



THE PACE OF BREAKTHROUGH EXECUTION — XPS

In 2017, Eliud Kipchoge attempted to break through a barrier that had never been broken. He was one of three elite runners making the attempt and the favorite. The barrier they were trying to break was to run a marathon — 26.2 miles — in less than two hours. Based on scientific studies of the progression of human performance, the barrier was not thought to be broken for another 80 years. However, not one to succumb to science, Eliud decided to try.

He failed.

Though his performance was stunning, finishing the race in 2 hours 25 seconds, the barrier remained in place.

In high-performance running, there is only one number that matters: pace. Metrics such as tracking nutrition, training, and sleep are inputs to pace, and finish time is the result of keeping the pace. To break the two-hour barrier, Eliud had to maintain a pace of 4 minutes 35 seconds or better per mile. If he was going to break the two-hour barrier, which he would try again in 2019, he had to improve his pace by at least 1.2 seconds per

mile. The question is, what would he do to improve the pace to attain the result?

THE PACE OF EXECUTION PERFORMANCE

What if you had one metric that could predict whether or not you were on pace to break through a “two-hour” business barrier? A number that, at a glance, gave you information to know what you needed to do to achieve the multimillion-dollar result? As a leader, would this number be important to you? Would it be as important a metric as EBITDA, EPS, COGS, or revenue? Would you invest energy, time, and money to know this number?

The single most important thing a leader must do is produce results. Your livelihood, track record, and credibility depend on it. In fact, it is the single biggest reason why leaders lose their jobs. If you’re going to be successful in producing results, you must have a strategy (plan), and you must be able to execute that strategy.

Organizations spend more than \$30 billion dollars annually on strategy creation, and

more than 80% of those strategies fail. How can an organization with talented people and a superb strategy fail so often?

ORGANIZATIONS SPEND MORE THAN **\$30 BILLION** ANNUALLY ON STRATEGY CREATION, AND MORE THAN **80%** OF THOSE STRATEGIES **FAIL.**

“It’s rarely for a lack of smarts or vision. It’s bad execution. As simple as that: not getting things done, being indecisive, not delivering on commitments,” says renowned Harvard Business School Professor Ram Charan.¹ “The greatest unaddressed issue in the business world today is the ‘execution gap’ — the gap between setting a goal and achieving it.”² Vince Lombardi put it well: “When all is said and done, more is said than done.”

The companies that outperform their competitors by 10x maintain a pace of execution performance that allows them to deliver consistent results and break through barriers. The leaders of these organizations consistently get results through focusing on, managing to, and maintaining one number. This number is the Execution Performance

Score (XPS). XPS is the pace of execution performance, and when maintained, you will break through barriers that have never been broken and seem impossible to break. XPS should be in the pantheon of business measures, like EPS, ROI, NPS, and EBITDA.

While XPS exists in every organization, most don’t have the system to see it. James Clear stated in his recent book *Atomic Habits* “We do not rise to the level of our goals. We fall to the level of our systems.”³ All the key metrics you use to illustrate success (revenue, market share, customer satisfaction, employee satisfaction, etc.) are “outcomes” of a system. But the great mistake is thinking that success in the outcome indicates strength in the system. Everyone has won a deal they didn’t work for, and lost a deal where they gave their all. So, simply hitting your numbers doesn’t mean your team has the strength to sustain those numbers. And that’s the key to XPS — it measures not only the result, but the “systems” (process) that produce the result.

XPS measures your ability to hit that target both in terms of results and the key activities that lead to those results. Simply put, XPS measures the amount of energy and engagement you’re putting against your strategic targets and if you’re on pace or not. Without XPS, you are flying blind; but with XPS, you gain visibility and transparency over your most important goals.

To understand XPS, you need a little background...

At FranklinCovey, we have studied the execution gap for 30 years, and it’s our key focus as a global performance-improvement company. Through nearly 15,000 engagements per year serving clients in 160 countries, we help organizations improve

¹ Charan, R., Colvin, G., “Why CEOs Fail,” *Fortune*, June 21, 1999, p. 69.

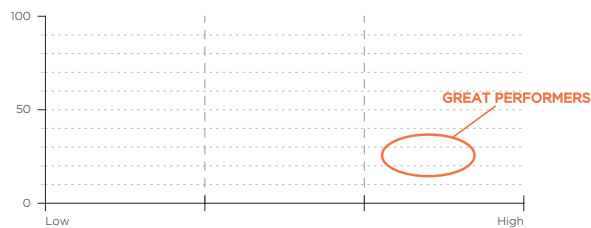
² Bossidy, L., Charan, R. *Execution: The Discipline of Getting Things Done*, Harper Business, 2002, p. 38.

³ Clear, James, *Atomic Habits*, p. 25.

THE PACE OF BREAKTHROUGH EXECUTION — XPS

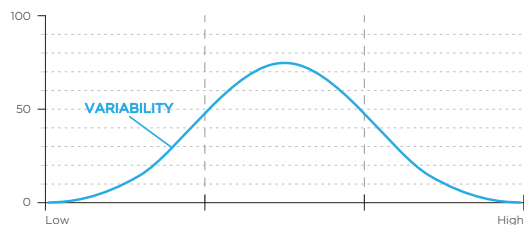
productivity, leadership, and execution. With this experience, we have honed XPS as the measurement of the variances in your organization that affect your ability to achieve what matters most.

In all that time, we have learned two things about organizations that are trying to implement strategy. First, every organization has pockets of great performance in relation to its strategy.



These pockets of great performers are the people who are on pace to deliver breakthrough results. They are consistently engaged in driving the leveraged behaviors that support your strategy.

Second, the performance on strategy, or the pace of execution performance, varies across the organization. You have variation in key behaviors that drive your strategy. We're talking about performance inconsistency — in how salespeople position a new product, how the front desk checks in guests, or how fast products get to market. These variations in execution dramatically impact your key strategic initiatives and your results.



The market cares about consistent execution more than anything else. Without it, neither your customers, your employees, nor your



SIMPLY PUT, **XPS MEASURES THE AMOUNT OF ENERGY AND ENGAGEMENT YOU'RE PUTTING AGAINST YOUR STRATEGIC TARGETS, AND IF YOU'RE ON PACE OR NOT.**

shareholders can trust you. Keeping your commitments — doing what you say you will do — makes the difference between success and falling short.

Think of any high-performing business. What do you see in every single one? Consistency. Amazon, Google, Apple, Salesforce.com, and Marriott consistently perform. You know when you order a package through Amazon, you will get it. Before you walk into an Apple store, you know what to expect. When you use Google to search for a result, you have complete confidence that the search will return a relevant result. You know that Salesforce.com will keep and deliver your most important customer information. You know when you walk into your room at a Marriott, it has been meticulously cleaned and organized every time.

Jim Collins, who invested more than a quarter-century of research into what makes great companies tick, discovered

THE PACE OF BREAKTHROUGH EXECUTION—XPS



that companies that make a leap from good to great have a Culture of Discipline composed of disciplined people who engage in disciplined thought and who take disciplined action. According to Collins, “Great companies achieve superior results, make a distinctive impact, and achieve lasting endurance not by one single breakthrough, but by a series of good decisions, supremely well executed, that accumulate one upon another over a long period of time.”⁴ After *Good to Great*, Collins turned his attention to the other side of the coin, asking why some companies fall into decline and failure.

In *How the Mighty Fall*, he found that once-great companies can fall through five stages of decline on their way to irrelevance and death. Of particular note is stage 4, when the company falls into grasping for salvation, rather than disciplined execution. As he wrote in *How the Mighty Fall*: “Stage 4 grasping can produce a brief improvement, but the results do not last. Dashed hope follows dashed hope follows dashed hope yet again. Companies stuck in Stage 4 try all sorts of new programs, new fads, new strategies,

new visions, new cultures, new values, new breakthroughs, new acquisitions, and new saviors. And when one silver bullet fails, they search for another and then yet another. The signature of mediocrity is not an unwillingness to change. The signature of mediocrity is chronic inconsistency.”⁴

When goals or strategies falter, leaders tend to change their goals or strategies. But the problem is usually not with the strategy but with inconsistent execution of the strategy. When leaders accept the variability of their performance curve, the only choice they have left is the flavor-of-the-month strategy.

Changing behavior is hard. When was the last time you tried to change one of your own habits—to eat less, stop smoking, cut down on social media, reduce your handicap on the golf course? That’s nothing compared with trying to change the behavior of other people. Have you ever tried to change the habits of your spouse or partner? If changing your own behavior is hard and changing someone else’s is even harder, how about changing the behavior of a whole lot of people in your organization all at once?

⁴ © 2020 Jim Collins. Quote is copyrighted and used by permission of the author.

THE PACE OF BREAKTHROUGH EXECUTION — XPS

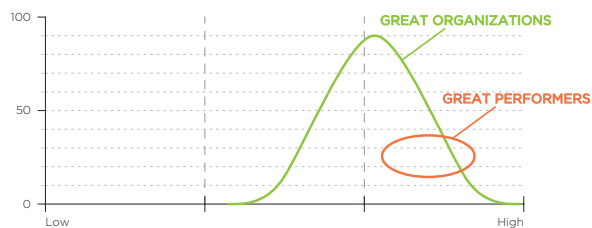
To run breakthrough-performance pace, you need to do three things consistently:

1. DEFINE THE TARGET.

To start the process, you must first identify the results you're trying to achieve, the highest-leverage behavior that will produce those results, and your current level of performance—who's running on pace, who is not, and who never will. To define your key results, we help you identify the Wildly Important Goals® at the organizational level and the few strategic “battles” you need to fight to arrive at those results.

2. MOVE THE PERFORMANCE CURVE.

You need a process for reducing chronic inconsistency in execution across the organization—moving the middle of the curve to the right—to get “right and tight.” As we've said, this means doing the hard things to change human behavior. FranklinCovey helps you move the curve through our *4 Disciplines of Execution®* Implementation Process, which enables you to achieve Wildly Important Goals® consistently—now and in the future. We help you scale “pockets of greatness” across the organization, radically transforming your results at scale.



3. MEASURE THE PACE OF PERFORMANCE.

You need to know if the curve is moving righter and tighter toward consistently

excellent performance. If you can't measure it, you can't manage it. That's why XPS is so significant.

XPS is a systematic way of exposing reality and acting on it.

To see XPS, you must measure four critical disciplines: focus, leverage, engagement, and accountability.

- **Focus:** At what result are you aiming, and are you on pace to achieve that result? It is not enough to know where you are; you must also know where you should be for the week, month, or quarter. You need to know if you are on pace to deliver that result in real time. This is called a lag measure. A lag measure is the number that tells you if you've achieved a key business outcome. It might be a revenue figure, a customer-satisfaction score, or a gross margin.
- **Leverage:** To achieve the lag measure, you must know if your people are performing key activities that are both predictive of delivering the lag measure and can be influenced by the team. To move a Big Rock—the lag measure—you must have a lever or a lead measure. Lead measures are the predictive influenceable behaviors and activities of your team. Knowing whether your team is on pace with lead measures will predict whether or not you will achieve the lag measure.
- **Engagement:** Just because your team knows the lag and lead measures doesn't mean they will act on them. As Peter Drucker often said, “Plans are just good intentions unless they immediately degenerate into hard work”⁵ Strategy guides our goals. We perform high-leverage lead measures to get our goals, and lead measures guide

⁵ Nieto-Rodriguez, Antonio. “Peter Drucker's view on Project Management – Interview with Richard Straub, founder of the Global Peter Drucker Forum.” <https://www.druckerforum.org/blog/peter-druckers-view-on-project-management-interview-with-richard-straub-founder-of-the-global-peter-drucker-forum-by-antonio-nieto-rodriguez>

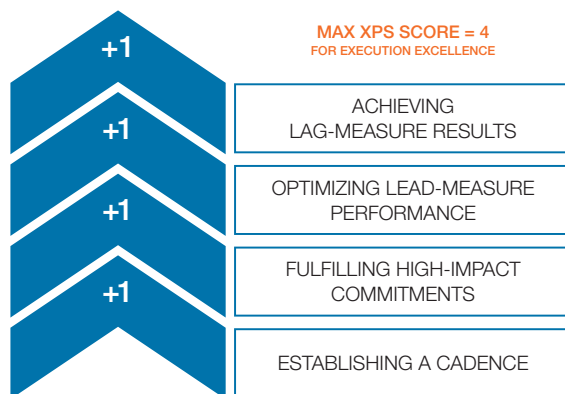
THE PACE OF BREAKTHROUGH EXECUTION—XPS

weekly engagement through individual commitments. Every individual must be engaged in making and keeping weekly commitments to move the leveraged behaviors or lead measures.

- **Accountability:** James Clear made the statement, “The greatest threat to success is not failure but boredom.”⁶ We are attracted to and distracted by the new and shiny. Consistency is not attractive. To maintain the pace of performance necessary to break through a barrier that has never been broken before, there must be a high level of accountability. You must know whether the teams in your organization are meeting weekly and reporting if each individual kept their commitments, reviewing the lag and lead measures, and making commitments for the next week.

The measurement of these 4 Disciplines is your pace of execution or the Execution Performance Score (XPS).

THE MEASUREMENT SYSTEM XPS MODEL



TECHNOLOGY TO SEE

To see XPS, you must have a technology that tracks and consolidates the score of

the 4 Disciplines from each individual, team, and department. A recent study published in *HBR* reported 85% of executives don't have or are dissatisfied with the tools they have for measuring the execution of their strategy. FranklinCovey has developed a simple yet powerful app in the palm of your hand to gather the relevant data and report XPS.

THE 4DX[®] OPERATING SYSTEM [4DX OS] APP



The two friends of execution are simplicity and transparency. The 4DX[®] Operating System (4DX OS) app is the technology that gives you both. Each individual and team has a simple way to record and report their progress. The 4DX OS app then consolidates this information and presents it to leaders in a view that allows them to quickly see the pace of each team's performance.

THE SECOND ATTEMPT TO BREAK THE TWO-HOUR MARATHON BARRIER

On October 12, 2019, Eliud made another attempt to break the two-hour marathon barrier. Learning from his failed attempt in 2017, he employed not only the disciplines

⁶ Clear, James, *Atomic Habits*, p. 234.

THE PACE OF BREAKTHROUGH EXECUTION — XPS

of focus, leverage, engagement, and accountability, but also the power of teams and technology.

TEAMS

Rather than running with two other elite runners, Eliud had teams of runners. Every 3.2 miles, a fresh team of seven would enter the race to keep him on pace. There were five runners in front of Eliud, reducing wind resistance, and two runners behind him pushing the pace. Every single team member was focused on the goal.

TECHNOLOGY

To keep the team on track, technology was used to paint a laser line on the road that the team members would follow. The laser was beamed from a pace car that was moving at exactly the speed necessary to break the two-hour barrier. Also, the pace per mile was prominently displayed on the pace car, which meant Eliud and his team knew exactly where they were on the performance curve.

As Eliud and his team entered the last half-mile of the marathon, they knew the two-hour

barrier was about to be broken. They knew because they could see; it was transparent that they performed at the necessary pace to accomplish the breakthrough result.

At 1 hour, 59 minutes, and 40 seconds, Eliud crossed the finish line, shattering the two-hour marathon barrier.

CONCLUSION

In every organization, there are teams of people who are ready to perform at the highest levels to break through barriers and deliver extraordinary results. To deliver these results, each team needs focus, leverage, engagement, accountability, and technology to provide the transparency to know if they are on performance pace.

Join the thousands of companies who have used *The 4 Disciplines of Execution* to measure their XPS and consistently deliver year-over-year breakthrough results.

Following is a list of large, mid-size, small, public, and private organizations that have achieved extraordinary results through employing the methodology and technology of *The 4 Disciplines of Execution*.

SALES TEAM

ORGANIZATION	RESULTS
2,000-person technology firm providing real-time data, security, and analytics	Closed a \$24 million gap and increased pipeline by \$54 million.
Property, auto, life third-party administrator (TPA)	Improved sales win rate by 125% over the previous year.
Global marketing technology and services company	Increased new logo accounts 154%.
U.S. and Canada trucking and logistics company	Increased weekly revenue from \$1.7 million to \$2.1 million within 10 months.

THE PACE OF BREAKTHROUGH EXECUTION—XPS

COST SAVINGS

ORGANIZATION	RESULTS
State human-services department	Received \$4 million benefit from reduction in food-stamp error rate.
North American oil -manufacturing producer	Increased plant availability at a new facility from 72% to 100% and cut production costs by over 22%—creating a billion dollars in savings between 2013 and 2017.
Large pharmaceutical company	Reduced quarterly product-pricing implementation schedule from 15 to 8 days, increasing sales by \$10 million annually.
Major metropolitan trauma hospital	Decreased ambulatory services by \$50, saving \$2.9 million.

PRODUCTIVITY

ORGANIZATION	RESULTS
Largest energy provider in Denmark	Improvement in EBIT of 2–4 million Danish Kroners (\$500,000 to \$1 million, depending on the market prices of electricity) after six months of implementation.
6,000-person professional-services firm	128% increase in offshore coding volume in nine months.
Global financial-services leader	With restricted business process and improved information technology functions, the organization realized \$8.2 million in the first 12 months of implementation.
State bureau of investigations	Reduced the duration of time to process fingerprints for applicants from 12 to 2 days.
State human-services department	Reduced repeat cases of child abuse in the state by 60%.

GUEST AND CUSTOMER SATISFACTION

ORGANIZATION	RESULTS
Large multinational auto-parts manufacturer	Increased overall customer satisfaction by improving customer launch process by 5 percentage points and reduced customer incidents by 10%.
Hotel chain with more than 4,000 locations	Increased engagement scores from 77% to 84%. Achieved a 10-point increase in customer satisfaction over 10 years.
Community fitness center with seven locations	Stopped a declining membership trend and improved confirmed memberships by 10% over all the fitness centers.

Ready to achieve breakthrough results in your organization? Contact us at 1-888-868-1776 or visit franklincovey.com.

ABOUT THE AUTHORS



Mark Josie
Senior Vice President,
Business Outcomes,
FranklinCovey

Mark has been with FranklinCovey for more than 30 years. He is one of the original architects responsible for building *The 4 Disciplines of Execution*® practice, and has had a heavy influence on the content, implementation process, and tools.

Prior to FranklinCovey, Mark worked as a senior leader in the retail golf industry. He has a bachelor of arts degree in business management and organizational behavior from the Marriott School of Management at Brigham Young University.



Jeffery Downs
Regional Practice Leader,
Business Outcomes,
FranklinCovey

Jeffery was a founder and chief revenue officer for an e-bill company that was one of the 500 fastest growing companies in America. After selling the company, he signed on as one of FranklinCovey's regional practice leaders, responsible for helping clients succeed and execute on their most critical results. He has consulted hundreds of companies that have achieved staggering results through the implementation of the skills and principles of *Helping Clients Succeed*® and *The 4 Disciplines of Execution*®.



Jessica Johnson
Marketing Director,
Business Outcomes,
FranklinCovey

Jessica joined FranklinCovey more than seven years ago as a marketing director for our enterprise division. She currently manages the marketing strategy and execution for all of the business-outcomes services including *Helping Clients Succeed*® and *The 4 Disciplines of Execution*®.

Prior to FranklinCovey, Jessica spent most of her career in marketing and advertising, working for various firms in the Salt Lake City area. She has her bachelor of science degree in marketing from the University of Utah.