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**Do Executives Spend Their Time On The Right Things? They Themselves Say They Do Not**

***Companies and Their Leaders are Distracted When it Comes to Aligning their Time and Resources with Overall Growth Strategies, According to Strategy& Research***

**New York (July 8, 2014**) – There’s no question that executives and leaders are busier than ever. But are they spending their valuable time on what matters most, the things that advance their companies’ performance and competitive standing?

They aren’t, according to a new survey of more than 500 executives from around the world by Strategy&, a member of the PwC network of companies.

**Disconnect Between Strategy and Time Allocation**

When asked how well their companies’ strategic objectives drive how management allocates its time, only 18% of executives said “very well.” In fact, at nearly a third of companies (29%), executives believe that the ways management spends its time has little to do with the companies’ strategies.

Further, only 38% of executives said the initiatives and major projects they themselves are working on are aligned with the company’s overall strategy.

“What this means is that a majority of companies are distracted – mostly by activities, initiatives, operations and opportunities that aren’t central to their strategies,” said Vinay Couto, Senior Partner at Strategy& (formerly Booz & Company) and coauthor of the *Fit for Growth* Index profiler and study. “We see this as a significant problem: Record-setting stock market performance may be masking the fact that a huge number of companies are out of shape: they are not prioritizing their initiatives, investments, and priorities based on their strategies. This misalignment leaves them unfit for steeper competition and the potentiality of leaner market conditions.”

**Distracted from Strategy**

The findings from the *Fit for Growth* Index profiler suggest a laxness in how companies align what really goes on in the organization with their stated objectives.

* Only a quarter (24%) of executives said their companies’ strategy is solidly converted into specific operational objectives, initiatives and measures.
* Nearly two-thirds (66%) of executives said there are significant businesses, products and services in their companies’ portfolios that are misaligned with the company strategy.
* 66% of executives say low-priority initiatives or areas receive more than their fair share of funding.
* Similarly only a quarter of executives (24%) say the “power base” of their company is well aligned with where growth is occurring.

**Making More Effective Use of Time – Steps Leaders Can Take**

Mr. Couto and Strategy& senior partner John Plansky, co-authors of the *Fit for Growth* Index study, say executives should consider a number of steps to make their efforts more effective. For instance…

* Make sure that, together with the other leaders in your company, you identify the few critical capabilities that are key for your organization to win with your strategy.
* Be clear about your role in the realization of your company’s strategy – how do you and your team enable the company to be great at the things that matter most.
* Evaluate whether each project you’re about to invest in as to whether it is in line with the company’s strategy – only commit resources and funds to those that fuel your company’s distinctive strengths.
* Be explicit about what is not important, in what areas it is good enough to be “good enough.”
* Learn to say ‘no’ – for every additional task you take on, be clear about what you stop doing because it adds less to the realization of the company’s strategy.

**Methodology**

Strategy& conducted a survey of 511 executives from companies of various sizes and from around the globe and from a full range of industries. The online survey asked 25 questions on the topics of business strategy and priorities, alignment of resources with strategy and critical capabilities, and alignment and focus of the organization. The profiler can be found at <http://www.strategyand.pwc.com/global/home/what-we-think/fitforgrowth/ffg-index/ffg-index-profiler.>

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