



# THE STATE OF **STRATEGY EXECUTION** IN 2025

How Today's Successful Organizations Are Closing the Gap Between Vision and Results — and What Sets the High Performing Organizations Apart

## EXECUTIVE SUMMARY

Many organizations excel at devising bold strategies but struggle with their execution. New research from Inspire's Strategy Assessment—collected from leaders across diverse industries, company sizes, and regions around the world—explores four key pillars that influence execution readiness:

- **AI-Assisted Strategy**
- **Performance Management**
- **Performance Measurement**
- **Data Visualization & Integration**

*\*Original Research from Inspire Software*

[www.inspiresoftware.com](http://www.inspiresoftware.com)

## KEY FINDINGS IN THE INSPIRE STRATEGY ASSESSMENT

- **Only 32%** of organizations feel confident executing strategy at scale.
- Over **58%** aren't satisfied with executing their strategy.
- Less than **25%** trust their AI tools or dashboards to guide real-time decisions.

The financial impact of poor execution is a tangible business challenge, not just a theoretical concern. This research reveals opportunities **to close the gap between setting a winning strategy and executing it effectively.**

Organizations that adopt modern digital tools, leverage meaningful data resources, and cultivate a high-performing people culture that aligns with the strategy are likely to achieve excellent business results.

# The Real Cost of Execution Gaps

**“Only 33% of organizations believe they are ready to execute their strategy effectively.”**

In today’s market, moderate strategy execution capability poses a serious competitive risk. Companies that lack the confidence and tools to execute their business strategy effectively are likely to face disengaged teams and employees, missed targets, and stalled growth.

## The Inspire Strategy Assessment Methodology

Our Strategy Assessment measures execution readiness across four foundational pillars using a validated diagnostic framework.

### Inspire Strategy Assessment Criteria

- 12 questions, each mapped to one of four critical execution pillars.
- 6-point scale: No Confidence/Effectiveness (1) to Extreme Confidence/Effectiveness (6).
- Respondent sample: Executives, managers, and strategy leaders across sectors.



### How Strategy Scoring Works

Respondents rated each question on a **6-point scale**, ranging from **1 = “No Confidence or Effectiveness”** to **6 = “Extreme Confidence or Effectiveness.”**

Each question is mapped to one of four execution pillars.

Organizations are placed into **Readiness Bands** according to each pillar of execution:

- **Low Readiness:** Average score of 1–2.9
- **Moderate Readiness:** 3–4.4
- **High Readiness:** 4.5–6.0

TOP FINDINGS FROM INSPIRE'S STRATEGY ASSESSMENT

**PERFORMANCE REVIEWS**

**81%** of business leaders **DONT FEEL EFFECTIVE** integrating AI-enhanced performance review data into their strategy execution process



**83%** **DONT FEEL CONFIDENT** in the effectiveness of their employee performance reviews



**84%** **DONT FEEL CONFIDENT** their performance management software can produce real-time meaningful data that reflects the state of their strategy



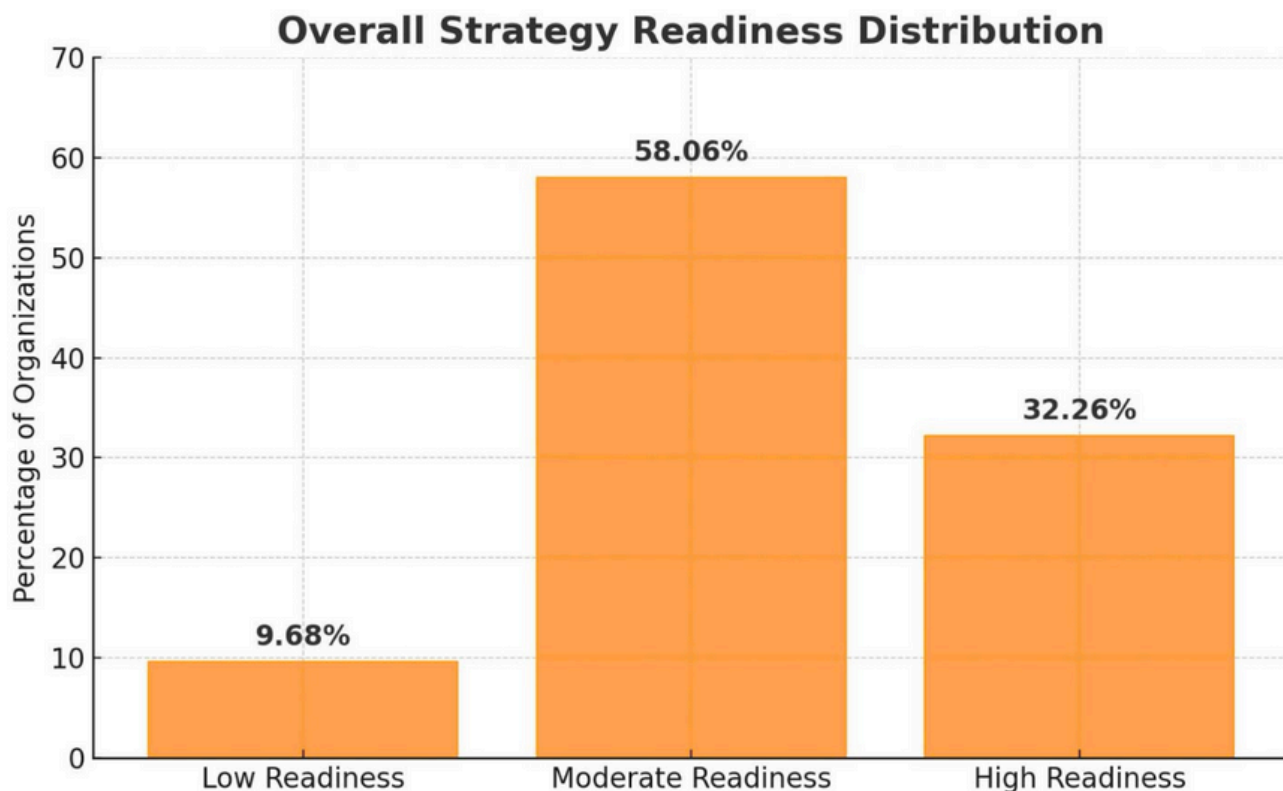
**71%** **DONT FEEL CONFIDENT** in the dashboards they use to track strategic performance metrics to support their decision-making process



INSPIRE SOFTWARE STRATEGY ASSESSMENT AS OF OCTOBER 2024

# Where Organizations Stand

Here's how companies that took our survey stack up today.



- Low Readiness: 9.68%
- Moderate Readiness: 58.06%
- High Readiness: 32.26%

## The Cost of Low to Moderate Strategy Readiness

Without a solid strategic execution plan, your organization may face significant business risks, including disengaged teams and employees, unreliable business data sources, missed targets, and an inability to adapt its strategy when the market shifts.

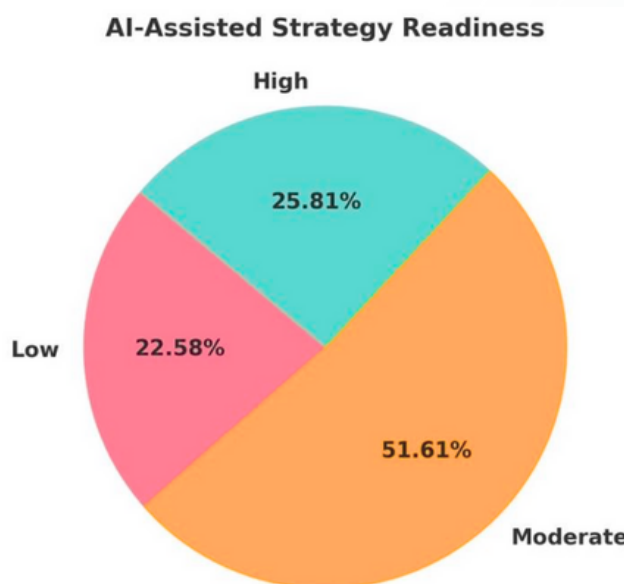
# The Four Pillars of Strategy Execution

Our research identifies four key pillars that determine whether a strategy transitions from idea to effective action:

## 1. AI-Assisted Strategy

Modern execution demands modern tools. **AI offers a way to align, adapt, and accelerate strategy**—if used effectively within an ecosystem of business best practices.

**Definition of AI-Assisted Strategy:** Leveraging AI to generate, cascade, and align OKRs across the organization.



Nearly **74% (low to moderate)** of respondents lack high confidence in using AI to help them set and execute strategies.

### What This Means:

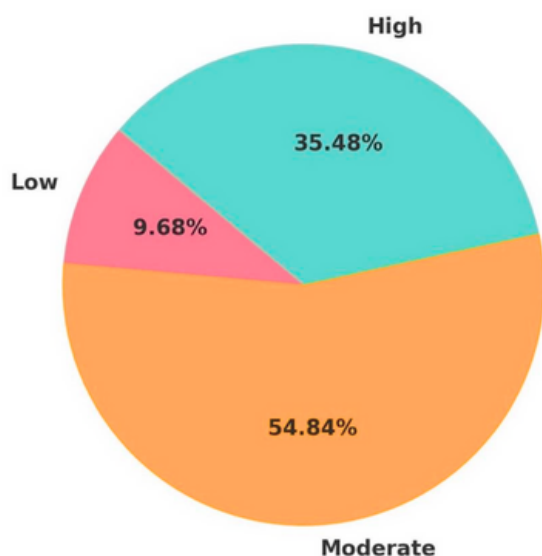
Many organizations do not utilize AI for strategy development and alignment, which can limit their ability to respond to market changes and result in stagnant strategies. Modern organizations can benefit from using AI to analyze business data, which facilitates the creation, refinement, and implementation of strategy on a daily basis.

## 2. Performance Management

**Strategy is executed through people.** That’s why organizations need to connect their strategy with performance systems to align and motivate the people implementing the strategy.

**Definition of Performance Management:** The systems, conversations, and reviews that link **people strategy** to the **business strategy**.

**Performance Management Readiness**



Over **60%** of those surveyed **DO NOT** have high confidence that their Performance Management is aligned with the organizational strategy.

### What This Means:

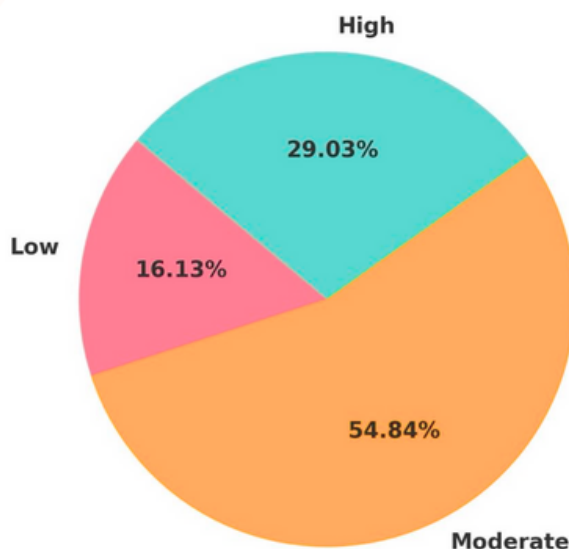
Traditional performance reviews often fail to support strategic objectives. Leading organizations are transitioning from isolated performance assessments to integrated systems that turn strategy into action by aligning goals while developing people competencies through continuous team and 1:1 conversations, feedback, and recognition (CFRs).

### 3. Performance Measurement

You can't improve what you don't measure—and you can't lead with data that only lags.

**Definition of Performance Measurement:** The combination of people performance data with business metrics, dashboards, and scorecards to measure strategic progress.

**Performance Measurement Readiness**



Less than **30%** of those surveyed believe their software produces meaningful, real-time performance data related to strategy execution with high confidence.

**What This Means:**

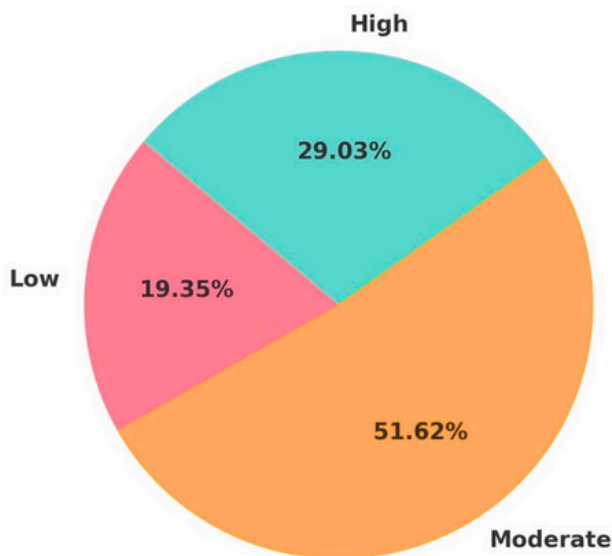
Outdated metrics result in missed opportunities. Real-time performance data creates transparency and empowers leaders to course-correct before problems scale.

## 4. Data Visualization & Integration

When data lives in silos, strategy stalls; integrated dashboards can power faster decisions and coordinated action.

**Definition of Data Visualization & Integration:** Bringing together people and business data visualization into day-to-day workflows.

**Data Visualization & Integration Readiness**



Only **29%** have high confidence in their dashboards for making strategic decisions.

### What This Means:

Disconnected data hampers business decision-making. Real-time, integrated dashboards are crucial for accountability, clarity, and the flexibility to adjust strategy when needed.

# What Sets High-Performing Strategy Organizations Apart?

Top organizations don't just plan—they adapt, align, and act in real time.

## High vs. Moderate/Low Organizations Across All Pillars

Category	High Performers (%)	Moderate/Low (%)
AI-Assisted Strategy	25.8	74.2
Performance Management	35.5	64.5
Performance Measurement	29.0	71.0
Visualization/Integration	20.0	80.0

### Key Takeaway

**High-performing organizations are 2–3 times more likely** to utilize AI, aligned performance management, and integrated dashboards to achieve strategic agility.

# Closing the Strategy Gap

No matter where you are on the strategy readiness curve, Inspire Software offers guidance to help you move up on the curve.

## For Low Scores

- Start with foundational AI tools.
- Implement frequent, short performance check-ins—don't wait for annual reviews.
- Build simple scoreboards with basic, visible metrics that include real-time performance data.
- Introduce easy-to-use dashboards.
- Execute Strategy through an integrated performance and goal-setting platform
- Consider working with a strategy consultant or coach to help you start setting your strategy.

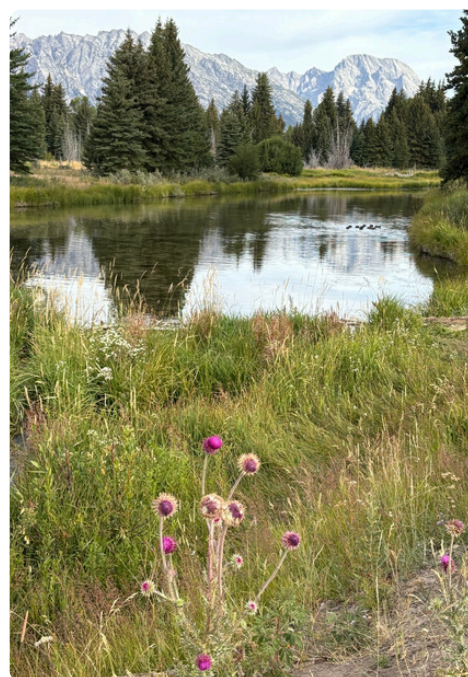
## For Moderate Scores

- Progress from check-ins to ongoing performance management practices such as regular one-on-one and team meetings that emphasize disciplined strategy execution.
- Integrate AI-driven insights into weekly/quarterly strategy reviews.
- Integrate AI-enabled weekly team and 1:1 conversations.
- Train managers on how to link performance feedback and recognition to goals.
- Merge data sources to create Strategy and Performance Narratives that provide qualitative insights, informing leaders on the people elements of strategy execution.

- Consider working with a strategy coach who can assist you in setting effective goals (OKRs) and aligning them throughout the organization.

## For High Scores

- Future-proof by testing new AI capabilities (e.g., predictive analytics).
- Invest in manager coaching for more engaged strategy execution.
- Use dashboards for cross-functional, real-time strategy updates.
- Create feedback loops from data insights to frontline actions.
- Partner with a Business Coach who links your strategy to performance and leadership best practices to implement effectively and generate meaningful data for critical insights.



## Real World Implications

Strategy readiness isn't just a score—it's a signal of future success. These actions distinguish strong organizations from those that are stalled.

- 1. Ensure you have reliable data that combines “cold” business numbers with “warm” people metrics, providing deeper insights into your business’s bottom line.**
2. Make strategy readiness a core metric for leadership evaluation throughout the entire organization.
3. Combine “warm” data, using Inspire’s strategy and performance narratives, with “cold” data that displays your profit and loss metrics to gain more meaningful insights into how effectively your strategic execution is working.

## Don't Leave Strategy to Chance

Your competitors aren't waiting to improve their strategic execution! Are you ready to start executing strategy more effectively to drive better business results?

- ▶ [\[Take the Strategy Assessment\]](#)
- ▶ [\[Book a Strategy Coaching Session\]](#)
- ▶ [\[Request a Personalized Demo\]](#)

