

STRATEGIC | HELM 

Re-Imagining the Organization

Ten Essential Elements For Achieving Organizational Greatness!

By Paul Krass

“Wow, what great stuff. You write extremely well--polished and professional with complete relevance. I study a lot of material on management, leadership, motivation, etc., and find your "Ten Essentials..." hitting the center of the "organizational needs" bull's eye.” David Nimmo, Senior Professional in Human Resources (SPHR)

Down load this article at: www.StrategicHelm.com

“If only 20% of all employees are doing what they believe they do best, and innate talent produces consistent repeatable near perfection performance, what is the consequence to your business if your competition aligns their employee’s talents with organizational objectives before you do?”

Ten Essential Elements To Achieving Organizational Greatness!

By Paul Krass

Most business owners and executives understand that the bottom line drives a business to success or failure. National statistics find that 95% of business start-ups fail within five years. But it isn't just the small organizations; we read in the news about large global companies failing. This isn't something new--everyone is aware of these statistics. In this article, I will address ten essential elements that will assist your organization in achieving extraordinarily bottom line results rather than ordinarily unsuccessful results!

The statistics regarding business failure are enough to discourage anyone from jumping into the mix, but the American dream is about having the opportunity to do what cannot be done. The fact is that some visions, companies and even people do manage to rise to the top and become superstars. There's a lot we can learn from these adventurous individuals whether they are corporations or sole proprietors.

No doubt talent has a lot to do with stardom—some of us have natural charisma, confidence and capability. But even if you're not a born winner, you can still attain a degree of greatness by applying any one of the following ***Ten Essential Elements To Achieving Organizational Greatness.***

No part of this publication may be reproduced without written permission of the author. Copying and distribution by any means whether it be printed or electronic is strictly forbidden. Additional copies may be obtained for free by registering at www.StrategicHelm.com

Element One

Believing In People Is Vital To Organizational Strategy

Not only does your strategy depend the quality and effectiveness of your people, it depends on you believing in people.

*So how is your confidence?
Are you approaching your
bottom line on a hope and a
prayer?*

*Are your people trained? Are
your systems, processes and
communications working for
you, or against you?*

*Are you experiencing a “culture
of slippage” ... feelings of little
or no control, limited points of
reference, a limited sense of
reality?*

CEO types talk about bottom line results; field personnel talk about needing resources. Everyone in between seems to be connected in some way, but most don't appreciate the consequences of their patterns of interaction or decisions from the perspective of others on the team.

To put this in perspective, imagine you're a Navy pilot 1,000 miles from shore landing on an aircraft carrier. (Have you ever wondered what it takes to land \$50 million planes on a postage stamp floating in a bath tub, and get it right every time?) How many processes in your organization have this track record?

Most likely you're a businessperson accustomed to the pressure of the bottom line. In my scenario, your bottom line is a cable stretched across the carrier deck, and your strategy is represented by the plane's hook. Your flight has been tough, the fuel is gone, it's dark and the deck is bobbing 20 feet. Any landing you walk away from will be a good landing today.

As the pilot of your business, how is your confidence? Are you approaching your bottom line on a hope and a prayer? Are your people trained? Are your systems, processes and communications working effectively for you, or against you? As you're dropping to the bottom line, who are you depending on to make your strategy become a success?

If you're like many executives, you may be experiencing a sinking feeling associated with a “culture of slippage” – a feeling of limited control, limited points of reference and limited sense of reality. Why do you continue on a hope and prayer?

Not only does the effectiveness of your strategy depend the quality and effectiveness of your people, it depends on you believing in people.

Element Two

You Get What You *INSPECT*, Not What You *EXPECT*

As management, you get what you *INSPECT* not what you *EXPECT*. Detailed reporting that contrasts between quantified expectations and actual results places your team's focus squarely on what you're inspecting.

Often organizations are not even aware of "profit erosion" hidden by a continuous string of "quick fixes" offering temporary relief.

You just don't know what you don't know, until you somehow, trip over what you don't know.

Every year, companies pursue the latest fads, gadgets and business theories suggesting additional success. Often these are no more than other companies emphasizing their vision, their superior methods, or their glory. Such solutions tend to be "quick fixes" that may add limited value to the organization. The main problem with "quick fixes" is that they frequently disguise the root of actual problems.

Often organizations are not even aware of "profit erosion" hidden by a continuous string of "quick fixes" that only offer temporary relief. Here are some tough questions to ask instead. Do your manager's seem surprised by unexplainable variances? Are your process controls tight? Are schedules updated frequently? Is there accountability regarding cost, documentation and management results?

"Profit erosion" typically develops within "cultures of slippage" where deadlines come and go, but no one is clear on the consequence. Costs seem to rise with no apparent explanation. There is more conflict and less cooperation. Explanations frequently suggest that today's employee is inferior to those of the past. Have you ever experienced that sinking feeling as profit margins slip away, but no one really knows why?

If you cannot measure results, you cannot manage results. Why? You just don't know, what you don't know, until you somehow, trip over what you don't know.

As management, you get what you *INSPECT* not what you *EXPECT*. Detailed reporting that places a spotlight on the variance between quantified expectations and actual results places your team's focus squarely on what you're inspecting. This is why you get what you *INSPECT*.

Element Three

Trust, Accountability and Disciplined Reporting

Develop a culture based on mutual trust, accountability and disciplined reporting of reality.

Cultures of slippage have an illusion of cohesive teamwork.

Cultures of accountability typically thrive on high performance teaming concepts.

The glue of effective teamwork is accountability.

Building a long-term exemplary organization – one that’s actually desired – takes more than just willing employees. It takes employees who respect and trust leadership.

Trust is a unique concept often misunderstood. It occurs when one party perceives sincerity, commitment and competence on the part of the other party. Simply put, employees typically trust leadership that inspires a compelling vision (competence), offers meaning, purpose and excitement (commitment) and is sensitive to individual awareness, expression and interaction (sincerity). Yes, this is a new paradigm for some, and yes everyone can develop and hone these leadership skills.

Mutual trust is the key to overcoming the greatest challenge of organizational development: getting accurate information in a timely manner. A “culture of slippage” frequently develops when people don’t trust leadership and fear retribution if they “drag reality onto the table” – present the unexpected.

A better alternative is to develop a “culture of accountability” where leadership and the team celebrate acknowledgment of reality (good and bad), and leadership is seen as the team’s coach for overcoming the unexpected. Accountability requires a disciplined approach to gathering information on a consistent and timely basis – real time reporting.

The irony is that a “culture of slippage” has the illusion of cohesive teamwork; a “culture of accountability” thrives on high performance teaming concepts. The first lacks the glue associated with cohesiveness, and the latter finds the glue for effective teamwork to be accountability.

Develop a culture based on mutual trust, accountability and the disciplined reporting of reality.

Element Four

Leadership Must Mediate The Inherent 30/70 Imbalances

It is essential that leadership mediate the inherent 30/70 imbalances that create conflict when patterns of interaction are not understood at all levels

30% of the population annoys the other 70%, and the 70% doesn't understand the other 30%

Unless you're mediating conflict resolution, the 70% typically discourage or drive away the 30%

30% relate better to creativity, innovation, new ideas and possibilities

70% relate better to consistency, repeatability, quality and facts

Do you ever ask the question, "Where are all the leaders?" Or, maybe your question is, "Why doesn't anyone want to work?" Do you ever struggle with resolving conflict within your organization? Frequently senior leadership's response is, "It doesn't seem bad enough yet." Yes, most employees will resolve their own differences, but can you afford the outcome?

Why do so many start-ups fail in the first five years? There are many reasons, but one is associated with our individual but very innate talents, passions and preferences.

Our natural preference is to be drawn toward our talents and passions. This is a pattern of interaction we are born with, and it changes in less than 5% of us during our lifetime. So what is the issue? Roughly 30% of the population annoys the other 70%, and that 70% doesn't understand the other 30%. So what is the consequence? Unless leadership is mediating conflict and friction, the 70% typically drive away the 30%.

The 30% relate better to creativity, innovation, new ideas, possibilities, etc. They ask, "Why is it done that way?" The other 70% relate better to consistency, repeatability, quality, facts, etc. They answer, "Because that's the way it's always been done."

Entrepreneurial type people are typically in the 30% and people seeking stability are typically in the 70%. The 70% *unintentionally* discourage or drive away the 30% without knowing they are key to the organization adapting, innovating and improving efficiency. It is essential that leadership mediate the inherent 30/70 imbalances that create conflict when patterns of interaction are not understood at all levels of the organization.

Element Five

Circumvent Unintentional Sabotage Of Communication

To eliminate
“unintentional sabotage
of communication,”
communicate in writing.
... everyone reads the
same message subject
only to his or her
interpretation process.

*What influences how we classify
information depends on promises
you or I make (both explicit and
implied), our personalities and our
life experiences (both good and
bad).*

*If I ask you to deliver a message ...
it is subject to your interpretation
and classification process.*

*Your values, beliefs, perceptions
and life experiences all influence
your understanding of the intent.*

We all have a fundamental need to make sense of the world around us, and we classify everything whether it is vision, inspiration or communication. What influences how we classify this information depends on promises you or I make (both explicit and implied), our personalities and our life experiences (both good and bad). These all influence how we perceive and interpret messages in any format.

Have you ever communicated a seemingly clear, concise and well-received message only to discover later that the broad understanding of your message doesn't resemble your intended message? This is the result of “unintentional sabotage of communication.” Yes, it does undermine the credibility of leadership, but we shouldn't assume there is malicious intent on anyone's part. It is associated with patterns of interaction.

If I ask you to help me pass a message, you naturally listen to it with the best intention of passing my intended message. However, my message is subject to your interpretation and classification processes. Your values, beliefs, perceptions, life experiences, etc. influence your perception of my intent. In addition, the message you pass on is subject to you subconsciously adjusting it according to your perspective, values, beliefs, etc. (Maybe you use different adjectives and adverbs than I do to soften or sharpen the impact). These subtle influences are typically subconscious, but modify, ever so slightly, the intended message. And, the process repeats during each hand-off of the message.

To eliminate “unintentional sabotage of communication,” communicate your message in writing; everyone reads the same message subject only to their interpretation.

Element Six

Effective Leadership Sees the Horizon Not Perceived by the Majority

Leadership is leading a group to a horizon they do not perceive. Genuine sincerity, integrity, and heart felt passion is essential.

Are you looking for extraordinary results in your organization?

The best employees ARE searching for extraordinary leadership.

An organization needs to articulate its story clearly – not as a multi-paragraph lofty mission statement, but as a simple, to-the-point sentence that makes it easy for everyone to understand your business values and goals. There's no better example than Southwest Airlines. If you work at Southwest Airlines, you know that their business isn't flying passengers, but rather, delivering a unique travel experience.

Enfranchise every employee with your organization's story and they become a champion for your success – from the CEO to the employees checking luggage.

How do you capture the passion of employees like Southwest Airlines? For starters, you have to believe in your heart that people get up in the morning with the intention of being successful. Everyone wants to be a star, but the vast majority does not know how. However, they will diligently follow leadership if they feel sincerity, integrity and heartfelt passion.

Some reading this may offer up the debate that they are in the in business of making money, not "baby sitting." I suggest that leadership is about leading a group of individuals from where they are to a horizon beyond anything they currently perceive? Are you looking for extraordinary results in your organization? The best employees *ARE* longing for extraordinary leadership!

Consider your response to someone who expresses sincerity, and passionate commitment toward your interests. Are your results more remarkable as a result of their passionate, heart felt concern and commitment to you?

Leadership is leading people to a horizon beyond what they currently can perceive.

Element Seven

Change First – the Organization’s Ability to Execute; Not the Strategy

To achieve maximum potential, hold firm to your strategy until *you* understand the barriers to executing it.

For many, they change their strategy based only on interaction within their inner circle, or maybe just the paper on their desk.

To understand what is happening, one has to stand where the “rubber meets the road.” It is impossible to feel the essence of a situation until you experience it firsthand from the perspective the other side.

Organizations exist to execute strategy and vision. However, many organizations struggle with quantifying the expectations associated with executing their strategy and vision. Employees are often not sure what is expected while management suggests everyone “just knows.” When things fall behind schedule, the tendency is to change the strategy. But ask the question, “if everyone knew what was expected, could more happen?” Why do many organizations change their strategy without first striving to clearly understand what is failing?

Many managers change their strategy after limited interaction with only the few in their inner circle, or worse just based on the paper crossing their desk. One is seldom responding to the reality of the situation when this is the case. To understand what is happening, one must stand where the “rubber meets the road.” It is impossible to feel the essence of the situation until you experience it firsthand from the perspective of the other side. Reading about it rarely conveys the reality.

Venturing into the specifics of how to execute a strategy enlightens one’s understanding of people and the reality of complexity. Executing is not only difficult, but it is the key workhorse for transitioning a strategy to reality. Further, key personnel responsible for executing your strategy will proudly defend their perspective. They will also readily change your strategy in the name of improving the process or overcoming the challenge. Ask questions to clearly understand if the issue is improving or overcoming an inability to execute the strategy.

To achieve maximum potential, hold firm to your strategy until *you* understand the barriers to executing it. Maintain a disciplined focus on improving ability to execute your strategy; rather than, changing the strategy to match inability to execute.

Element Eight

Management Develops Repeatable Processes That Focus Team Attention

Management develops repeatable systems, processes and reporting that clearly focuses the team's attention on what isn't working.

This includes quantifying expectations in terms understood by those responsible for executing.

... the key to effective management is separating organizational noise from the issues and details needing attention.

If we walk into a bookstore or library, we find volumes of books about management and leadership. In fact, many believe the two subjects are one in the same. Others seem to ignore one or the other. So what is “management” anyhow?

The word manage implies that one handle something. Management is associated with all the tangible aspects of an organization – such as anything that can be seen, felt, heard, measured, counted, quantified, etc. Management is responsible for repeatable processes, systems, reporting, tracking and any other quantifiable activity.

When management is given responsibility for executing a strategy, they develop a plan for how to move toward a defined objective. Everything about the strategy and the objective is quantified in terms of when, how many, where, etc.

Effective management involves developing systems, processes and information management practices that collect relevant facts about the organization. This includes quantifying expectations in terms understood by those responsible for executing. It includes collecting data regarding actual results.

The key to effective management is separating organizational noise from the issues and details needing attention. Have you ever received a report that has little or no relevance to influencing the outcome? Do you prefer a report that clearly points you to what needs attention in order to achieve better results?

Management develops repeatable systems, processes and reporting that clearly focuses the team's attention on what isn't working. Let technology file what is working, and focus your attention on what is not working.

Element Nine

Leadership Sees What Management Does Not See – Extraordinary Results

Leadership sees what management doesn't see – the means for achieving extraordinary results.

Leadership is what people cry for during challenging times.

Remember, 30% annoy 70%, and 70% never understand the other 30%.

Understanding what the 30% offer is key to achieving extraordinary results.

The Target chain spends much of its marketing budget creating cool images and advertising a fun shopping experience that redefines their niche. The Target shopper pays extra to feel good about shopping. The uniqueness of Target's strategy differentiates it from the others that remain commodities. Target sees what others don't see – extraordinary results. The difference is intangible.

Leadership is *energy* or influence that pulls teams toward a center of focus, strategy or vision. It cannot be easily measured or quantified; rather, leadership is ideas, creativity, innovativeness and possibilities. People cry for leadership during challenging times. Remember the nation's anxiety on 9/11 when the President's location was unknown? Did America feel a relief of anxiety when he returned to the White House?

Effective leadership inspires shared visions based on nothing more than an intangible vision of how things can be.

Compelling visions offer meaning, purpose and excitement that energize individuals and teams.

The irony is that people will follow an inspired leader even when the quantifiable data suggest a different outcome. Sam Walton changed retail marketing because he inspired a vision of how things could be different. As a leader, he redefined the "facts" and "proven methods" associated with successful marketing. He could see what everyone else could not see.

Leadership sees what management does not see – the means for achieving extraordinary results. Remember, 30% annoy 70%, and 70% never understand the other 30%. The 70% struggle with seeing what the 30% see. Understanding what the 30% offer is the key to achieving extraordinary results.

Element Ten

Understanding Patterns of Interaction Can Result in Extraordinary Productivity

Ten or 20 years ago, competition was different, and organizations operated much looser. Today, the global economy has created a business environment where most things are equal. Today's competitive advantage depends on management's effectiveness in identifying, developing and aligning talents and passions with organizational initiatives.

To achieve organizational greatness, leadership and management must understand patterns of interaction, talents and passions, and styles of communication

Regardless of positional responsibility, a talent consistently achieves repeatable near perfect results

If only 20% of all employees are doing what they believe they do best ... what is the consequence to your business if your competition grasps the meaning of this before you do?

This can be learned and mastered, but involves aligning innate talents and passions with organizational initiatives and objectives. Regardless of positional responsibility, an innate talent consistently achieves repeatable near perfect results. We can learn to master new skills, but studies prove we never achieve the repeatable near perfect results as compared to someone born with the innate talent. (Think Tiger Woods)

Imagine your organization's innate talent and passion aligned with organizational objectives. Now, compare this picture to an organization where individuals are randomly assigned.

Gallup surveyed 198,000 employees across 7,939 business units in 36 companies to find employees who believe they have the opportunity to do what they do best – pursuing their talent and passion. Only 20% responded favorably. Organizations where employees do what they believe they do best, experience 50% less turnover, 38% higher productivity and 44% higher customer satisfaction.

To achieve organizational greatness, leadership and management must understand patterns of interaction, talents and passion, and styles of communication. If only 20% of all employees are doing what they believe they do best, and talent is something done consistently with repeatable near perfection performance, what is the consequence to your business if your competition grasps the meaning of this *before* you do?

The Biggest Element: Communication

The Organizational Differentiator is the Pillar of Communication

The core of organizational greatness is building a pillar of communication.

Leadership is energy or influence that pulls the team toward a center of focus, strategy or vision

Management is action or process associated with aligning accountability with expectation, strategy and vision

Communication is expectation associated with a purpose, strategy and vision

StrategicHelm is an organizational enhancement program derived from experience and understanding gained through over 20 years of repeatable turnaround success.

The StrategicHelm Paradigm

Picture a spin top (in our logo) spinning on the desk and ask, “What keeps it upright?” The answer is a force or energy that is real but not easily seen, felt or measured. The physics term for this is centripetal force, which is constantly pulling toward a center of axis. This force acting on a spin top creates a great metaphor for leadership.

Leadership is energy or influence that pulls a team toward a center of focus, strategy or vision. Much like the centripetal force acting on a spin top, leadership acts on the organization in an intangible way. In the absence of leadership, the team topples like the spin top when centripetal force diminishes.

Management is action or process associated with aligning accountability with expectation, strategy and vision. Imagine the spin top being multiple layers of loosely stacked rings rotating independently about the axis. Within an organization, each level of management aligns accountability relative to leadership’s expectation, strategy and vision. Expectation, strategy and vision serve to align the organization. This aligning influence has the same effect as the forces existing at the spin top’s axis of rotation. This influence of alignment that exists at the center of rotation is a great metaphor for communication.

Communication is expectation associated with a purpose, strategy and vision. Imagine the axis of our spin top being the standard for aligning all the rings or layers. In a similar manner, organizational communication is the standard that aligns results, decisions and expectations. Think of communication as being a pillar, about which, organizational initiatives, investments and people align. The differentiator of any organization is the ability to effectively develop a pillar of communication, expectation, strategy and vision.

About Us

Re-Imagining the Organization

Paul Krass' contribution spans over 20 years of effective leadership and organizational analysis and improvement from the front line rather than just theoretical – “been there and done it.”

Coupled with his extensive understanding of people, processes and technology, he undertakes engagements within organizations seeking to improve operational effectiveness and productivity.

Paul has led organizations through times of difficult conditions and organizational realignments. He understands business processes and human engineering, consistently demonstrating the ability to take charge, evaluate present business conditions and initiatives, and in real-time, realign resources and processes, thus, achieving and delivering desired output and productivity.

His approach to this process is the hallmark of StrategicHelm.

Paul has that unique ability to understand, and then ask the questions that bring a flood of answers – answers critical to organizational development and improvement, customer quality and productivity.

Mr. Krass offers his “**Ten Essential Elements to Achieving Organizational Greatness**” as a unique perspective on organizational leadership.

StrategicHelm

Copyright © 2006 Paul Krass All rights reserved. No part of this document may be reproduced in any form without prior written permission from the author.