

## **PART 5 – Leadership Development for Organizations in Transition (EXECUTING PLANS)**

This is the final article of a five-part series. It's also where the rubber meets the road. The changes discussed in this series require the leadership team to be on the same page, which means they are dedicated to the same plan. In Part 3, we addressed the need for clearly establishing *Who should be doing What, How, and Why*. The "Why" is what drives all the others and should be integrated into "Executing Plans", the final puzzle piece for leadership teams in transition:

1. *Evolving* Responsibilities
2. *Efficient* Structure
3. *Effective* Practices
4. **Executing Plans**

There are numerous resources available to assist in the process of drafting business, strategic, or improvement plans (there's also very little space to do that here). Instead, these few pages are dedicated to offering "the rest of the story" around creating and successfully *executing* plans. Color commentary is shared on the critical nature of the various statements; how articulating the *Big Picture* establishes the "context" for all plans and action; and what process is necessary to actually "execute" the plan, drive current priorities, and assure daily activities are aligned with your plans.

**But first** - we'll start with the biggest question for many of you: *Why is formal planning so frequently unsuccessful?* Some leaders have decided not to do long-range planning given the perception that after all the work, the plans almost immediately become outdated. Or, if plans are created, they tend to collect dust on a shelf while everyone continues doing what they've always done. Why does formal planning often not get the results leaders desire? Here are a few reasons:

- Once plans are completed, the team thinks they are "done." The leaders don't make the *execution* of those plans a priority, and they get pulled back into day to day operations.
- There are conflicting values among leadership. Everyone nods that they are on board, but some of the team may not agree with the direction/plan – so there's no real effort to implement.
- Unrealistic expectations or timeframes. Goals should push the team, but must still be achievable. Challenging but realistic, not idealistic.
- Denial of reality. A clear picture of where you want to go is important. *Equally* critical is a candid admission of where you are today! (plans must also change as things change around you)
- Trying to do too much. Leaders may have all the right intentions, but depending on the situation within the organization, the team may be biting off more than they can chew at this time.
- Fear of failure. There are some leaders who do not want to openly commit to specific goals, since they don't want to look like they've failed if goals aren't achieved.

These are a sample of the obstacles that must be overcome if a planning process is to achieve the desired results.

### ***The Big Picture = "Context" (the Why)***

Too often I hear leaders downplay long-range planning, with the notion that they can't "predict" the future. That is a misperception of strategic planning. Leadership teams are not trying to predict the

future in their plans, they are striving to *create* their desired future. Also, the goal is not just the eventual posting of a plaque eloquently touting Vision & Values statements. *The real benefit of this process is the lengthy, grueling debate that must take place among the leadership team.* Leadership must jointly flesh-out and articulate the Big Picture or “guiding light” to ensure the entire team is on the same page. These statements should give “context” and parameters to everything the organization does, and doesn’t do. Top leadership teams must be *committed* to a common purpose, and a strategic vision for the future. That passion for “what could be” is necessary to make the tough decisions that arise, and to motivate their organization toward meaningful progress.

There is often confusion about the definition and proper use of the terms Mission, Vision, and Values. Keeping it simple, we’ll just define them respectively as: *Why the organization exists, where it seeks to go in the foreseeable future, and the principles it wants all to believe and practice along the way.* These statements should clearly outline who you are and where you want to go. If that destination is ever to become reality, leaders must then define their strategies to get there (what people, processes, products, and priorities must be in place over the coming years). Leaders gradually create the future they desire.

That’s not the case with Values. This discussion among leadership should be about “discovering” and articulating their values, not *creating* them. Too often, leaders will craft idealistic statements about what the organization’s values *should* be (that sound good), rather than what the leaders truly believe and practice. That is often why employees don’t take these statements seriously. When the values statements are communicated, employees often scoff and say, “*That never happens here,*” because they know the real drivers of their management’s behaviors. When done correctly, there should be no surprise, and employees say, “Ya, that describes our life here, and the beliefs of our current leaders.”

### ***Annual Planning Process = “Execution”***

*“Plans with no action are just a dream – Actions with no plan may become a nightmare!”*

A few reasons were listed earlier why plans may not generate action. Additionally, up to adolescence, likely very little long-range planning has occurred, since in earlier stages the organization is more reactionary. Now with the growth and greater complexity experienced in adolescence, without a unified plan, everyone taking action as they always have may soon become a nightmare.

The Big Picture should be motivational, inspiring a sense of, “Yes, I want to be part of that!” On the flip side, Annual Plans should be practical and realistic. Aligned with and driven by the Big Picture, Annual Plans should be kept simple but balanced, with only a couple clear priorities (many priorities, means there are no priorities). Kaplan & Norton highlight a “balanced scorecard” approach, ensuring there are integrated goals in your plans answering these questions:

- To achieve your vision, how should you appear to your *customers*?
- To succeed *financially*, how should you appear to your shareholders?
- To achieve the first two, what *processes* must you excel at?
- Since its your *people* who must do all this, how will they continue to learn and grow?

The Dilemma: *With all that needs to be accomplished in the daily course of business, plus making progress on your strategic initiatives, how do you keep everyone focused on the most important things?*

Many of you have likely heard the “big rock” analogy (filling a container with big rocks, then pebbles, sand, and finally water). The magic of this analogy is – *you cannot get that same amount of material in the container, if done in the opposite sequence!* If you start with the pebbles, sand, and water (your daily activities) – there will be little room left for the big rocks, or highest strategic priorities. Yet when *first*

ensuring the big rocks get appropriate attention, there is always room for the daily business and improvement activities. As Stephen Covey says, you need to *keep first things first*. The author of *Traction* calls them “Rocks” or 90-day priorities. The author of *Good to Great* calls them “Big Hairy Audacious Goals” (BHAGs). The authors of *The 4 Disciplines of Execution* call them “Wildly Important Goals” (WIGs). The intent is the same: ***Keep everyone focused on a couple game-changing objectives!***

How does leadership successfully *execute* on all this? This gets back to the simple formula offered in an earlier article: *Clarity + Accountability = Results*. The leadership team must develop the discipline to clearly communicate their plans and current priorities – repeatedly. The plans must then cascade down to each department, where each team develops their action plan to achieve the specific goals assigned to them. Leadership must then hold managers and employees accountable for performance on their agreed upon goals or actions. *This cannot be done in an annual performance review*. Progress should be reviewed at least monthly on assigned goals from the Annual Plan, and as frequently as *weekly* for the one or two “priority” goals. NOTE: Plans should also be “living documents.” As changes take place in your industry, with technology, competitors, staff, etc – both long and short term goals, and priorities must adjust as necessary to keep your goals relevant.

### **Series Summary**

A former client is president of a rapidly growing manufacturing company, the top player in their industry. He was hired years ago in their adolescence stage as the operations leader to compliment the founder’s visionary skills. After reading an early draft of these articles he wrote to say:

*“In my experience, it is often the founder who undermines evolution of structure and delegation. Sometimes they even wish things were like they used to be because it’s comfortable and feels more under control to them.*

*Also it’s very hard to see past organizing for who you are now, instead of who you want to be in the future. It’s a leap of faith (and cost) to structure for the future. Everyone sees the future slightly differently, even if you think they are on the same page. They are definitely not and they all have their own “personal agenda”, including the founder. To try to mitigate that, you have to simplify everything.”*

He then commented on implementing the four areas outlined in these articles:

*“None of this happens in any phase of a transition without teaching, learning, training, mentoring, and a lot of perseverance.”*

This is often the most difficult stage an organization must transition through, where many begin to falter and decline without support. Their team successfully made the transition and they continue to grow!

As organizations develop through their lifecycle, so must leadership teams develop. In an attempt to simplify the process, leaders continue to develop along with their transitioning organizations when they:

- Understand their *Evolving Responsibilities*
- Implement the most *Efficient Structure* for their current stage
- Continue to grow in the *Effective Practices* of leading others
- Successfully *Execute Plans* each year

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