

Building Excellence At All Levels

Written By Tom Northup, March 2007

Change is a fact of life in today's global environment. Successful CEOs who want to increase revenue and profits, outperform the competition and become marketplace leaders know that it is no longer enough to keep doing what has been successful in the past.

They understand that to control their destiny, they must continually change their company's strategy and tactics at all levels.

The old adage "If we do what we've always done, we'll get what we have always gotten" is no longer true. Today's pressure from global competition, instantaneous knowledge transfer and rapid technology advancements have changed it to "If we do what we have always done, we will NOT keep getting what we have always gotten."

All organizations have a present and a future. The strength of the processes used to run the business determines the quality of the future.

To create a future different from the present, companies must strengthen processes.

It seems simple. Build a team filled with enthusiastic, motivated, confident, committed employees who are accountable, empowered and committed to achieving their company's future vision and you will have stronger processes and a successful future.

Easy to say, difficult to do. Employees are the change agents. However, unless management creates a culture of change, strong leadership and continuous improvement of productivity and effectiveness, the employees will not change and the company will not realize its changing vision of the future.

Companies Must Plan for Success

Strong leaders know that to realize their vision they must strategically transform how their company operates at every level, from management and people productivity to planning processes and even the underlying culture.

All key employees must help define and understand the company's future vision.

This vision is a key part of the strategic planning process, the single most important activity a company's management team can undertake. The plan's purpose is to generate pre-determined, consistent results. It is a thorough, concise roadmap to how the organization plans to achieve its vision for the future.

Building Strong Leadership Ability

Strong leaders believe in communicating company goals and priorities to team members. They guide the organization to successfully implement its strategy by inspiring a "can-do" attitude in their



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people. They recognize the need for all employees to understand how their roles contribute to realization of the company's vision of the future.

Strong leaders promote environments that will unlock the untapped collective potential of all their people. They work to develop leadership ability in everyone whether or not they hold a formal leadership position.

People Productivity

This is the degree to which individuals and teams are effective and efficient on a daily basis. The successful organizational environment provides the culture and tools individual employees need to enhance skills, manage time, set goals, measure results and be more productive

A Strategy to Implement Success

Stage 1: Awareness

Organizational culture provides the foundation for excellence. Successful CEOs build a culture where employees want to be and do their best, resulting in a high performance culture of enthusiastic, motivated, confident, committed people working as a team.

Effective leaders exhibit strong organizational awareness in that they understand management structure, their predominant leadership style and the company culture. This includes understanding the nature of company controls, management flexibility, use of authority, motivational style and shared values.

These leaders also have strong self-awareness and a deep understanding of their strengths, emotions, limitations, values and motives. They are realistic and honest about themselves. They personally work to improve their management and leadership capabilities.

Organizational awareness sparks insight into the capacities and abilities that build organizational excellence.

Stage 2: Strategic Planning

Lack of focus in the management team is a key weakness of many organizations, resulting in managers who run off in all directions and even work at cross purposes. Successful strategic planning focuses the management team. Every one is on the same page and it's the right page. Focus drives performance, performance drives results.

Organizations managed with reference to a strategic plan significantly out-perform less well managed organizations of equal capability. In one study companies with strategic plans were 40% larger than those without plans, had slightly fewer workers and thus had 45% higher revenue per employee.

The message is simple: strategic planning is fundamental to developing organizational focus. Effective strategy generates a significant competitive advantage in your marketplace.

Stage 3: People Development

Leaders must develop the effectiveness of key team members in order to achieve success. When key employees maintain a daily focus, they generate steady results.

When they talk about development many managers think they are discussing training. Development is different. It is specifically designed to change behaviors and attitudes. Development is results based. We specify a process and end up with predetermined results. Training improves efficiency, development improves effectiveness.

Small changes in the effectiveness of key employees can leverage into much larger improvements in profitability. People development becomes a competitive advantage.

Stage 4: Results Management

We put it all together by integrating an effective results management system within the other stages.

The purpose is to develop sustainable results from year to year by building goal setting, accountability and measurement into the daily fabric of the organization.

The best plans and development programs are only as good as their implementation. We must make a coordinated, consistent effort to ensure that daily urgent priorities do not take precedence over meeting our strategic goals.

Summary

Both clear strategy and effective operations are critical to organizational success.

When we have neither we have not been successful in the past and most likely will not be so in the future.

When we are good operationally but have no strategy, we have possibly had success in the past but our future is uncertain in face of change and competition. The same is true if we have had good strategy but ineffective operations.

The best place to start creating success is to implement a strategic plan. Planning is strategically the single most important activity a management team can engage in. It is a thorough, concise roadmap to how an organization will move toward its future vision.

People make change. The ongoing transformation of an organization is the result of the growth of the people who make up the organization. Organizational development is in actuality people transformation.

Effective leadership is the ongoing catalyst that creates this strategic transformation.

Clear strategy and effective operations bring us to the optimal condition; we have had success in the past and will have more in the future. Organizations in this state increase revenue and profits year to year, outperform the competition, and innovate and lead in their marketplace. They have built excellence at all levels. They control their destiny.