

Workforce Engagement In Strategy Execution

Our Perspective

Everyone agrees business success ultimately depends on *execution*. Jim Collins, Larry Bossidy and Ram Charan, and Jack Welch among others have all written about the ability to consistently execute being the ultimate factor in business performance.

They agree that an essential determinant of execution is having the right people "on the bus" (see Collinsⁱ), focusing them on key priorities, and coaching them to enhance their performance (see Bossidy and Charanⁱⁱ). Coaching is simply a method to ensure that talented people step back and learn from their experience.

Everyone agrees that execution is *the game*. Most are stymied by how to keep people focused and learning from their experience on a consistent, real time basis so they can execute well.

In short, the speed, flexibility and adaptability to change that 42%¹ of CEOs see as critical to their success is at hand.

Until recently, even the most committed, focused executives would find it challenging to shift the focus and energy of their people in less than 12 – 18 months. In fact, not that long ago it was accepted that it required 5 years of hard work to fully change an organization's culture. These time frames are simply too long for a business to survive in today's tumultuous environment.

Fortunately, a combination of a few leadership behaviors and the use of technology can allow an organization to shift or enhance the focus of its people while increasing motivation. In short, the speed, flexibility and adaptability to change that 42%ⁱⁱⁱ of CEOs see as critical to their success is at hand. The practice of key leadership behaviors and employing affordable technology can engage all of an organization's employees in the execution of its strategy. As importantly, it can shift employees' focus and energies in response to change in a matter of months not years.

Objectives

The objectives of our approach to workforce engagement are to increase:

1. Alignment of employees at all levels with the same strategic objectives and the tactical execution to achieve them.
2. Focus on, and motivation to achieve strategic objectives
3. Velocity of decision-making and implementation in response to emerging challenges and opportunities
4. Leaders' capacity to personally coach large numbers of employees
5. Two-way communication until it is embedded into the fabric of the organization.

Framework

The framework of our approach consists of the following:

1. Senior Leadership Strategy Execution Summit
2. Scenario Development
3. Selecting Critical Tools & Processes
4. Scenario Deployment
5. Real Time Operational Reviews

A brief summary of each of these components follows.

Retail Application

Driving Same Store Sales

A leading retailer has enjoyed rapid expansion. The number of associates has increased to hundreds of thousands in thousands of stores. With price erosion and increasing competition gaining customer loyalty and share of wallet is critical. Logistical challenges, labor cost and time all argue against traditional solutions.

Senior leaders set a clear strategy. Develop and deploy a scenario to drive its execution. Regional V.P.s, District Manager and Store Managers are all engaged. There is a step change in their effective use of a few key leadership skills and operational best practices.

Senior leaders visibly show their commitment by visiting stores across the nation. The hallmarks of their visits are their hunger to listen and leverage what they've learned by coaching VPs, DMs and Store Managers.

Gains in customer loyalty and same store sales are realized quickly.

1. Senior Leadership Strategy Execution Summit

We've integrated best practices from "Work Out" to appreciative inquiry to organizational reframing to design our Execution Summit. The Summit is an intensive 2-day session attended by the senior leadership team. The results are as follows:

- Fact-based consensus on the competitive threats and opportunities facing the organization
- Establishment of 3 – 4 strategic objectives for the coming 6 – 18 months
- Specific action plans to execute against each of the strategic objectives including
 - Accountable executives
 - Resource allocation
 - Milestones
 - Risk assessment
- A contract among the top leaders committing them to
 - Personally perform specific leadership behaviors to drive execution
 - Share what they learn through these behaviors
 - Publicly communicate their personal progress to employees at a defined point in the future.

Financial Services Application Securing B2B Relationships

Legal and regulatory problems have been brought to light at several leading competitors in one key corporate financial services sector. Investors and clients are at risk of leaving this company merely because of its participation in the sector tarnished by the scandals.

The executive committee holds a one day execution summit. They reach consensus that reducing expenses will not be a sufficient response to the crisis and may in fact increase its impact by limiting service and sales. The key strategy is to engage clients and prospects as fully as possible. In developing the scenario, a core team realizes the challenges and difficulties of affirmatively reaching out to key clients and prospects. With this insight a few key communication protocols are created for engaging with and securing the confidence and business of clients and prospects. These protocols are integrated with the scenario.

After the scenario is deployed, communication with clients and prospects is further supported by each member of the executive committee conducting operational reviews with key Managing Directors. The financial impact of the crisis is buffered and league standings improved.

2. Scenario Development

For Scenario Development we're privileged to work with our trusted partners at WisdomTools™. WisdomTools™ has a powerful process for quickly developing an organization's "story" from the point of view of its leaders and people.

Using WisdomTools™ proprietary process, we select a small group of 4 – 5 individuals. Typically this includes a cross-section of leaders and individuals with subject matter expertise.

In a powerful 2 day working session, this small group creates the story of the organization's execution of its strategy. A story that includes:

- The plot – or roadmap to execution
- Characters – based on the real life people – leaders, employees, suppliers and customers who must be engaged to successfully execute the strategy
- Episodes based on the critical phases of execution
- Scenes of how people will realistically interact as they execute the strategy. We do mean realistically. Some scenes show success. Some show failure. Most, as is true of real life show a combination of the two.

One of the most valuable aspects of this scenario development process is that it forces people to think through the realities of execution. Obstacles as well as opportunities are uncovered. Sources of employee and customer resistance are identified. All of this information is fed back to senior leaders before execution is launched. Many strategic efforts are canceled when they encounter unforeseen circumstances. The scenario development process ensures that leaders are prepared for the realities of execution.

3. Selecting Critical Tools & Processes

Based on the lessons learned from scenario development and the strategic plan a small set of tools and processes is identified. These tools provide the skills for employees to engage in execution. The processes outline known pathways. Both tools and processes are integrated into the scenario for immediate access by leaders and employees.

4. Scenario Deployment

Depending on the strategic objectives the scenario can be deployed across the entire organization or only in select areas. As people participate in the scenario they find themselves more and more

focused on and motivated to achieve strategic objectives.

WisdomTools Scenarios™ provides interactive learning at the end of each scene. One or more protocols drive not just learning but commitment to action. Protocols include:

- Surveys
- Discussions
- Analysis of critical information
- Coaching
- Action Learning

Through the use of these protocols leaders and employees participate in active discussion and planning to drive execution. They challenge each other, innovate and share lessons learned. In a word, they become *engaged*.

Nonprofit Application Leveraging Lean Resources

A nonprofit healthcare organization is faced with increased competition, shortage of key professional staff, and increasing, costly regulations.

The executive team sets 3 strategic priorities: improving people practices to build employee loyalty and retention; disciplined financial practices; and motivating employees to build client loyalty. Success will rest primarily on site executives and department managers engaging employees in achieving these priorities.

The scenario is deployed to the organization's 1600 executives and department leaders.

In addition to frequent visits to units across the organization, senior executives regularly participate in discussions and coaching sessions embedded in the scenario.

During the year an additional episode is launched to ensure a consistent, timely response to several issues potentially affecting client services. The organization's response is months ahead of its competitors and noted for its reliability.

By year's end client satisfaction has risen 6%; staff retention has improved 20%; and an associate survey shows significant improvements in leader's people management and development skills. A recent regulatory evaluation notes the high level of compliance achieved by the organization.

5. Real Time Operational Reviews

WisdomTools Scenarios™ and other technologies are extremely powerful and significantly leverage a leader's time. But nothing takes the place of

personal observation and interaction. Senior leaders simply have to visit and review their operations with local leaders, employees, vendors and customers. Leaders like Welch and Bossidy talk consistently of the power of one-on-one coaching conversations with talented people who are in a rough spot. There is no replacement for this kind of observation and interaction.

Bossidy^{iv} reports that he always followed up with a personal letter to leaders he visited: 1. here's the problem and what we agreed to do; 2. here's my encouragement and support; and 3. you are accountable. Obviously, a great practice.

The exceptional leaders we see really leverage operational reviews with communication. They integrate their learning into: executive committee meetings; town halls; future operational reviews; and company magazine and intranet site. They use email to share their learning across the organization. Leadership consistency is most powerful communicated on an on-going basis.

WisdomTools Scenarios™ Ten Advantages

1. Achieves rapid, sustainable results, inexpensively
2. Translates new strategies into effective execution
3. Ensures consistency across leaders, employees & locations
4. Enables people to experience success and its rewards before taking a risk.
5. Serves up a "sticky" and collaborative learning experience for participants
6. Moves people to "can do" & "will do"
7. Leverages existing knowledge
8. Scales up to senior audiences
9. Creates real-time feedback loop to management team
10. On-going learning without a significant increase in time and money.

ⁱ(2001) Jim Collins. **Good To Great: Why Some Companies Make The Leap And Others Don't**. HarperBusiness.

ⁱⁱ(2002) Larry Bossidy & Ram Charan. **Execution: The Discipline of Getting Things Done**. Crown Business
ⁱⁱⁱ(2004), The Conference Board. **The CEO Challenge Report for 2004**. www.conference-board.org/challenge.htm

^{iv} See number 2 above.

For more information about how our workforce engagement can drive your strategy, please contact: Leo F. Flanagan, Jr., Ph.D.

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