

# ADHERENCE EQUATION

---

Success does not depend  
upon the brilliance of your plan,  
but upon the consistency of your actions.



# What is Adherence?

---

**H**ow many times have we been told the formula for maintaining a healthy weight is to eat a balanced diet and exercise regularly? Everybody knows the formula, although sophisticated marketers package it in many creative ways. If we all know what the formula is, why is it so difficult to apply it to our lives? The secret to losing weight is not in knowing the formula, it is in *applying* what we already know.

Every year on January 1<sup>st</sup>, people make new resolutions. It is a time to start fresh, to implement new plans for various areas of our lives. But we all know what happens...about 70% of all New Year's resolutions last less than one month. Many last less than a week or even a day. We do not have bad intentions, it is just that most of us do not stick to it long enough to create a new habit – a new way of behaving.

The same process happens in organizations every day. Leaders develop brilliant strategies and are initially motivated to implement them. And yet, most leaders do not stick to their strategies long enough to complete them and achieve the desired results.

Most organizations understand how to develop a strategy, but many fail to successfully execute it. To illustrate this, consider that in a typical year, 40 CEOs from the *Fortune 200* are removed from their posts. Why? Of course, some had poor strategies. However, the most common reason CEOs lost their leadership position was because they did not fully execute their strategies.

Lack of strategy execution is not isolated to CEOs. Leaders at all organizational levels experience challenges executing their plans. In fact, the greatest challenge for today's leaders is not the lack of well thought-out strategies, but the lack of disciplined execution of those strategies. The game is won not by creating new strategies, but by sticking to your current strategy – it is called **Adherence**.

So how do you achieve Adherence? Based on the experiences of high-achieving individuals and teams, there are three components of Adherence: Focus, Competence and Passion. The relationship between these three components is best illustrated by a multiplication equation:

$$\text{Focus} \times \text{Competence} \times \text{Passion} = \text{Adherence}$$

When you think about Adherence this way, the critical role of each component becomes clear. For example, on a scale from 0 to 10, if one component is missing (Focus = 0, Competence = 4, Passion = 8), there can be no Adherence.

$$0 \times 4 \times 8 = 0$$

There is also an exponential relationship between the three components. In other words, a higher level of Focus, Competence or Passion will result in a dramatic increase in Adherence. As you increase each component, you build momentum toward executing your strategy.

A team builds momentum as it adheres to its plan the same way you build momentum when you achieve small goals that lead to bigger goals. The required effort decreases over time as actions become habits, and the momentum increases, resulting in a self-reinforcing cycle of achievement.

The results of building Adherence can be compared to the results of planting a bamboo seed. When the seed is planted and nurtured, it can take up to two years for a sprout to break through the earth. But once it does, it can grow over 100 feet in two weeks! This accurately describes the journey and benefits of building Adherence.

*"We are what we repeatedly do.  
Excellence, then, is not an act but a habit."  
– Aristotle*

# Adherence and Strategy

If we look at what sets high-achieving individuals and teams apart from their peers, we discover their actual strategies are much less important than their ability to stick to them. A mediocre strategy with strong Adherence will produce better results than a brilliant strategy with minimal Adherence. We can see this relationship in another equation:

$$\text{Strategy} + \underbrace{(\text{Focus} \times \text{Competence} \times \text{Passion})}_{\text{Adherence}} = \text{Achievement Level}$$

This equation illustrates that the quality of your strategy has only an additive impact on your achievement level. However, Adherence has an exponential impact on your achievement level. For instance, if you had a great strategy – rated a 9 on a scale of 10 – but your Adherence was marginal (Focus = 2, Competence = 4, Passion = 3), your achievement level would be:

$$9 + (2 \times 4 \times 3) = 33$$

What if your strategy was poor? If your strategy rated a 2 on a scale of 10, but you slightly improved your Adherence (Focus = 3, Competence = 5, Passion = 4), your achievement level would increase dramatically:

$$2 + (3 \times 5 \times 4) = 62$$

Small improvements in the components of Adherence result in an 88% increase in achievement level, and that is with a poor strategy!

A recent study of *Fortune's* Most Admired Companies offers compelling support to this relationship between strategy and Adherence. This study looked at the issue of execution – how well companies have mastered the art of Adherence. The researchers found that all of the companies studied:

- See strategy as important;
- Have detailed implementation plans; and
- Use strategy to help identify what to stop doing.

Surprisingly, these factors are not what differentiate companies that made the Top Ten Most Admired list in their industry. All of the companies seem to talk the “planning and strategy talk.” The characteristics that are unique to the Top Ten Most Admired Companies and separate them from their industry peers are:

1. Roles are clearly defined for executives, managers and employees.
2. Business needs and visions are communicated deep into the organization.
3. Performance measurement is continuous and aligned with the strategy.
4. Leaders are held accountable – both personally and for their teams.

It is certainly nice to be recognized as one of America’s Most Admired Companies. However, bottom-line results are also key indicators of an organization’s health. So how do the Top Ten Most Admired Companies compare in that respect? Below is a comparison of shareholder returns for these same companies versus the S&P 500.

	Returns of Top Ten Most Admired	Return for S&P 500	Difference
Year of Study	9.7%	-11.9%	+21.6%
Previous 5 Years	25.5%	10.7%	+14.8%

These are pretty amazing differences! They are even more amazing when you consider the simplicity of the four differentiating characteristics. Could it really be that simple?

Yes, it is. The difference between the Top Ten Companies and the rest of the pack is that they do the basics exceptionally well. The researchers concluded that for the Top Ten Companies, strategy execution is not an exercise – it is the focus of everything they do.

“The focus of everything they do” is just another way of saying they have high Adherence to their strategy. These companies know how to create a strategy; but more importantly, they achieve superior results because they know how to stick to it.

The same holds true for high-achieving individuals. They do not do anything mysterious to achieve their results. They do not follow the newest fad or trend. They execute the basics, day in and day out, whether it is how they exercise, eat, learn, invest or work. The critical difference is their ability to adhere to a plan, any plan – that is what sets them apart.

The ultimate competitive advantage, organizationally or personally, is being the very best at implementing a plan. Your greatest challenge is not creating a new plan. Your greatest challenge is adhering to your current plan. **Spend more time on Adherence and less time creating a new plan.**

If you are trying to achieve and sustain greater results for your team, applying the principles of Adherence is your ticket! So let’s take a closer look at Adherence. The following chapters describe the success factors for each component of Adherence: Focus, Competence and Passion.

---

## ***Adherence Enemies***

Many leaders do not know why their teams do not consistently adhere to their plans. A key step on your journey toward better Adherence is to understand the “Adherence Enemies” – the most common reasons people and teams do not stick to it.

The four Adherence Enemies will be highlighted throughout the book. You will notice a common theme among them – they all begin with YOU!

As you read, think about your biggest Adherence Enemies and then identify strategies to fight them. As a result, you will immediately start to create a unique and powerful advantage for you and your team.