

The Execution Gap

Why Strategy Fails and How to Fix It



By Mark Conway, Oak Consult, April 2026

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Foreword — The Illusion of Progress

Organisations today are more active, more informed, and more connected than at any point in recent memory. Data is abundant, reporting is sophisticated, and strategic ambition is rarely in short supply. From the outside, many organisations appear well managed and firmly in control. Yet outcomes do not always reflect that picture.

Across sectors, there is a recurring pattern in which organisations invest heavily in strategy and delivery, but still struggle to achieve the results they set out to deliver. Initiatives are launched with confidence, progress is tracked closely, and performance is reported regularly, but the connection between effort and outcome is often weaker than expected.

This pattern has been observed in both public and private sectors. Reviews from organisations such as the Office for National Statistics and the Bank of England continue to highlight structural challenges in productivity, performance, and delivery, despite sustained levels of activity and investment. This is not a failure of intent.

Most organisations are clear about what they want to achieve. Leadership teams are engaged, strategies are well developed, and people are working hard to deliver against them. The issue lies not in ambition, but in how that ambition is translated into coordinated action.

Activity is frequently mistaken for progress. Agreement is assumed to be alignment. Reporting is taken as evidence of delivery. These assumptions create a form of organisational comfort, where performance appears stable even as underlying issues begin to emerge.

Over time, small misalignments accumulate. Different parts of the organisation interpret priorities in different ways. Decisions are made against local objectives rather than shared goals. Effort increases, but outcomes become less predictable. In many cases, the impact of this is first felt by customers, before it becomes visible in internal metrics. This creates a gap between perception and reality.

Internally, organisations may believe they are performing well.
Externally, customers and stakeholders may experience something different.

Closing this gap requires more than incremental improvement. It requires a clearer understanding of how strategy, alignment, communication, and execution interact, and how they can be brought together in a coherent way.

This paper explores that challenge and sets out a practical approach to addressing it.

Mark Conway

Founder, Oak Consult



Executive Summary — The Execution Gap, Defined

Most organisations are not failing because they lack strategy. They are failing because they cannot consistently execute it. Across both public and private sectors, there is a persistent gap between what organisations intend to achieve and what they actually deliver. Plans are developed, initiatives are launched, and progress is reported, yet outcomes often fall short. This gap is not the result of isolated failure. It is structural, and it is becoming more costly as organisations operate in faster, more uncertain environments.

In many cases, the underlying issue is not capability or effort. It is coherence.

Different parts of the organisation interpret strategy in different ways. Priorities compete rather than align. Decisions are made locally without a consistent reference point. Activity increases, but outcomes do not always follow. Over time, this creates a system that appears productive but struggles to deliver consistent results. The consequences are increasingly visible.

Strategic initiatives under-deliver against their intended value. Programme investment is diluted through misalignment and rework. Leadership teams become more cautious, delaying or reducing investment where confidence in delivery is low. At the same time, customers experience inconsistency between what is promised and what is delivered, which can erode trust more quickly than internal reporting reveals. In this context, execution has become a central determinant of organisational performance.

The organisations that perform well are not those with the most sophisticated strategies or the greatest level of activity. They are those that can translate intent into coordinated, consistent action. They align around a clear objective, make decisions against shared priorities, and deliver outcomes that are recognised externally as well as internally. PACE provides a practical way of diagnosing and addressing the execution gap.

It focuses on four interdependent levers that exist in every organisation:

- Planning, which defines clarity of direction
- Alignment, which ensures consistency of decision-making
- Communication, which builds shared understanding
- Execution, which translates intent into outcomes

At the centre of these sits a single unifying element: the One Magnificent Goal. This goal provides a clear reference point that allows the organisation to prioritise effectively, align behaviour, and maintain focus over time. Without it, the four levers tend to operate independently. With it, they form a coherent system.

The purpose of PACE is not to introduce complexity. It is to simplify how organisations translate strategy into action. It provides a way for leadership teams to identify where misalignment exists, understand how it affects performance, and take practical steps to improve coherence. In an environment defined by speed, uncertainty, and constant change, the cost of misalignment is increasing. The organisations that recognise this and respond with clarity and discipline are better positioned to sustain performance. Those that do not are likely to experience a gradual but persistent erosion of effectiveness. PACE offers a way to close that gap.



Section 1 — The Execution Gap

Most organisations do not fail because they lack strategy; they fail because they cannot execute it.

That statement can sound like an exaggeration when read quickly. It is not. It reflects a pattern that is consistently visible across both public and private sectors, where the gap between intent and outcome remains one of the most persistent challenges in organisational performance.

Plans are approved, programmes are launched, dashboards are populated, and progress is reported with increasing sophistication. Yet, despite this visible activity, outcomes often fall short of expectation. The issue is not isolated or occasional. It is structural, and it repeats itself with remarkable consistency.

Evidence from the National Audit Office continues to highlight that a significant proportion of major programmes fail to achieve their stated objectives. While the context varies, the underlying causes are familiar: planning assumptions that do not hold under pressure, accountability that becomes diluted as work moves through layers, and governance that tracks activity more effectively than it challenges outcomes.

The Organisation for Economic Co-operation and Development has reinforced a similar point from a different angle, linking productivity and performance not simply to strategy or investment, but to the quality of management and organisational effectiveness. In practical terms, how well an organisation translates intent into coordinated action still matters more than how ambitious that intent appears on paper.

This is the execution gap.

It sits in the space between what is said and what is done, between what is planned and what is delivered, and between what is reported internally and what is experienced externally. It is rarely invisible, but it is often misunderstood, particularly because, on the surface, most organisations appear to be functioning well.

Meetings take place, reports are produced, metrics are tracked, and initiatives continue to move forward. From the outside, this creates the impression of steady progress. From the inside, it can feel very different, with sustained effort failing to translate into consistent momentum.

Organisations are not short of activity. In many cases, they are saturated with it. Nor are they short of data, with dashboards often multiplying faster than the decisions they are intended to support. Intent is also rarely lacking, with strategy documents reflecting a high level of ambition and direction.

What is missing is coherence.

Different parts of the organisation interpret strategy through their own context, shaped by local priorities, incentives, and constraints. Functions optimise for their own measures of success, often without a shared reference point for what success looks like at an organisational level. Leadership teams may believe they are aligned because they have agreed a plan, but agreement at the top does not automatically translate into consistent decision-making across the organisation.

The result is a system that appears to move, but struggles to land.

Work progresses, but not always in a way that advances the same objective. Decisions are taken, but not always against a shared set of priorities. Success is reported internally, but is not always recognised by customers in the same way.

Over time, this creates a problem that is both quiet and compounding.

Investment continues, but returns become less predictable. Initiatives multiply, but their collective impact becomes harder to see. Internal confidence can remain high, supported by activity and reporting, while external outcomes begin to drift.

In some cases, this becomes visible through missed targets or delayed delivery. In others, it is first experienced by customers, where the gap between promise and reality becomes increasingly difficult to ignore. By the time the issue is formally recognised, it is rarely new. It has typically been building over an extended period.

This is why execution failure is so often misunderstood.

It is not usually the result of a single poor decision or a lack of effort. More often, it is the product of a system that allows small misalignments to accumulate without being corrected. A plan that is slightly unclear, an incentive that points in a different direction, a message that is interpreted inconsistently, or a delivery issue that is explained rather than resolved. Each of these, in isolation, appears manageable. Taken together, they create a level of friction that the organisation struggles to absorb.

In an environment that is becoming faster, more complex, and more interconnected, the cost of this friction is increasing. Misalignment is amplified rather than contained, and the distance between intent and outcome can widen more quickly than organisations expect.

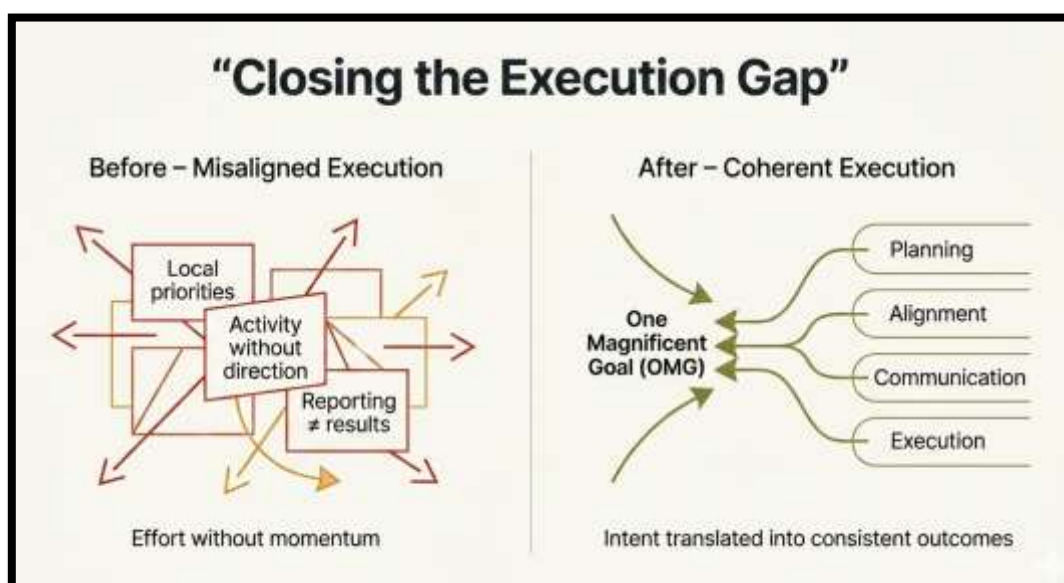
The organisations that perform consistently are not those with the most sophisticated strategies or the most advanced tools. They are those that can translate intent into coordinated, consistent action, and maintain that coherence over time.

They close the gap.

Others continue to operate within it.

Oak Insight

Organisations are highly effective at moving work through systems. They are far less reliable at ensuring that work arrives where it creates meaningful value.



The Execution Gap: Organisations move work through systems but often fail to deliver meaningful value until they achieve coherent execution



Section 2 — The Alignment Illusion

Alignment is one of the most widely used and least understood concepts in modern organisations. It is frequently referenced in leadership discussions, embedded in strategy documents, and assumed to exist once a plan has been agreed at the top of the organisation. In reality, it is far more fragile than most teams realise.

In many cases, what is described as alignment is simply agreement at a moment in time. A leadership team meets, reviews a strategy, discusses priorities, and leaves the room believing that a shared understanding has been established. On the surface, this appears sufficient. The plan is clear, the direction is set, and the organisation moves forward.

The difficulty is that agreement does not survive contact with execution.

As strategy begins to flow through the organisation, it is interpreted through different functional lenses, shaped by local priorities, and influenced by existing incentives. What began as a coherent direction at leadership level gradually fragments as it is translated into operational decisions.

This is not a failure of intent. It is a predictable outcome of how organisations are structured.

Research from the Chartered Management Institute continues to highlight gaps in management capability across UK organisations, particularly in areas relating to coordination, decision-making, and execution discipline. Similarly, insights from the Institute of Directors point to ongoing challenges at board level in ensuring that strategy translates into consistent organisational behaviour.

These are not abstract concerns. They reflect a common pattern in which leadership teams believe they are aligned, while the organisation beneath them operates to a different set of assumptions.

This gap is often reinforced by the way performance is measured and reported. Dashboards present a version of reality that appears stable and controlled, with metrics trending in the right direction and risks framed as manageable. In this environment, it becomes easy to conclude that alignment is in place, because there is no immediate evidence to the contrary.

However, alignment is not proven through reporting. It is revealed through behaviour.

It becomes visible in the trade-offs that are made when priorities compete, in the decisions taken under pressure, and in the consistency with which teams across the organisation respond to the same challenge.

Where alignment is genuine, those decisions tend to reinforce one another. Where it is assumed rather than established, they often diverge.

One of the simplest ways to test this is to ask a leadership team to describe their top priorities independently and then compare the answers. In well-aligned organisations, there is a high degree of consistency, not only in what is said but in how it is framed and prioritised. In others, subtle differences begin to emerge, which are then amplified as they cascade through the organisation.

Over time, these small variations create a form of organisational drift. Teams remain busy, activity continues, and progress appears to be made, but not always in a direction that reinforces the original intent. Resources are committed to initiatives that feel important locally but do not necessarily contribute to the broader objective.

This is where alignment moves from being an abstract leadership concept to a practical operating challenge.

It requires deliberate choices about what to prioritise, what to stop, and how success is defined. It demands that incentives, structures, and decision-making processes all point in the same direction. Most importantly, it requires a level of clarity that allows people at every level of the organisation to make consistent decisions without constant escalation.

In the absence of that clarity, organisations tend to default to a more familiar pattern. Work continues, but it becomes increasingly fragmented. Effort is expended, but its impact becomes harder to trace. Leadership teams respond by introducing more reporting, more coordination, and more oversight, which can create the impression of control without addressing the underlying issue.

The result is an organisation that appears aligned from a distance but behaves inconsistently up close.

This is why alignment is best understood not as a state that can be declared, but as a discipline that must be maintained. It is not achieved through a single conversation or a well-crafted strategy document. It is built through repeated, consistent decisions that reinforce a shared understanding of what matters most.

One of the simplest ways to test alignment is not to ask what the strategy is, but to ask why it exists, and listen for whether the answer remains consistent as it moves through the organisation.

Oak Insight

Alignment exists when every part of the organisation can explain “why” in a way that is consistent, connected, and recognisable to the customer.





Section 3 — Speed Is Making It Worse

The pressure on organisations to move faster has never been greater.

Across sectors, leaders are being asked to respond to accelerating change, increasing complexity, and rising expectations, often all at the same time. Advances in artificial intelligence, ongoing supply chain disruption, and continued economic uncertainty have combined to create an environment in which hesitation is seen as risk and speed is seen as strength.

In this context, the instinct to move quickly is understandable. In many cases, it is necessary.

The problem is that speed does not correct underlying weaknesses. It exposes them.

Insights from the World Economic Forum continue to emphasise the pace at which organisations are being forced to adapt, particularly in relation to technology, workforce capability, and global economic shifts. At the same time, commentary from the Bank of England highlights the degree of volatility and uncertainty that businesses must now navigate as a matter of course.

Taken together, these forces are reshaping how organisations operate. Decisions are made more frequently. Priorities shift more rapidly. The volume of activity increases.

What does not always change at the same pace is the organisation's ability to coordinate that activity effectively.

This is where speed becomes problematic.

When alignment is weak, planning is unclear, or communication is inconsistent, increasing the pace of execution does not improve outcomes. It increases the rate at which misalignment is expressed.

Decisions are made faster, but not always against the same priorities.

Work progresses more quickly, but not always in the same direction.

Issues emerge sooner, but are not always resolved more effectively.

Over time, this creates a form of amplified drift, where the organisation appears highly active, yet struggles to generate consistent results.

In more stable environments, these issues can remain partially contained. Slower decision cycles allow time for correction, and misalignments can be absorbed without immediate impact. In a faster environment, the same misalignments compound more quickly and become harder to recover from.

This is one of the defining challenges of modern execution.

Organisations are being asked to operate at a speed that their structures, governance models, and leadership practices were not originally designed to support. As a result, many find themselves caught between the need to move quickly and the need to remain coherent.

Too often, speed wins.

This is reinforced by the way success is framed. Rapid delivery, visible progress, and constant activity are all seen as positive signals. Slowing down to clarify priorities, resolve misalignment, or challenge assumptions can feel counterintuitive, particularly in high-pressure environments.

Yet it is precisely this discipline that becomes more important as speed increases. Without it, organisations begin to substitute motion for progress.

More initiatives are launched.

More decisions are taken.

More updates are shared.

But the connection between effort and outcome becomes increasingly fragile.

This is not a theoretical concern. It is visible in organisations that appear to be moving quickly but struggle to translate that movement into sustained performance. It is reflected in initiatives that deliver partial results, in teams that remain busy but disconnected, and in leadership groups that spend more time coordinating activity than shaping direction.

The issue is not speed itself. Speed, when combined with clarity, alignment, and disciplined execution, can be a genuine advantage. It allows organisations to respond to change, capture opportunity, and maintain momentum in uncertain conditions.

The issue is speed without coherence. In that scenario, acceleration does not create advantage. It magnifies inconsistency.

The organisations that perform well in this environment are not those that simply move faster than their competitors. They are those that can maintain alignment while doing so. They are able to make decisions quickly without fragmenting, to execute at pace without losing direction, and to adapt without constantly resetting. That capability does not emerge by accident. It is built through deliberate attention to how planning, alignment, communication, and execution work together.

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Speed multiplies whatever system you have.

If the system is misaligned, speed accelerates failure.





Section 4 — PACE: Four-Lever Diagnostic Model for Closing the Execution Gap

The execution gap does not exist because organisations lack effort, intent, or even capability. It exists because the elements required to translate strategy into consistent action are not working together in a coherent way.

PACE is a practical model for diagnosing and addressing that problem.

It focuses on four interdependent levers:

- Planning
- Alignment
- Communication
- Execution

Each of these exists in every organisation. Each is typically managed in isolation. The issue is not their presence, but their lack of integration.

PACE is designed to bring them together into a single, coherent system.

At the centre of that system sits one defining element:



The One Magnificent Goal (OMG).

All four levers of PACE are deliberately built around this goal. Without it, the model becomes a set of disconnected activities. With it, it becomes a mechanism for creating focus, alignment, and momentum across the organisation.



P — Planning (Clarity vs Drift)

Planning is often treated as a formal exercise, completed at defined points in the year and captured in strategy documents. In practice, its effectiveness is determined by the clarity it creates and the decisions it enables. Planning fails when it produces activity without direction. This is where the One Magnificent Goal becomes critical. An effective OMG is not simply a statement of intent. It provides a clear, shared reference point that guides decision-making at every level of the organisation. It allows teams to understand not only what needs to be achieved, but why it matters.

The most effective goals tend to share a small number of characteristics. They are sufficiently clear that they require little explanation, ambitious enough to stretch the organisation beyond its current comfort zone, compelling enough to sustain momentum over time, and consistent with the organisation's core purpose.

Historical examples illustrate this well. The commitment to land a man on the moon within a defined timeframe provided a clear and unifying objective that shaped decisions across multiple organisations. More commercially, goals such as building the capability to deliver any book to a customer within seconds, or overtaking a dominant competitor, created similar clarity and focus within their respective contexts.

These examples are not important in themselves. What matters is the effect they create. A well-defined OMG reduces ambiguity. It forces prioritisation. It provides a consistent reference point against which progress can be assessed. Without that clarity, planning tends to become an exercise in coordination rather than direction. Multiple priorities coexist, trade-offs are avoided, and progress becomes harder to measure in meaningful terms.

Translating a goal into action requires a level of practical detail that is often underestimated. Breaking the overall ambition into smaller, visible steps allows progress to be tracked and momentum to be maintained. These steps, sometimes described as incremental building blocks, provide a way of connecting long-term intent with day-to-day activity.

Planning also requires honest consideration of what must change for the goal to be achieved. This includes understanding the gap between the current state and the desired outcome, identifying the capabilities required, and being explicit about the resources and trade-offs involved. It also requires acknowledging where the plan is most likely to fail, and putting in place the mechanisms to detect and address those risks early.

Without this level of clarity, planning creates motion but not momentum.

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A strategy without an OMG is a slide deck.

An OMG without a plan is a poster.

Only the two together create momentum.



A — Alignment (The Leadership Fault Line)

If planning defines direction, alignment determines whether the organisation moves in that direction together.

Alignment is often assumed once a strategy has been agreed. In reality, it must be actively constructed and maintained. At its core, alignment is about shared understanding of why the organisation is doing what it is doing. That understanding must be consistent, even as it is expressed differently across roles, functions, and levels of the organisation.

The One Magnificent Goal provides the anchor for this. It creates a common reference point that allows different parts of the organisation to make decisions in a way that reinforces, rather than fragments, overall direction. Achieving this requires more than communication. It requires deliberate choices about what work is prioritised, how resources are allocated, and how success is measured.

One of the most effective ways to strengthen alignment is to remove activity that does not support the central goal. In many organisations, a significant proportion of effort is directed towards initiatives that are well-intentioned but disconnected from core priorities. Over time, this dilutes focus and reduces overall effectiveness.

Alignment is also shaped by incentives. If different parts of the organisation are rewarded for achieving different outcomes, alignment will not hold, regardless of how clearly the strategy is communicated. Ensuring that incentives reflect the central goal is therefore a critical part of maintaining coherence.

Organisational structure plays a similar role. Teams that are designed around functional efficiency may struggle to support cross-cutting objectives. In contrast, structures that reflect the organisation's primary goal are more likely to enable consistent decision-making.

Decision-making authority is another important consideration. Pushing decisions closer to where work is done can increase speed and responsiveness, but only if there is sufficient clarity for those decisions to be made consistently. This requires a balance between empowerment and accountability, where authority is distributed but responsibility remains visible.

Alignment, in this sense, is not a static state. It is the outcome of a series of deliberate choices that ensure the organisation is consistently oriented around a shared purpose.

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Alignment exists when every part of the organisation can explain “why” in a way that is consistent, connected, and recognisable to the customer.



C — Communication (False Clarity vs Lived Reality)

Communication is often treated as a supporting activity, focused on sharing information and reinforcing messages. In practice, it plays a central role in determining whether alignment is maintained as work moves through the organisation.

The challenge is not the volume of communication. Most organisations communicate extensively, using a wide range of tools and channels. The challenge is whether that communication creates a shared understanding that influences behaviour.

A simple way to think about this is through three stages: informing, inspiring, and involving.

Informing ensures that people understand the direction of the organisation and the priorities that have been set. Inspiring connects those priorities to a broader sense of purpose, helping individuals to see why their contribution matters. Involving creates a sense of ownership, encouraging people to actively participate in delivering the outcome rather than simply responding to instruction.

All three are necessary. Information without inspiration can feel mechanical. Inspiration without involvement can feel distant. Involvement without clarity can lead to inconsistency.

Modern communication environments add an additional layer of complexity. With the widespread use of collaboration platforms, asynchronous updates, and AI-generated summaries, information flows continuously. While this increases access to information, it does not guarantee understanding.

In many cases, it has the opposite effect. Key messages are diluted as they pass through multiple channels, and different interpretations emerge across teams.

Effective communication therefore requires discipline. Messages need to be clear, consistent, and repeated in ways that reinforce understanding over time. Feedback loops are essential, allowing leaders to test whether messages have been understood as intended and to correct misalignment where it appears.

Without this discipline, communication creates the appearance of clarity without delivering it.

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Communication is not what is said.
It is what is understood and acted upon.



E — Execution (Reality vs Reporting)

Execution is where intent is tested against reality. It is also where the execution gap becomes most visible.

In many organisations, execution is assessed through reporting structures that focus on activity, milestones, and status updates. While these provide useful information, they do not always reflect the underlying health of delivery.

Execution should be understood in terms of outcomes, not activity. It is not defined by whether work has been completed, but by whether it has achieved the intended result.

When execution is effective, progress is visible, issues are identified early, and corrective action is taken quickly. When it is not, problems are often explained rather than resolved, and reporting can create a sense of reassurance that is not fully aligned with reality.

A practical way to strengthen execution is to focus on accountability in a constructive and forward-looking way. When targets are missed, the most useful conversations are those that focus on immediate recovery, personal contribution, and future improvement.

Asking what can be done now to get back on track encourages action. Reflecting on how individuals or teams contributed to the situation builds ownership. Considering what can be done differently in the future supports learning.

This approach avoids blame while maintaining accountability, which is essential for sustained performance.

Execution is also where the organisation's connection to the customer becomes most important. Internal measures of success can diverge from external experience, particularly in complex environments. Using customer outcomes as a reference point provides a more grounded view of performance and helps to ensure that delivery remains aligned with expectations.

Ultimately, execution is not a single stage in a process. It is the continuous translation of intent into action.

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Execution does not fail at the end.
It fails quietly, early, and repeatedly.



Section 5 — The Cost of Getting This Wrong

The execution gap is often discussed as an operational issue. In practice, its impact is far wider and more immediate. It affects how organisations invest, how they grow, how they are perceived by customers, and how effectively they use the resources available to them. In the current environment, those effects are becoming more pronounced.

Across the UK, organisations are operating under increasing financial pressure. Cost bases remain elevated, investment decisions are more closely scrutinised, and the margin for error is narrower than it has been for some time. In this context, the ability to execute effectively is no longer a differentiator. It is a requirement. Recent insights from organisations such as PwC and Make UK indicate that a significant proportion of businesses are reassessing or delaying investment decisions in response to cost pressures and uncertainty around delivery. While external factors play a role, execution risk is an increasingly important part of that equation.

When organisations lack confidence in their ability to translate strategy into outcomes, they become more cautious. Initiatives are delayed, scope is reduced, and ambition is tempered. Over time, this creates a drag on growth that is not always visible in headline metrics, but is felt in missed opportunities and slower progress.

The economic cost of this is substantial. Research from the Chartered Management Institute continues to highlight the impact of management and leadership effectiveness on organisational performance, with poor management practices estimated to cost the UK economy tens of billions of pounds each year. While this figure reflects a range of factors, the inability to align and execute effectively is a consistent theme. At an organisational level, the impact becomes more tangible when viewed through delivery outcomes.

In most organisations, a proportion of strategic initiatives will under-deliver against their intended objectives. While this varies by sector and maturity, a reasonable working assumption is that between **5–15% of strategic value is not realised** due to misalignment, unclear ownership, or ineffective execution.

Similarly, programme spend is rarely fully efficient. Fragmented priorities, duplicated effort, and rework can result in **10–20% of delivery investment being diluted**, particularly in complex, multi-function environments.



These ranges are not precise forecasts. They are indicative of a consistent pattern: the gap between intent and outcome has a measurable financial impact. The implications extend beyond cost.

Findings from the National Audit Office repeatedly show that major programmes can fall short of their objectives due to issues that are both predictable and preventable, including weak planning, fragmented accountability, and insufficient oversight. These patterns are not confined to the public sector. They are widely recognisable in private organisations as well.

The impact is also experienced directly by customers.

Promises are made but not consistently delivered. Service levels fluctuate. Communication becomes less reliable. In competitive markets, these experiences influence perception quickly and can be difficult to recover from. This creates a disconnect between how organisations view their own performance and how they are experienced externally. Internally, metrics may suggest that progress is being made. Externally, customers may see inconsistency, delay, or reduced value.

Over time, this gap erodes trust. It also affects the organisation itself.

Sustained misalignment and inconsistent execution create pressure within teams. Individuals are asked to deliver against objectives that may not be fully aligned or clearly defined. Effort increases, but results do not always follow. This can lead to frustration, reduced engagement, and a gradual loss of confidence in both the strategy and the organisation's ability to deliver it.

In this sense, the execution gap is not just a performance issue. It is an energy issue.

Importantly, these effects do not appear suddenly. They build over time.

Small gaps between intent and delivery accumulate.

Inconsistencies in decision-making begin to compound.

Confidence remains high internally, even as outcomes start to drift.

By the time the issue is fully recognised, it is often well established.

This is why execution failure is so costly.

It is not simply that organisations do not achieve what they set out to do. It is that they continue to invest in approaches that are not delivering, while the opportunity to correct course becomes progressively more constrained.

In a slower, more stable environment, these issues can sometimes be absorbed. In the current environment, they are amplified.

The organisations that perform well are those that recognise this early and address it directly. They understand that execution is not a secondary concern, but a central determinant of performance.

Those that do not tend to experience a gradual but persistent erosion of effectiveness.

Oak Insight

Customers feel execution failure long before the board sees it in the numbers.



Section 6 — Fixing the Execution Gap

The execution gap is not closed by working harder, introducing new tools, or launching additional initiatives. In many cases, those responses make the problem worse by increasing activity without improving coherence. Closing the gap requires a different approach. It requires organisations to simplify, to focus, and to apply discipline to how decisions are made and how work is coordinated.

At its core, this starts with clarity. Most organisations operate with multiple priorities, each of which is valid in isolation but difficult to reconcile in practice. Over time, this creates ambiguity, as different parts of the organisation interpret those priorities in ways that reflect their own objectives and constraints.

The first step in addressing this is to re-anchor the organisation around a single, meaningful goal. The One Magnificent Goal provides that reference. It defines what matters most and creates the conditions for alignment, communication, and execution to work together effectively. Once that clarity is established, the focus shifts to how the organisation operates.

A consistent governance cadence is one of the most effective ways to improve execution. A simple cycle of reviewing progress, making decisions, and assigning clear ownership creates a rhythm that reinforces accountability and keeps the organisation focused on outcomes rather than activity.

Clarity of decision-making is equally important. In many organisations, decisions are either escalated unnecessarily or made in isolation without sufficient context. Both patterns create inefficiency and inconsistency. Defining decision rights clearly allows decisions to be made closer to where work is happening while maintaining overall coherence.

This balance between empowerment and accountability is critical. People need the authority to act, but they also need a clear understanding of the boundaries within which those decisions should be made.

Alignment of incentives is another key factor. If different parts of the organisation are rewarded for achieving different outcomes, the system will not behave coherently, regardless of how clearly the strategy is communicated. Aligning incentives to the central goal ensures that effort is directed consistently and reduces the likelihood of conflicting priorities emerging over time. The final element is the use of customer reality as a reference point.

Internal measures of performance can become disconnected from external experience, particularly in complex organisations. Anchoring performance discussions in how the organisation is experienced by its customers provides a more grounded view of whether execution is effective.

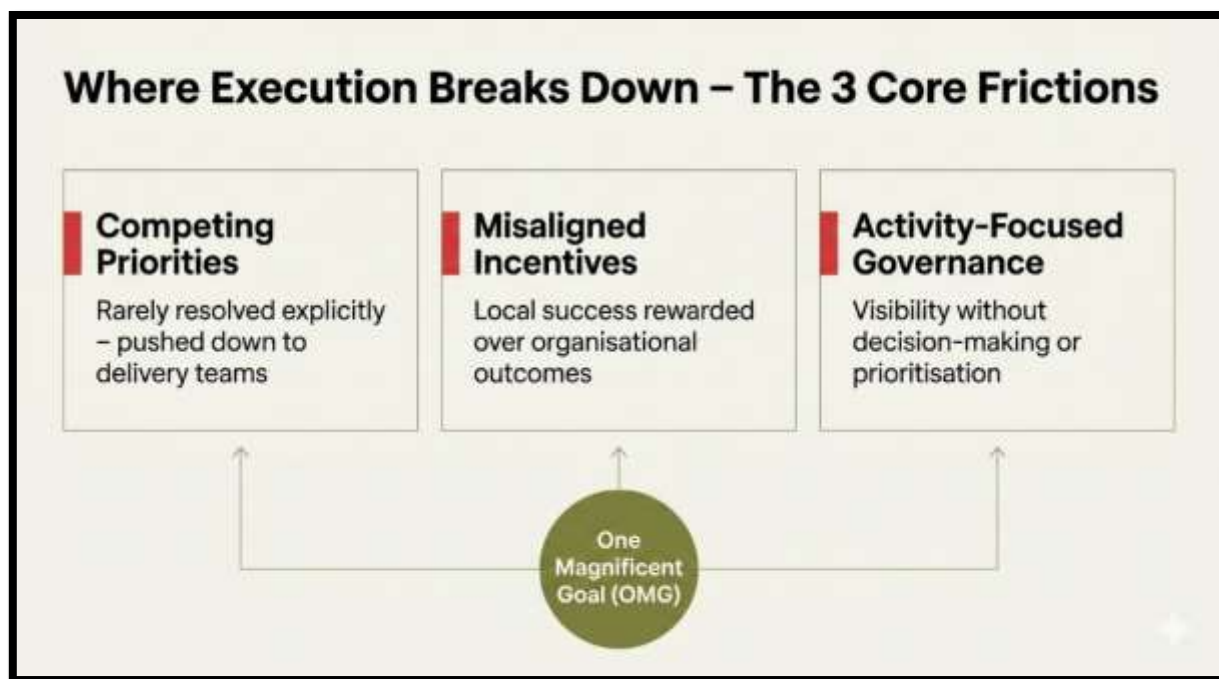
This does not replace internal metrics, but it provides a necessary counterbalance. It ensures that success is defined not only by what is reported internally, but by what is recognised externally.

Where This Breaks Down

In practice, organisations encounter a small number of consistent barriers. Competing priorities are rarely resolved explicitly. Instead, they coexist, creating tension that is pushed into delivery teams to manage. Incentives often reward local success over organisational outcomes, which encourages behaviour that makes sense in isolation but undermines overall performance.

Governance structures tend to focus on reporting activity rather than driving decisions, which creates visibility without necessarily improving outcomes. These are not structural anomalies. They are embedded behaviours that persist unless they are deliberately addressed.

The three embedded frictions that silently widen the execution gap – all resolved by anchoring every decision to the One Magnificent Goal.



Operating Under Pressure

The importance of execution discipline increases as conditions become more demanding.

In stable environments, misalignment can remain partially contained. Organisations continue to function, and performance gaps may not be immediately visible. As the pace of change increases, those same gaps become more pronounced.

Decisions are made more frequently, priorities shift more rapidly, and the consequences of inconsistency appear sooner. What was previously manageable becomes disruptive. Under sustained pressure, such as cost constraint or delivery failure at scale, the impact becomes more strategic.

Investment decisions are delayed or reduced. Confidence in delivery weakens. Leadership focus shifts from growth to control. At this point, execution is no longer an operational concern. It becomes a limiting factor on strategic ambition. Across all conditions, one pattern holds. The greater the speed and uncertainty, the more valuable coherent execution becomes.

Common Objections (and What Sits Behind Them)

“This won’t work in our sector”

In many cases, complexity is being used to explain why alignment is difficult, rather than to address it directly.

“We already have governance in place”

Governance structures often exist, but do not consistently drive decision-making or prioritisation.

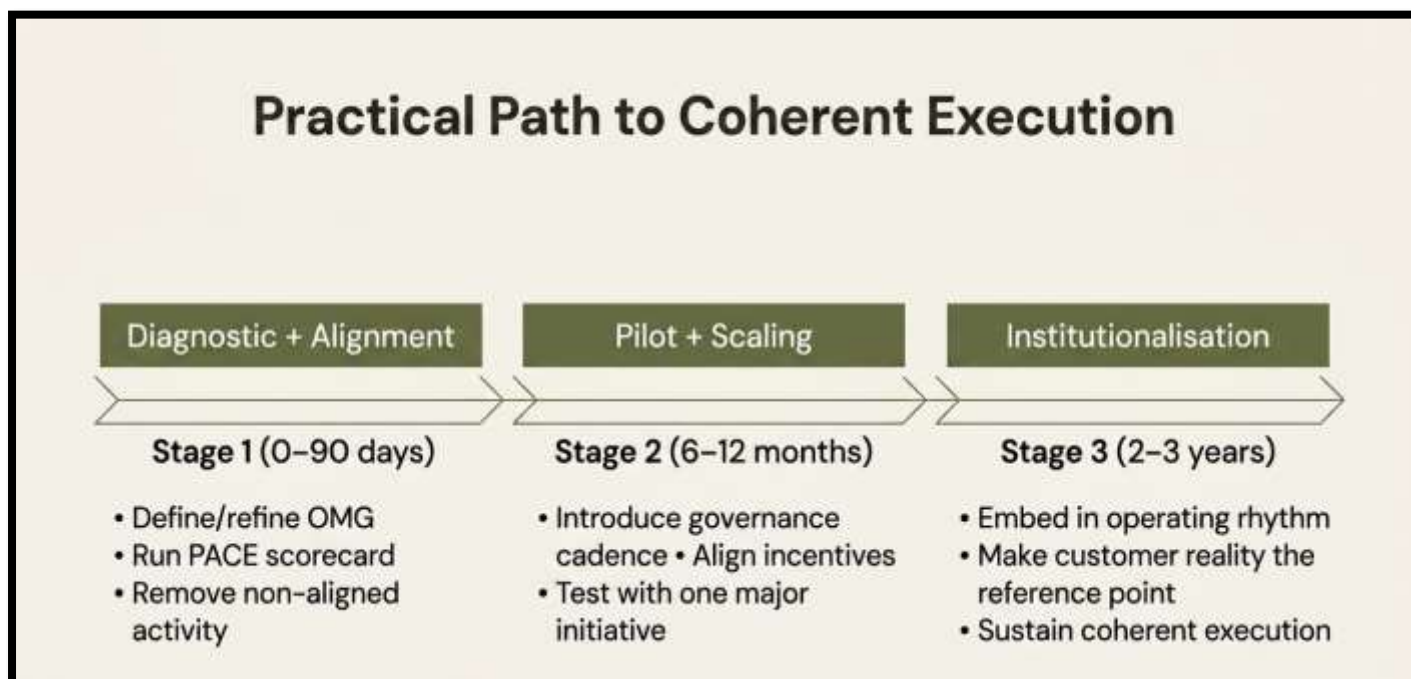
“We don’t have time to simplify this”

Complexity is being maintained because it is familiar, even when it reduces effectiveness.

Practical Starting Moves

Improvement does not require large-scale transformation. It requires a small number of deliberate actions applied consistently. Start by defining or refining a single, meaningful goal that provides clarity across the organisation. Stop or pause at least one initiative that does not directly support that goal.

Introduce a simple governance rhythm that focuses on reviewing progress, making decisions, and assigning ownership. Align at least one key measure or incentive to reinforce the central objective. These actions are straightforward, but they require discipline and consistency over time.



Practical three-stage path to coherent execution – from clarity to institutionalisation.

Oak Insight

This is not transformation theatre.

It is operational discipline.



Section 7 — A Practical Starting Point

Understanding the execution gap is useful. Closing it requires a clear starting point. The purpose of this diagnostic is not to provide a comprehensive assessment. It is to offer a simple way for leadership teams to test whether the conditions for effective execution are in place. It can be completed quickly, but the value lies in the conversation it creates.

Step 1 — Ask the Right Questions

Consider the following questions as a leadership team. Answer independently before comparing answers.

Planning

- Do we have a single, clearly defined One Magnificent Goal that genuinely drives our priorities?
- Can each member of the team describe that goal in the same way, without reference to a document?

Alignment

- If we ask “why” at different levels of the organisation, do we hear a consistent answer that reflects our core objective?
- Are our incentives, resource allocation, and priorities all aligned to that goal?

Communication

- Is our strategic direction understood in a way that leads to consistent action across teams?
- Do we actively test whether key messages are being interpreted as intended?

Execution

- Do our measures of performance reflect outcomes or simply activity?
- When delivery falls short, do we focus on recovery, ownership, and learning rather than explanation?

Step 2 — Score Honestly

Example PACE Diagnostic Scorecard

For each question, assign a simple rating:

- **Green** — Clear, consistent, and working well
- **Amber** — Partially in place, but inconsistent
- **Red** — Unclear, misaligned, or not in place

Avoid over-analysis. The aim is to reflect reality, not aspiration.

PACE Diagnostic – Leadership Team Scorecard						
Planning	Alignment	Communication	Execution	Green	Amber	Red
• Do we have a single, clearly defined One Magnificent Goal...?	• If we ask “why” at different levels...?	• Is our strategic direction understood...?	• Do our measures of performance reflect outcomes...?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
• Can each member of the leadership team describe that goal...?	• Are our incentives, resource allocation, and priorities...?	• Do we actively test whether key messages...?	• When delivery falls short, do we focus on...?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Step 3 — Identify the Pattern

Look for patterns across the four areas.

- Multiple red or amber scores in Planning and Alignment typically indicate a lack of clarity at the centre.
- Issues in Communication often reflect deeper problems in Planning or Alignment rather than isolated messaging challenges.
- Weaknesses in Execution are frequently the result of upstream misalignment rather than delivery capability alone.

The purpose of this step is not to diagnose every issue, but to identify where attention is most needed.

Step 4 — Take One Immediate Action

Select one area to address first.

This should not be the most complex issue. It should be the one that will create the greatest improvement in coherence.

In many cases, this will involve:

- clarifying or refining the central goal
- removing or pausing activity that does not support it
- aligning incentives or measures more closely to that goal
- introducing a more consistent governance rhythm

The objective is to create visible movement, not to design a complete solution.

Step 5 — Repeat and Reinforce

Execution improves through repetition and consistency.

Revisit the diagnostic regularly.

Track changes over time.

Use it as a basis for structured leadership conversations.

Over time, this creates a shared understanding of what good execution looks like and how it is maintained.

Oak Insight

If something feels off, but the numbers look fine, you may have an execution gap.



Conclusion — From Motion to Meaning

Most organisations do not lack ambition, capability, or intent. They invest in strategy, build plans, and generate a steady flow of activity, yet still struggle to translate that effort into consistent outcomes. The issue is not effort. It is coherence. The execution gap emerges not from a single failure, but from a pattern of small misalignments between what an organisation intends to achieve and how it actually operates. Those misalignments are often subtle at first, but they accumulate over time, gradually widening the distance between strategy and delivery.

In more stable environments, this gap can remain partially hidden. Performance appears acceptable, progress continues, and the underlying issues are absorbed into the day-to-day running of the organisation. In the current environment, shaped by speed, uncertainty, and constant change, those same issues become more visible and more costly.

Execution has therefore moved from being an operational concern to a central determinant of organisational performance. Organisations that perform well in this context are not distinguished by the sophistication of their strategies or the volume of their activity. They are distinguished by their ability to translate intent into coordinated, consistent action. They align around a clear objective, make decisions against shared priorities, and deliver outcomes that are recognised externally as well as internally. This is not achieved through complexity. It is achieved through discipline.

The PACE model brings together the core elements required to close the execution gap and aligns them around a single, meaningful objective. Planning provides clarity about what needs to be achieved, Alignment ensures that effort is directed consistently, Communication builds shared understanding, and Execution turns intent into observable outcomes.

When these elements operate together, the gap between intent and delivery begins to narrow. When they operate independently, it tends to widen. At the centre of this is a question that is often overlooked but rarely unimportant: what is the one goal that matters most? Without a clear answer, organisations default to activity and coordination, which can create the appearance of progress without necessarily improving outcomes. With a clear and compelling goal, they create the conditions for focus, consistency, and sustained performance.

Organisations that succeed in closing the execution gap do not rely on large-scale transformation or constant reinvention. They make a small number of deliberate choices, and they apply them consistently over time. They simplify where others add complexity, they prioritise where others accumulate, and they maintain clarity in situations where ambiguity would be easier. In doing so, they shift from a model of activity to a model of effectiveness, where effort is more directly connected to outcome and where progress is both visible and meaningful.

Appendix — Section References

Section 1 — The Execution Gap

Source	Title	Date	Relevance
National Audit Office	Delivering value from government investment in major projects	23 Feb 2024	Evidence of programme delivery challenges linked to governance, planning, and accountability
OECD	OECD Insights on Productivity: United Kingdom	2026	Links management capability and organisational effectiveness to productivity outcomes
OECD	Management, Skills and Productivity	2021	Supporting evidence on role of management quality in performance

Section 2 — The Illusion of Alignment

Source	Title	Date	Relevance
Chartered Management Institute	Management and UK 2030	2024	Highlights leadership capability, alignment, and execution gaps
Institute of Directors	Governance Resources (Resource Hub)	Ongoing	Board-level governance and execution alignment guidance

Section 3 — Speed Is Making It Worse

Source	Title	Date	Relevance
World Economic Forum	Future of Jobs Report 2025	2025	Evidence of accelerating change across skills, technology, and economy
Bank of England	Financial Stability Report (December 2025)	Dec 2025	Evidence of economic volatility and operational pressure on organisations

Section 4 — PACE: Your Four-Lever Diagnostic Model

Source	Title	Date	Relevance
National Audit Office	Delivering value from government investment in major projects	2024	Supports planning, governance, and execution challenges
Chartered Management Institute	Management and UK 2030	2024	Leadership and execution capability gaps
Institute of Directors	Governance Resources (Resource Hub)	Ongoing	Board-level execution alignment responsibilities

Section 5 — The Cost of Getting This Wrong

Source	Title	Date	Relevance
PwC	UK CEO Survey	2026	Evidence of investment caution and execution risk
Make UK	Manufacturing Outlook 2025 Q2	June 2025	Evidence of reduced investment and industry pressure
Make UK / PwC	Executive Survey 2025	Jan 2025	Reinforces economic pressure and execution uncertainty
National Audit Office	Governance and decision-making on mega-projects	March 2025	Evidence of structural delivery failure patterns

Section 6 — Fixing the Execution Gap

Source	Title	Date	Relevance
National Audit Office	Governance and decision-making on mega-projects	2025	Highlights governance and accountability importance
Institute of Directors	Governance Resources (Resource Hub)	Ongoing	Board-level responsibility for execution clarity

Section 7 — A Practical Starting Point

Source	Title	Date	Relevance
Chartered Management Institute	Management and UK 2030	2024	Supports importance of leadership clarity and alignment
National Audit Office	Delivering value from government investment in major projects	2024	Reinforces governance and execution discipline