they believed to be the key lead measures and created and posted their scoreboards. However, this was not enough — not until they developed a cadence of accountability to commit to the 1–3 things they could do this week that would move the scoreboard. Once they developed this rhythm of accountability, they began to actually execute on the actions needed to move the lead measure and achieve the WIG. http://www.4dxbook.com/?utm_source=QR-Code&utm_medium=Desktop-Laptop&utm_campaign=17Overview/#/videos/334vid/
Conclusion

At the end it is all about employee engagement working on the right things in the right way and that involves understanding and applying some paradoxical insights:

- The fewer the goals, the more you get done.
- Clarity of goals increases engagement, even when a vague goal seems safer.
- Know your LAG measure, but find and act on LEAD measures to get the results you want.
- People play differently when they are keeping score and they know if they are winning or losing.
- Without a rhythm of accountability, the whirlwind will win.