



The Power of Coherence: Making Strategy Stick

Leading Learning Podcast
Transcript for Episode 451

Celisa Steele: [00:00:03] If you want to grow the reach, revenue, and impact of your learning business, you're in the right place. I'm Celisa Steele.

Jeff Cobb: [00:00:10] I'm Jeff Cobb, and this is the Leading Learning Podcast.

Jeff Cobb: [00:00:17] Today we're focusing on a concept that might not always get called out explicitly in strategy discussions, but it's absolutely essential, and that's coherence.

Celisa Steele: [00:00:27] Coherence is a big part of what separates good strategies not just from bad ones but great strategies from good ones. And coherence can help learning businesses avoid spinning their wheels.

Jeff Cobb: [00:00:39] Coherence is about more than just being organized or consistent. Richard Rumelt, one of our favorite strategic thinkers, talks about coherent actions. Roger Martin, another strategy luminary, describes strategy as an integrated set of choices. And I'd argue that even something like the popular entrepreneurial operating system (EOS)—which, as the name suggests, is operationally oriented—is fundamentally about bringing coherence and cohesion to strategy. These thinkers and approaches are all getting at the same thing—namely that, for strategy to work, the parts have to fit together.

Celisa Steele: [00:01:19] Fitting together is key. When your goals, actions, and resources reinforce each other—when they're coherent—you get more leverage, and (to hark back to a recent episode) it's easier to create and maintain momentum. Coherence helps your learning business focus energy where it matters most and increases your chances of following through on strategic intent.

Jeff Cobb: [00:01:45] In this episode, we'll unpack what coherence means, how to spot when it's missing, and ways to build and sustain it in your learning business.

Celisa Steele: [00:01:56] It's appropriate to say a bit more about what we mean by coherence. In general—meaning the dictionary-definition kind of way—coherence is a systematic or logical connection or consistency.

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Jeff Cobb: [00:02:10] But we're talking about coherence in the context of strategy. And, yes, strategy is usually based on a good, insightful idea. But that's not enough. You have to also execute on that idea, and execution is greatly helped by coherence.

Celisa Steele: [00:02:28] We've noticed that the concept of coherence comes up in a lot of writing and thinking about strategy. Jeff, you've already mentioned Rumelt and Martin and EOS and other thinkers that directly or indirectly mentioned coherence in their thinking and their writing about strategy.

Jeff Cobb: [00:02:45] Yes, it is core to so much of what's been said about strategy over the past several decades, and that's true even when the specific term "coherence" is not necessarily used. Michael Porter, for example, who is widely regarded as the father of competitive strategy, doesn't really use the term "coherence," but he definitely stresses strategic "fit" and stresses that good strategy involves activities that reinforce one another in a system—what he calls "activity systems." So that's Porter. And then Rumelt, who we've mentioned, talks about coherent actions and says that strategy is a coordinated effort, not a wish list, which I think is what it often ends up being with many organizations. And Roger Martin talks about strategy as integrated choices—it's not just goals, but how goals, capabilities, and activities interconnect, how you have a logical consistency among them. Another person I'll mention, who doesn't get mentioned quite as often, is Henry Mintzberg, but he's another well-known strategic thinker, and he defines strategy as a pattern in a stream of decisions and actions, and that implies coherence over time. All of that is just scratching the surface. We can name many other people, but coherence comes up again and again in one form or another.

Celisa Steele: [00:04:12] Implicit in all of those thinkers and the thinking that you referenced, Jeff, is the fact that coherence is more than alignment. It's more than being organized. Coherence is deeper. It's about this idea of mutual reinforcement. If we want to tighten up that dictionary definition of coherence—a systematic or logical connection or consistency—we might say that strategic coherence occurs when your learning business's choices and actions reinforce each other in the service of your strategy.

Jeff Cobb: [00:04:44] This is a simple example. If your learning business is focused on delivering learner-centered, personalized learning experiences—which is something that a lot of learning businesses certainly aspire to—if you're saying that that's what you're trying to do strategically, but then you haven't put policies, processes, and technologies in place to collect and leverage learner data, then you don't have coherence there.

Celisa Steele: [00:05:11] That's a little bit more about what we mean by coherence. Next we can talk about why coherence is strategic, delve a little bit deeper there. In essence, the reason coherence is strategic is because it helps serve as a filter. It helps us make choices. It allows us to ask, "Does this fit with what we're doing and why we're doing it?" when you're assessing any particular initiative or activity that your learning business is undertaking or considering undertaking.

Jeff Cobb: [00:05:40] Yes, exactly. Another way to come at that is to understand strategy as a decision-making tool, a way to make choices. Strategy is a “framework which guides those choices that determine the nature and direction of an organization,” to quote the definition that was put forth by Benjamin Tregoe and John Zimmerman many years ago in *Top Management Strategy*, which is one of those gems that I think a lot of people don’t know about.

Celisa Steele: [00:06:08] When you have coherence helping to serve as a filter, helping with strategy as a decision-making tool, it also helps then with that critical strategy-execution gap. It can often be easy to generate an idea. Sometimes it’s not easy to generate the idea, but, whether it’s easy or hard to get to the idea, you still have to then execute on that idea. You have to do the right things in the right sequence, and that can be harder than generating just the base idea. So that then you’re bringing it to fruition, and coherence helps with that because we have limited time, we have limited resources, and so coherence helps us focus our effort.

Jeff Cobb: [00:06:48] We’ve already mentioned Richard Rumelt a couple of times. He’s one of our favorites. I particularly like the way that he talks about coherence as essentially a means of differentiation because strong coherence in a strategy is relatively rare. Just by achieving it, your business becomes harder to imitate. The whole becomes greater than the sum of the parts. Coherence creates a defensibility by building a unique system. I’ve seen this at work, for example, in what NIGP: The Institute for Public Procurement has done with its certification and education programs. Strategically, the organization is focused on being a career-long resource for procurement professionals. To that end, it made the decision a few years back to stand up a new certification to replace one that it had spun out years before, and it also developed a set of learning pathways that aligned with clearly defined competencies, provided for certificates and specializations to align with the career stage and needs of its members, and it also supported the path for certification. In many ways, NIGP’s learning business is a model of strategic coherence.

Celisa Steele: [00:08:11] And that, to my mind, brings up a metaphor, an analogy. You think about gears, and you think about them spinning on their own. Maybe that’s fine for that gear to be spinning, but when you get those gears interlocked and when they’re helping to drive one another so that momentum on one gear is feeding into momentum of another, that’s this image of strategic coherence that we’re talking about.

Jeff Cobb: [00:08:33] Right.

Celisa Steele: [00:08:36] We’ve talked about what we mean by strategic coherence. We’ve talked a little bit about why coherence is strategic and why it matters when you’re thinking about strategy. The next thing we can talk about is some indicators or signs of incoherence—what it might look like if you don’t have a coherent strategy. Common signs can include things like competing initiatives without clear prioritization. Maybe you have a number of things, and, depending on who you talk to, one is more important than the other. Or maybe people would say, “Oh, they’re all important,” so there’s not that sense of how they potentially fit together.

Or, when push comes to shove, what choice do you make about which one to prioritize? (To go back to choices and the importance of strategy in helping you make choices.)

Celisa Steele: [00:09:21] Another sign of incoherence or strategic incoherence is that you might have program sprawl without a clear value narrative. Maybe you're continuing to add to your portfolio of learning products and services without potentially taking the hard look at what might need to come out, without being clear about what this new product adds, and painting that full picture of the value that you can offer to the learners that you serve. A third common sign is that the metrics that are being tracked, the data that you're looking at, don't tie to strategy. Maybe you're all focused on enrollments, but you're not really looking at completion or about application back on the job. Again, it's about being clear about your strategy and then making sure that you're tracking that, which, obviously, metrics are one major way to do that.

Jeff Cobb: [00:10:14] I like that you mentioned the word "narrative" in those points. We often talk about being able to, for example, tell a value story. In general, I think it's a sign of coherence if you can tell a good story about what your learning business is doing, and it's a sign of incoherence if you can't tell a good, compelling, clear story about what your learning business is doing. I would add into all of that misalignment between departments. We see this happen so often. Marketing is selling one thing, but the education team is delivering another. Or membership and education are unclear or divided on the purpose of education offerings. Is it a member benefit, or is it non-dues revenue, or is it in some muddled area in between? We see this happen a lot with trade and professional associations.

Celisa Steele: [00:11:02] Another thing that can come up that can add to incoherence is the shiny object syndrome, that idea of "Oh, there's this new trend. We need to get on the bandwagon. We need to do something with it," but without asking about what is the strategic fit? Where does this fit into what we're trying to achieve? That's one way that that can play out. Opportunism is related to that—this idea of saying yes to whatever it might be. You have your board come to you, you have vocal learners come to you and ask for something, and you say yes without really thinking about, again, that overall strategic fit, and is this going to be coherent and help you drive other things forward? Or is it going to, again, dilute resources and spread out what you might be doing and mean that you accomplish less even though you might be doing more?

Jeff Cobb: [00:11:53] Another example of incoherence we'll offer up to keep helping to illustrate this is one we see quite often, where you have an organization striving for learner engagement, which is something we hear about all the time—"We want more learner engagement. We're striving for learner engagement." With that in mind, they adopt a technology platform; it might be community software, for example, because community equals engagement, so they're going to get that in place. But then there's no supporting strategy for uptake of the platform or integration with existing learn tech or the existing approach to program delivery. Again, there's no coherence there. There's nothing making the pieces fit together and ultimately create that whole that's going to be greater than the sum of the parts.

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Celisa Steele: [00:12:37] Next we want to talk about how do you go about building and sustaining strategic coherence because, hopefully, at this point, you're convinced that coherence is important. It's valuable. It's going to help focus. It's going to help you deliver and bring to life your strategy. How do you achieve it? The first step is having a strategy and then making sure that that's communicated and that everyone who needs to be on board is truly on board with that strategy, aware of it, gets the value of it, and wants to play their role in helping to make that strategy come to life. Because you can't even hope to have coherence without that clarity around the base strategy, about what you're trying to achieve. So that's step one. You absolutely have to have clarity around the strategy. You have to have that in place and communicate it.

Jeff Cobb: [00:13:27] Once you have the strategy, coherence requires you to reassess existing activities and initiatives. Are they contributing, or are they distracting? If distracting, then you want to end them immediately if you can. If you can't end them immediately, make a plan to wind them down over time. And, if there are somehow necessary but not strategic activities that you have to consider, what can you do to limit the resources on those activities?

Celisa Steele: [00:14:00] That last case that you mentioned—this idea of something that's necessary but not strategic—hopefully very few things actually fall into that bucket. We put it out there because there may be some things that fall into that, but you want to be very clear about why is this necessary if it's not strategic? And then, if that's true, as you said, Jeff, what can we do to limit the resources that we're spending on that? You were talking about reassessing existing activities and initiatives. You're going to want to do the same thing when you're looking at activities or initiatives that you're considering starting. How do they contribute to the strategy, *and* how do they connect to other initiatives and activities that you already have going on? Because, again, it's about coherence, yes, with the overall strategy but also the coherence of the activities with each other.

Jeff Cobb: [00:14:51] You may need to use or create frameworks or tools for doing all of this. That can be helpful with this sort of thing. What's going to work best is going to depend on your organization, its culture, and where you are in this overall process. At the high level, tools like Roger Martin's Strategic Choice Cascade or even Richard Rumelt's concept of a strategic kernel—which consists of a diagnosis, a guiding policy, and then your set of coherent actions—can be a great starting point. They help to put some definition around it, give you a point of reference for everybody who's involved.

Jeff Cobb: [00:15:27] Now, when you're operationalizing, developing things like a simple decision criteria filter—which is something we've often done with clients—you can use that to help focus and score specific choices, and you can do this with something simple, like an Excel sheet, where you lay choices all out, and you can assign a score and some variables to them and work through the factors that are involved in any sort of strategic decision. You can also look at tools. We mentioned the entrepreneurial operating system (EOS) earlier and things like the Vision/Traction Organizer, part of that [EOS], can be very helpful in bringing some coherence to your efforts. Classics like the Balanced Scorecard might apply here. Or McKinsey's 7S model.

These are all well-known approaches that, even if you haven't heard of them before now, you can find out more about them easily just doing some quick Googling.

Celisa Steele: [00:16:17] And then you're going to want to make sure that, once you have these tools in place, you're clear on that strategy, then you're going to make sure that you're having good conversation within your learning business. You're going to need cross-functional teams talking. Coherence isn't just a leadership issue. It *is* a leadership issue but not *just* a leadership issue because execution happens in the details, so you really need everyone in the team, everyone who's involved in one of these activities or initiatives that helps bring this strategy to life, they need to understand; they need to be involved in these conversations, these discussions, to keep that strategy and the idea of the coherence of all the activity that's happening front of mind for them.

Celisa Steele: [00:16:58] Again, some of the tools you mentioned, Jeff, can be helpful in keeping the strategy and the idea of coherence front and center. The entrepreneurial operating system (EOS), for example, has this idea of rocks and regular meetings and lays out some of the cadence of that. Whether you're following a framework like that or doing something on your own, the main thing is that you're going to want to make sure that you're having those conversations and having them frequently and continually.

Jeff Cobb: [00:17:24] Yes, I'd also put the Tagoras Learning Business Maturity Model in this camp. We've talked about the maturity model a lot here on the show—many episodes that you can find that deal with that. It isn't specifically intended as a strategy tool, but it can certainly help with strategy because what it does provide is a lens on an organization's strategic activities that can then prompt dialogue, and it makes it hard to hide incoherence in my experience. We've seen, for example, that the National Rural Electric Cooperative Association (NRECA) used it over a number of years, and it has definitely led to productive, cross-functional conversation that's guided NRECA in adjusting and refining its strategic activities over time and keeping that sense of coherence alive in them.

Celisa Steele: [00:18:13] Coherence is born of clarity—the strategy that you're assessing against—and it also is based in regularity. Don't forget to revisit the strategy, to revisit the activities and how coherent they are regularly. It's a great idea to have a plan and approach for that in place. That might mean a mix of leadership meetings, and it might mean also full-team meetings or full-organization meetings if your learning business happens to be housed within a larger organization, as is often the case in trade and professional associations.

Jeff Cobb: [00:18:47] Like pretty much everything related to strategy, building coherence isn't a one-time fix—it's a mindset and a discipline. It means continually asking not just what we're doing but how it all fits together. At the end of the day, coherence is what transforms a strategy from a list of good ideas into a system of meaningful action.

Jeff Cobb: [00:19:17] We'll recap briefly and offer some thoughts on next steps, so stick around to the end.

Celisa Steele: [00:19:22] At leadinglearning.com/episode451, you'll find show notes, a transcript, and options for subscribing to the podcast.

Jeff Cobb: [00:19:30] If you enjoy the Leading Learning Podcast, please do us the favor of sharing this show with one colleague or co-worker you feel would appreciate and get value from it.

Celisa Steele: [00:19:40] To sum up, one of the key points we hope you take away from this episode is that often strategy doesn't fail because of a bad idea.

Jeff Cobb: [00:19:48] Perhaps more often strategy fails when coherent actions are not taken to support and actualize the strategy.

Celisa Steele: [00:19:56] Another key point is that clarity about your strategy is a precursor to coherence.

Jeff Cobb: [00:20:02] And that clarity and coherence pave the way for momentum. Clarity, coherence, and momentum are not, on their own, how-tos for great strategy, but they are attributes of great strategy, the kind that achieves meaningful results.

Celisa Steele: [00:20:18] Coherence matters for learning businesses because it guides decisions, focuses resources, and increases the likelihood of meaningful execution on your strategy.

Jeff Cobb: [00:20:29] Coherence serves as a filter for choosing what to do and—just as importantly—what not to do. So we encourage you, dear listener, to look at what you're doing in your learning business and ask, "Are our efforts reinforcing one another or pulling us in different directions and diluting our resources?"

Celisa Steele: [00:20:48] Thanks again, and see you next time on the Leading Learning Podcast.

[music for this episode by Moarn]