JUHA ANTOLA • M.SC. • TAMPERE UNIVERSITY

OF TECHNOLOGY

ANTTI LÖNNQVIST • SENIOR RESEARCHER •

TAMPERE UNIVERSITY OF TECHNOLOGY

ERKKI UUSI-RAUVA • PROFESSOR • TAMPERE

UNIVERSITY OF TECHNOLOGY

Designing a Strategy Map in order to Facilitate Strategy Implementation

The gap between strategy formulation and strategy implementation is a subject that has concerned both academics and practitioners for years. Different ways and tools have been developed for decreasing this gap. This study is about one tool – the strategy map.

The strategy map is a visual presentation of a company's critical success factors and the cause-and-effect relations between them. It seems to be a useful tool in strategy implementation, e.g., because it can clarify strategies, be used to align business units and focus management processes, visualise the cause-and-effect relationships between different factors and provide the missing link between strategy formulation and strategy execution.

The strategy map seems to be a potentially useful managerial tool in supporting strategy implementation. However, in the current literature there is a lack of a detailed model for designing a strategy map. Thus, it is unclear how an organisation should design a strategy

map. The objective of this paper is to address this question by constructing a model of how to design a strategy map. In addition, the paper aims to assess the usefulness of strategy maps as a tool in strategy implementation.

The research can be characterised as a qualitative and normative action research. The empirical part of the research consists of one case in which the strategy maps were designed for supporting the implementation of a new goal setting. The case organisation was a Finnish forest production unit and the strategy maps were designed on two organisation levels: the unit's level and an employee's level.

The empirical examination supports the earlier findings suggesting that the strategy map is a useful tool in strategy implementation. An important determinant for the effectiveness of the strategy map is whether it is understood by employees at different organisational levels. This would make it possible to align the activities of the whole organisation and to use the strategy map as an interactive control system. However, the traditional-type strategy map of, e.g., a business unit may not be detailed enough to achieve this. Instead, duty-related strategy maps may be needed. They illustrate how the work of employees performing a certain duty relates to other activities of the business unit.

Duty-related strategy maps may be a necessary supplement to the business unit's strategy map in order to guide the actions of employees operating at different organisational levels towards the same strategic objectives. Using both types of strategy maps may lead to consistent strategic dialogue despite the difference in terminology at different organisational levels. Duty-related strategy maps may also be used as a tool in empowering the employees of an organisation.

EXECUTIVE SUMMARIES

As a result, a guideline for the process of designing strategy maps is proposed. It consists of the key phases of designing a strategy map, which include, e.g., designing a suitable layout for the strategy map and the visualisation of the map. In addition, the guideline shows how duty-related strategy maps can be designed.