

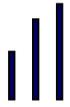
ITPMG

Helping Companies Improve Their Performance

Keys to a Successful Transformation

Creating & Sustaining a Shared Executive Vision

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One of the keys to success in implementing any business or IT change and/or transformation project is establishing a shared vision for what the change or transformation is – and isn't - with those affected. This is especially important at the executive level, for the executive team must encourage and support the rest of the organization as it goes through the change.

A successful approach usually combines four key elements:

1. A constant **drumbeat** of communications about the change and related topics
2. A **workshop** or event which allows the team to build their shared vision together
3. **Ownership** of the change or transformation by those affected
4. A set of “**rallying cries**” which enables the team to see how their actions contribute to the vision

This paper will briefly discuss how a company might execute each of these in their business. The first two concepts are really about creating the vision; the latter two concepts concern sustaining it.

Drumbeat: The concept here is to let the executives hear about the change project on a regular basis to help shape their thinking – almost like an advertising campaign. A “newsletter” is an instrument along these lines that may be used as a starter. In some cases, however, a company may want to share articles or issues that are change project related with the company's executive team. For example, a Business Week article or a Time article about a relevant competitor or successful company involved in a change project that improves that company's performance would create a good opportunity to discuss the change project. Some questions that could be asked of the executive team:

1. How could they do that?
2. What can you and your company learn from this?
3. What keeps you and your company from doing the same thing?
4. Should you and your company do the same thing?

Simply sharing the article and asking them to give their thoughts would be enough. The key is that once a week or so, they see that the company is thinking about the change project, and is asking them to think about the change project as well. This also serves as pre-conditioning a workshop or event.

It does not just have to be articles; I mention that approach because it is fairly easy to execute. However, hallway conversations, mentioning ideas at staff meetings, and the newsletter approach – these are all also effective, depending on your personal style and corporate culture.

Workshop: At ITPMG, we conduct off-site meetings for one - three days with the entire client's executive team. When a worldwide technology company first launched their global Brand Management change program, they had over 50 of the top Marketing executives in the company off-site for a week. This may be too long for many businesses, but one – three days would be quite effective depending on the size of the change and/or transformation project. A company may want to host the event at a relaxing neutral site, and allow time for recreational activities – this is as much about building a team as it is about the change project specifics. It could be held partially over a weekend in order to minimize business disruption. Another alternative is to host a session at a corporate training center. The key is to get the team together and away from the normal interruptions. The sessions should be facilitated by internal or external consultants and have one or two outside experts who can bring a different perspective such as ITPMG.

To make it truly valuable for the executive team, the workshops should also include a real business issue and use the change project concepts as part of the program. So, the workshop would not just be about the theory of the change project, but about applying the change project concepts in the real world. For example, it could be about how the company will take advantage of an emerging "open" market, how a company would attack a particular competitor, how a company will meet the challenge or take advantage of low-cost producers, how to find the next killer product/offering, or how a new IT application will help speed an offering and/or product to market. In this scenario, part of the session would be devoted to concepts within the change project and creating the shared vision of the change project, part of the session would be devoted to how the change project implementation is progressing, and part of the session would be actually using tools to work through the chosen business issue.

This kind of session would require significant preparation, so it is suggested that a full/complete implementation plan and calendar be done to ensure a successful session.

The affected senior executive team is the most probable attendees. A company should consider inviting the company's president and/or a division president of the affected division to attend part of the session as well, to show support and add their insights.

Ownership: The selection of the executive sponsors of the change project and project implementation plan elements should be well thought out and understood by all the affected executives and their teams. A company should create an implementation plan and deployment structure with many executive sponsors in order to help the executive team feel responsible

and a part of the change. Change is most effective when the people being affected by the change are able to help shape the change. The key is to hold this team accountable for the results. We suggest they meet as a team once a month or every two weeks, and that they report to the senior executive team once a month; the meetings should be used to discuss issues and challenges, not just status. It is important that the project sponsor stay directly involved; the combination of deadlines and executive involvement is most effective in ensuring that the change and/or transformation will actually happen. This schedule of meetings should be established at the workshop and refined over time.

After the workshop, some additional responsibilities may emerge related to the shared vision. Assigning ownership of these responsibilities will also increase the change project involvement by the executive team.

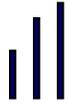
Rallying cries: Rallying cries are very similar to goals or objectives, but they have some additional attributes:

1. They are measurable
2. They are usually a bit of stretch
3. People can see how their individual actions contribute.

Rallying cries serve as a way to tie the vision to current actions and shorter-term objectives. For example, when a global technology company was trying to increase usage of the Internet inside the company, they had a “rallying cry” that called for 50% of all internal education be done via the Internet. (the company, being widely geographically disbursed, would achieve significant savings this way.) Employees could see that taking a course online would contribute, managers would contribute by encouraging or requiring their employees to take some online training, and the training organization could see that they would have to provide some online courses, not just classroom. Now, they didn’t achieve the objective in year one – it was too aggressive but, they tried and they quickly identified the obstacles. By year two the company did achieve the objective. The company did the same thing with “% of online orders they received”, “% of online purchasing the procurement group did” (almost 100%), etc. – in all they had approximately 7 key measurements. And they measured and reported on these every month with every division.

Here are some examples of rallying cries from change projects in technology companies:

- 50% reduction in product portfolio
- All marketing employees coded to a specific profession/job code
- Market Assessments created for every geography



- Every marketing employee having taken one profession specific course,
- Every product/offering having a Offering Business Plan
- Every development engineer having taken one profession specific course
- Every executive having taken one executive development course
- All field personnel using the new CRM system

These don't all contribute directly to revenue or profit but over time most contribute indirectly to reduced headcount, increased productivity or better selection of products to develop. The important point is that these "rallying cries" can be shared with the whole team to get them focused on the change project, and they can be measured.

Conclusion: These ideas hopefully provide some actions a company can initiate to keep a business or IT change project and/or transformation moving forward and create the shared executive vision needed to ensure that forward movement. A quick checklist of the some ideas:

- Find and distribute one change project related article to the affected executive team as soon as possible and follow-up with another article each week
- Ensure the executive sponsors are selected and notified.
- Assign planning of the workshop to one of the executives
- Hold the executive workshop
- Have the workshop participants create the Rallying Cries
- Have the workshop attendees create the implementation and deployment schedule for review meetings

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