

The Need for Speed ~ Driving PACE in Your Organisation

Succeeding in today's competitive business environment requires that your organisation be agile enough to respond quickly to internal and external change. To stay ahead, you have to explore new ways to grow your business – for example, by launching a new product or service or targeting a different marketplace. **Speed** and **focus** could become your biggest competitive advantages.



For this to succeed, you will need to rapidly align resources and people so as to drive speed, efficiency, and profitability. But how do you achieve this level of organisational agility – and ensure focused execution across your business?

The key is driving organisational alignment – an elusive goal for many companies. This requires strong executive alignment, an organisational mind-set that values performance management, and the ability to perform effectively. Once these elements are in place, you need baseline information to devise the right strategies, a clear understanding of interdependencies, and insight into where to deploy personnel and budgets. To drive adoption, you must communicate strategies to employees in ways that they understand and embrace **and** that are within the context of their roles. You must provide the right tools and incentives to help them execute on a daily basis and in alignment with corporate strategies.

However, if your organisation is like most, there is a significant gap between strategy and execution because of breakdowns in one or more of these areas.

You need to consider how to implement PACE in your organisation: **Planning, Alignment, Communication and Execution**

Planning

Why is planning so important and why must it be done in parallel with strategy? From a macro perspective, business today gets done in a global marketplace. Change is occurring at an unprecedented pace. Time and distance continue to become less and less relevant thanks in great part to the explosive growth and convergence of technology and the internet.

There was a time when strategic planning was done by only the biggest companies, and those who lead change. Now it is a requirement just to survive. Leaders of business must be looking ahead, anticipating change, and developing a strategy to proactively and successfully navigate through the turbulence created by change.

a) Clarity of Strategic Goals and Markets

How are you going to get somewhere if you don't know where you are going? Everyone in an organisation needs to know what you sell or do, who your target customers are, how you compete and in which markets you operate. A good strategy will balance revenue and margin generation with productivity initiatives. Without strategic planning, businesses simply drift, and are always reacting to the pressure of the day. Companies that don't plan have exponentially higher rates of failure than those that plan and implement well.

For many business owners and leaders, creating a vision, company values, and a strategic plan can be a daunting task for reasons like time, energy, commitment and lack of experience. It requires business leaders to accept that yesterday's success does not ensure success in the future. It requires challenging the status quo, potentially changing behaviours, implementing new procedures, hiring different people, and putting new systems in place in order to deliver on the strategy.

Make no mistake; the best plans and ideas without great execution are just plans or ideas, they don't result in much of anything. Regardless of the size of a company, a strategic plan is the foundation on which all business activities can be connected and "aligned".

b) OMG! - One Magnificent Goal!

The idea for One Magnificent Goal is derived from the fantastic book by Jim Collins and Jerry Porras; [Built to Last: Successful Habits of Visionary Companies](#) – They termed it 'BHAG – Big Hairy Audacious Goal'

OMG is THE goal that really stretches you to think differently about how you do business. It's THE goal that is going to help you transform your business, rather than being satisfied with incremental change. It's THE goal that's going to inspire you to do your best work and outshine your competition.

What is THE ONE BIG aspirational idea that your people can really get behind; that will really make them deliver +1%?

- It could be Target Driven – JFK's - 'this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to Earth.'
- It could be Competitor Driven - Crush Adidas! (Nike, 1960s)
- It could be Role-model Driven - Audi's OMG in 2005: To match the exclusive image of mighty Benz and BMW
- It could be a Business Transformation - Amazon.com: Every book, ever printed, in any language, all available in less than 60 seconds

When you consider OMGs for your organisation here are some key points to keep in mind:

- It should be so clear and compelling that it requires little or no explanation
- It should fall well outside your comfort zone
- It should be so bold and exciting in its own right that it will stimulate progress even if the leaders disappear
- It should be consistent with the company's core ideology

If your OMG doesn't meet these criteria you should really think again!

c) The Plan Itself

If you are serious about reaching your OMG, you have to develop a plan that clearly takes you through milestones or even better, 'Inch Pebbles' to meet that OMG. If you don't, you can't even expect to get close. You have to do more than you have ever done. You also have to look for new and creative ways, to get to the result.

I'm not, in this post, going to be prescriptive about how you build a plan, but I would ask you to consider the following questions:

How do I bridge the gap? - How can you most effectively get from where you are now to where you want to go? And in what time-frame? What strategic initiatives are needed to bridge the gap?

What are the controls I need to put in place? What monitoring, project management, reporting, and performance management do I need to put in place to achieve these initiatives?

What people do I need to ensure I reach my OMG? Will the team you have today be enough to deliver your OMG? Do you need more people or different people? Do you need to change the people (training & development) or change the people (restructure & recruit)?

Can I afford to do this? What costs will be incurred in delivering the initiatives that will help you reach your OMG? Over what time frame? What would be the cost of not doing them? What contingencies do you need to put in place along the way if some of your initiatives fail?

Answering these questions will help you formulate your plan.

So, you understand the market place and your strategic ambition within it, your OMG. You have a plan to achieve it. Have you got the right people, organisational structure and culture to deliver it?

Alignment

a) Organise your teams around your One Magnificent Goal! - Your OMG!

The benefits of a well aligned team are no surprise to anyone. A great deal has been written about how to create better alignment within teams, through team building, incentives, and other management techniques. However, the first step in any effort to improve the alignment amongst a group must start with an honest evaluation of the current state, and a desire to improve and a clear view as to where you're going.

Convene a group of key managers within your organisation to help you look at the impacts, both positive and negative, of your current organisation structure and how it might look when aligned to your OMG. When realigning, you want to ensure that you don't lose any core competencies. You also want to ensure that any proposed changes will support the goals you have set **as well as** continue the things your business already does well. A group of managers who understand the detailed workings of your organisation will help you greatly.

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Develop several alignment models from which to choose. Consider movements with your existing people, additions, subtractions and combinations of these things when devising different structures that might support your goals. Use organisational charts to help you express these models so they are clear and tangible.

Solicit input from other business leaders you know, respect and trust. Examine the financial, strategic and organisational culture impacts your various alignment ideas might create in order to help you to arrive at your decision. You also need to understand any Human Resources / Employment Law ramifications of your decisions before you begin to implement.

b) Align performance goals and rewards around your OMG

To ensure achievement of your OMG you must align all your teams' performance goals and rewards to it. In so many organisations, individual departments have separate performance metrics that do not align to their OMG. More importantly people are often rewarded against Key Performance Indicators that are misaligned. Some common examples of this might be; Sales are paid on revenue and the OMG is to increase margin; Customer Services are rewarded against hitting call statistics when the OMG is around improving customer satisfaction. Neither is complete misalignment, but both can cause a big enough gap in behaviours for the OMG not to be achieved.

When metrics and rewards systems are not realigned with changes in structure and business processes, the impacts are predictable:

- Individual performance targets compete with the OMG.
- Roles and accountabilities are confused or continue to be aligned around the old organisation design.
- Decisions are made to optimise performance in one unit contrary to the needs of the larger organisation.
- The organisation is slow to act and burdened with internal conflicts.
- Leaders resist change (because it is rational to do so when incentives encourage old behaviours).
- Individuals begin to question the impact of the organisation design changes on their personal economic well-being, distracting them from winning in the new formation.

Again, sound out your leadership team to ensure that cross-organisation goals and rewards are not in conflict with each other before you implement. Talk to leaders and managers in other companies to get some broader context of what works and doesn't work elsewhere.

It's really important that the reward structures align from top to bottom within your organisation and there is an OMG specific payment when you achieve it - A Long Term Incentive. That encourages everyone from Executive to Admin Assistant to shoot for the OMG. Obviously the levels of reward might be different, but everyone wins when you achieve your goal!

c) Push decision-making authority as far down the organisation as possible

In the era of organisational flattening, there are less and less layers of management. We are happy about getting rid of hierarchies, but we are less good at understanding the associated challenges. If a layer of management disappears, decision-making should go to the lower level and not to the higher one. A reorganisation where layers go down from 6 to 3, but where senior management absorbs most of the decision rights that became available tends not to work effectively.

A consequence of decision-making being pushed down is that there are many new 'decision homes' where empowered people could make a decision on the spot. One of the big problems associated with decision rights flowing upstream, to a higher level, is that these decision rights tend to go or be deferred to the management bodies that only meet from time to time.

So, pushing the decision rights down to a lower level also means that many decisions could be taken 'in real time'. Provided that people are empowered to do so, there is no reason why they should delay the decision-making process. Pushing decisions downstream and making decisions 'in real time' as much as you can are two simple disruptive rules. They won't cost much but they have the power to transform your company on a big scale.

Some principles you should consider:

- Implement decision-making at lower levels **across** the business, not just in one or two departments
- If something can be decided at a lower level, it should. And you should make it lower and lower all the time.
- If nothing can be decided at a lower level, you are the problem.
- Your management goal is to decide less and less every day.

'Closure' and decisions made in meetings and committees may be efficient, but not necessarily effective if it could have been done at a lower level.

The amount of 'deferred decisions' (as opposed to real-time ones) in your organisation is a good indicator of your agility and empowerment. How many organisation even measure this I wonder?

d) Clearly defined roles & responsibilities

In order to effectively manage your people, it is important to provide them with a clear definition and understanding of their role, function, and responsibilities in the workplace. This will provide them with a good understanding of the job and tasks they are to perform as an individual and within any teams they are a part of. It also provides information on where they fit within the organisation and who they report to, helping to avoid disputes and misunderstandings over authority.

Failing to define workplace roles and responsibilities can create tension, miscommunication and inefficiency within your business. People may be unsure as to what jobs are their own and who they are required to report to. Mistakes and omissions can also occur where people are unsure of what is required of them, therefore creating inefficiencies which cost time and money.

e) Stopping projects / activities that don't support the plan

Tighter goal alignment and goal visibility allows for quicker execution of organisation strategy by enabling your management team to more effectively allocate resources across various projects. By exposing business initiatives not aligned with your OMG, it also increases overall efficiency by ensuring employees are not duplicating the efforts of others. Plus, goal alignment strengthens the leadership at your company by allowing managers to:

- Understand more clearly all responsibilities associated with specific goals
- Eliminate redundancies across job titles
- Focus their staffs on your company's most pertinent goals

So, you've now got the right people, organisational structure and performance culture to deliver your plan. Let's look at the third element of PACE, Communication.



Communication

a) Senior management creating a sense of purpose

All of us are in search of a clear and driving purpose for our lives; we want to contribute to something bigger than ourselves. The workplace offers a great opportunity for people to connect with a purpose, your One Magnificent Goal, your OMG!

The reality is that people care less about working for a company and much more about working for a 'noble' cause. Without a purpose, your employees are just putting in time. Their minds might be engaged, but their hearts will not be. A team without a purpose is a team without passion. Your team members may achieve short-term results, but they won't have the heart to go the distance.

The first strategy to satisfy this basic need is to give employees a 'noble' purpose and then help them connect with it emotionally.

Take a close look at what your people are doing day in and day out. You might find that their hearts are much bigger than their jobs. Get team members inspired about your OMG, and their hearts will follow.

Implementing improvement requires constantly reviewing the dynamic forces that drive an organisation. Understanding these dynamics, anticipating their consequences, and acting to accelerate, or redirect them is a complex task. The complexity is further compounded when companies engage in improvement efforts without viewing them as part of their strategic thinking. Assumptions

as to what's involved in change often understate the difficulty and miscalculate the amount of energy, preparation, and time required. Without proper attention, diagnosis may be inadequate and off the mark, leading to ill-fated plans.

Improvement efforts with an OMG often not only require readjusting the way that organisation leaders and employees think, they also require substantially changing behaviour. They require business leaders to manage energy in new ways and make difficult choices. Because these are often needed in the areas of employee empowerment and involvement, they call for new forms of courage. Many within the organisation have to make higher-risk decisions, requiring greater levels of personal development. Improvement efforts mean that cross-functional teamwork, innovation, and personal initiative become part of the defining values of the organisation.

To be successful, it is crucial that your senior management team are 100% behind your OMG, that they actively engage with their teams on a regular basis about your OMG, and that they make the OMG real for the people in their function - tailoring the messages for their people's specific roles and responsibilities, and tackling the 'What's In It For Me?' questions. They need to be passionate, committed and demonstrate the behaviours underpinning your OMG for it to be taken seriously by their teams. Paying 'Lip-Service' to your OMG will work for a while, but destroyed on the 2nd or 3rd occasion that a senior manager strays from this path.

b) Communication and Collaboration

Effective communication is vital in driving pace in your organisation. Improved communication **and** collaboration across your organisation represents your best opportunity to tap the full range of talents of your people, move with greater speed and flexibility, and compete to win over the next decade.

Building a collaborative organisation requires a transformative approach to culture, processes and technology—along with an unwavering commitment from top to bottom. The working environment is changing; there is an increase in flexible working, home working and mobile working and a blurring of all three. A clear collaboration strategy will ensure that productivity is not lost and employees feel as much part of the organisation as their colleagues based in head office. Optimising team performance can be achieved by building trust and strengthening relationships across geography and cultures; encouraging participation and knowledge/expertise through the use of communities; locating experts within real-time and accelerating decision-making; and using availability and presence tools to help reduce budget by meeting virtually. If you foster a culture that encourages collaborative behaviours, put processes in place to help people work better together and adopt technologies that facilitate collaboration, your efforts will be rewarded with an energised organisation that can adapt quickly to changing markets and deliver results.

c) Communications Approach

To achieve real organisational buy-in to your One Magnificent Goal you must *inform*, *inspire* and *involve* employees so they will choose to go where you are attempting to lead them.

Inform

Informing is the first step in aligning employees and getting buy-in. It starts with sharing the *why*, *what* and *how* of your OMG. Then discuss and get clear on individual roles in meeting the goals necessary to achieve the plan.

To feel informed, today's employees need clarity on:

- Why you exist as a business
- How you will behave
- What you offer to key stakeholders
- Where you are going in one to three years
- Key areas of focus for the entire organisation

Although the need to communicate has not changed over the years, the tools we use to communicate have. Thanks to the internet and other new technologies, today's leaders can (and should) communicate in many different ways.

The old standbys – memos, meetings and newsletters – still have their place, only in most cases these have gone digital. In addition to these tools, today's leaders and managers use e-mail, intranets and online newsletters to communicate quickly and effectively with employees. They also use blogs, webinars and video clips to educate and update employees about company goals and objectives.

Companies with geographically dispersed workforces use conference calls and video teleconferencing to simulate face-to-face interactions. And the more tech-savvy companies, especially those with younger workforces, are using instant messaging tools like [Microsoft Lync](#), [Twitter](#) and corporate social media tools like [Yammer](#) or [Chatter](#) to stay connected. Whatever technologies you employ, the key is to communicate often in many different ways to ensure that all employees are focused and aligned.

Inspire

Today's employees want to believe that their work is making a difference in the world. To inspire others:

- Share a compelling vision of what tomorrow looks like. How will that vision make the world a better place and improve their lives?
- Constantly discuss the aspirational components of your OMG. Why should employees aspire to achieve it?
- Share why *you* believe the destination is compelling. What is it about where the company is going that inspires you?
- Communicate with enthusiasm and passion. Become an evangelist for the organisational goals.
- Ask employees what the OMG means to them. Share their responses via e-mail, intranet and in company meetings.
- Share positive customer feedback. Give people reasons to feel good about what the company does.
- Celebrate achievement of milestones. We all want to be part of a winning team, so recognise the progress and success along the way to your goals.

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The ultimate goal is to get employees talking about what the OMG mean to them individually. The more they focus on these areas, the more likely you are to get buy-in and alignment.

Involve

When employees feel involved and engaged in the delivery of your OMG, they bring more than just their bodies to work. They bring their hearts and souls as well as their best thinking.

- Spend time with your team regularly to check on their progress. Make sure all individual goals remain aligned with your OMG.
- Share stories of how teams are aligned and achieving goals. Highlight team accomplishments and link them to the strategy they support.
- To measure employee understanding, commitment, inspiration and engagement, take quick surveys following team or company meetings.
- Solicit questions via email or intranet and address them in open forums. Publicly thank employees for raising the issues.

So, you've now got your people on board, they're informed, inspired and involved. Let's now look at the fourth, and arguably the most important element of PACE, Execution.

Execution

Thomas Edison famously said, "Vision without execution is hallucination." It's true. And as the hallucinations of countless business leaders have proved, knowing what you want to do or where you want the company to be may be less than half the battle.

a) Co-ordination and control of programmes and projects

Failure to execute has several root causes. Below are several common reasons why companies fail to execute their strategic plans fully:

- Poor prioritisation of resource - Every goal cannot be the top priority, but we set ourselves up for failure by treating them all as if they were equal. Organisations lack the energy or focus to take on too many goals at once. Even if the capacity were there to take on unlimited amounts of work associated with implementation of strategic goals – it is a bad idea to over extend.
- Lack of detail planning to support goal achievement - Detailed planning involves breaking down work into smaller parts. It is far easier to solve a small puzzle than to launch into solving a massive one. Inch Pebbles not Mile Stones!
- Poor communication and coordination - Failure to communicate and educate is a huge factor in many failed plans. Employees who are responsible and accountable for their scope of execution must understand what is to be done, when and how that affects the overall outcome.
- Strategy and culture misalignment - Execution cannot be planned without consideration of the organisation's culture.
- Accountability missing from goals - Everyone is accountable in accomplishing their individual tasks that are required to achieve the overarching OMG and some, including the CEO, may be accountable for reinforcement of the tasks.

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- Poor governance - Governance enables organisations to manage the interrelationships of all underlying initiatives comprising their OMG. Governance also provides the boundaries and check points needed to keep programs in alignment with the plan.
- Ill-defined initiatives - Once ambiguity creeps into the scope of any initiative, it leads to confusion and failure in execution. The language used to state goals is usually where the problems start. Initiatives must be carefully constructed in order to be crisp and well understood. In addition, they must be measurable.

To be successful a project must:

- Deliver the outcomes and benefits required by the organisation
- Create and implement deliverables that meet agreed requirements;
- Meet time targets and stay within financial budgets;
- Involve all the right people;
- Make best use of resources in the organisation and elsewhere;
- Take account of changes in the way the organisation operates;
- Manage any risks that could jeopardise success;
- Take into account the needs of staff and other stakeholders who will be impacted by the changes brought about by the project.
- Keep stakeholders and staff in the loop as to your progress and get them ready for any impacts of the project.

b) Ownership and accountability

At work, people who have a high level of accountability will take initiative to ensure the success of a project, provide early warning of potential problems, and try to resolve a problem even if it is not their fault.

One reason we hesitate to tackle the accountability problem in a timely way is a lack of clarity on what the person is accountable for in the first place. Discussions about accountability can be straightforward and potential conflicts less intense when everyone knows ahead of time what is expected and how success will be measured. Establishing this clarity also reduces the likelihood of having to have the discussions in the first place.

Being accountable comes naturally to some people. For many of us, however, the more natural tendency is to justify and explain why we are not responsible when things go wrong. Although you cannot change human nature, those of us in a managerial or leadership role can help create an environment that enables others to operate at a higher level of responsibility. The key is to set people up for success by clarifying expectations up front and building in time to make course corrections before the deadline. This helps avoid the need to make excuses.

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When targets are missed, asking three questions can solve the problem: What can you do right now to get back on track? How did you contribute to this situation? What can you do in the future to ensure this will not happen again? This approach doesn't try to pinpoint blame and helps minimise the threat to the person's self-image. These three questions, along with techniques to deal with a defensive response effectively, also minimises the need to make excuses as you and the other person collaborate on finding a solution.

c) Rapid and Effective Decision Making

There are three things you can do to improve the quality and speed of decisions.

- a) Make sure that people closest to the action are making the decisions. This can require a change in organisational structure and, when this is not possible, empowering people and holding them accountable for taking the initiative and addressing issues when they arise.
- b) Involve the right people in decisions. This helps ensure that you include perspectives and experiences other than your own and also helps fill in relevant data that you might not possess.
- c) Use an objective, systematic process so that you won't let emotion or bias cloud the issues or simply default to the kinds of decisions you've made in the past. This will also force you to incorporate risk assessment in your decision-making.

These last two actions ensure that we have access to a range of perspectives and information that might not otherwise be available to us, and increases the likelihood that we will be more thoughtful when making choices.

Organisations that are the best at execution also create operating plans that are coordinated across departments and levels, expect and encourage top performance from everyone, hold people accountable for results, make high-quality decisions by ensuring that the right people are talking about the right things at the right time.

In summary, PACE - Planning, Alignment, Communication and Execution will drive speed in your organisation. You as a leader will need [High Energy](#) and [Focus](#) to keep PACE on track and you'll need a strong team around you to deliver your OMG. The rewards in achieving your OMG will be worth it!

That concludes the final part of The Need for Speed ~ Driving Pace in Your Organisation.