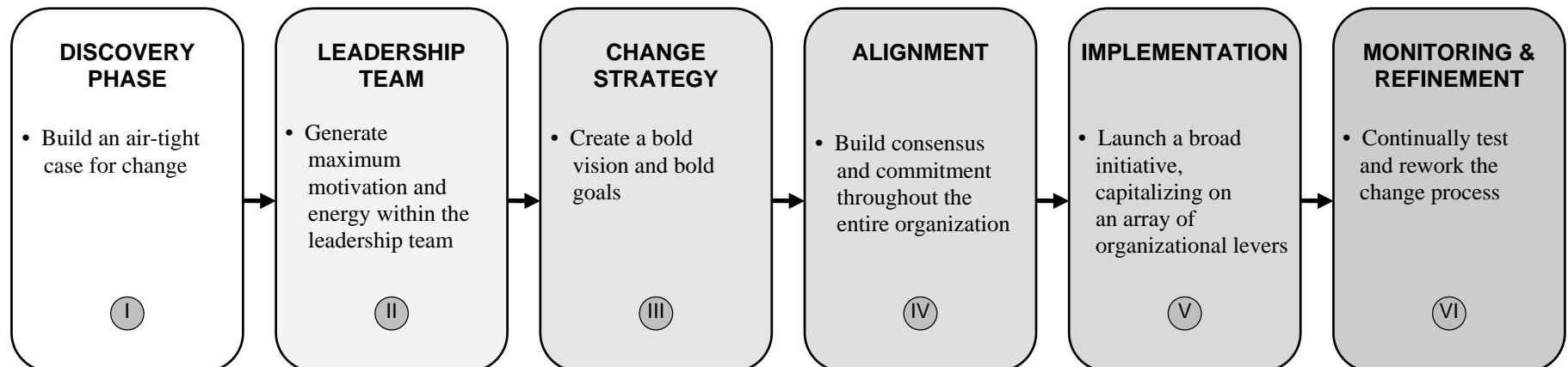# BUILDING A HIGH-PERFORMANCE ORGANIZATION THAT IS VALUE- AND VALUES-DRIVEN

Changing an organization — changing a human system — is, at its heart, a process of finding and then using sources of organizational leverage. From the very beginning of the change process — the Discovery Phase — to the final step in the cycle — the Monitoring and Refinement Phase, mastering the change process is about identifying an array of leverage points (organizational levers) and then taking advantage of these levers' multiplier effects. What follows is an overview of the leveraging process, as we practice it in our work, for shifting or redesigning an organization's cultural and social architecture.

DISCOVERY PHASE	LEADERSHIP TEAM	CHANGE STRATEGY	ALIGNMENT	IMPLEMENTATION	MONITORING & REFINEMENT
• Build an air-tight case for change	• Generate maximum motivation and energy within the leadership team	• Create a bold vision and bold goals	• Build consensus and commitment throughout the entire organization	• Launch a broad initiative, capitalizing on an array of organizational levers	• Continually test and rework the change process
I	II	III	IV	V	VI

I

DISCOVERY PHASE:
Create a Sense of Urgency and a Must-Change Mindset

Goal: Make an airtight case for change.

Tools

- *ODS* (Organizational Diagnostic System)
- High-impact interview protocol
- Competitive analysis
- Benchmarking
- Customer/Client assessments
- Gap analysis

II

LEADERSHIP SIGNS ON:
Prepare Top Leaders To Take a Strong Mandate To the Entire Organization

Goal: Top leaders are intellectually and motivationally prepared to plot the course, sell it, and deploy resources.

Key Steps

- First build trust and then a common sense of urgency and commitment
- Team composition is critical
- Inundate team with data
- Surface and then hammer away at the gaps:
  —*How We Are vs. How We Should Be*

III

CHANGE STRATEGY:
Deliver a Compelling Call-To-Arms That Commits the Organization To A Bold Future

Goal: Create the blueprint for a high-performance enterprise.

Key Steps

- Conduct *Future Mapping*
- Create Transformational Vision, Mission, and Core Values
- Craft business strategy linked to vision

Tools

- Driving-Forces Analysis
- *Organizational Performance Scorecard*
- Competency Modeling
- *Strategic Performance Development System*

V

IMPLEMENTATION, INTEGRATION, AND COORDINATION: Launch the Change Initiative

Goal: Exploit every possible organizational lever.

Critical Levers

- Deliver a series of near-term wins
- Eliminate counter-Vision barriers
- Realign all systems and people practices with Vision and Core Strategy
- Hold quarterly retreats for Leadership Cabinet
- Charge key line managers with leadership of RITs
- Maximize involvement and feedback
- Train people in Vision-mandated competencies

IV

ALIGNMENT: Create a Consensual Mindset and Commitment To the Vision and the Plan

Goal: Rally the troops, align leadership behavior, and invite broad participation.

Tools and Methods

- Inundate organization with Study findings and the developing Response Strategy
- Coach leadership on how to exhibit the behavior they have promised
- Dramatically expand communication infrastructure
- Start working the Twelve Levers that impact organizational performance
- Be open to resistance and confront it directly and with finesse
- Broadly involve managers and individual contributors in launching Response Initiatives Teams (RIT)

VI

CONSOLIDATION, EVALUATION, AND REFINEMENT: Test, Rework, Test, …

Goal: Create a learning organization.

Critical Success Factors

- Unswervingly focus on best-of-class people practices *and* on business performance
- Challenge leadership's complacency and/or frustration with the change process
- Progressively take on more and bigger change projects
- Acknowledge that consolidation will take upwards of five years
- Pay serious attention to succession decisions

Metric Tools

- *Strategic Performance Development System*
- 360°/540° feedback instruments
- *Organizational Performance Scorecard*
- Continuous learning/improvement mechanisms

TGCP *STRATEGIC PERFORMANCE DEVELOPMENT* SYSTEM

A CASE STUDY: A Multi-Faceted Entertainment Company

Situation: A privately held company that was newly acquired by a Fortune 500.
A new president that rose through the ranks of the target company.
A traditional management culture (aka, a *command-and-control* style).
US $0.5B annual gross revenues. 5,000 employees. Three major operating divisions.

Objectives:
- Create high-performance people practices
- Build leadership competencies and bench strength
- Ready the organization for dramatically heightened competitive environment
- Become employer of choice in newly competitive environment
- Become premiere entertainment destination

Blueprint & Achievements:

Phase I   Discovery:
1. Organizational Audit — *ODS* Survey and 80 interviews
2. Competitive Analysis
3. Benchmarking and Gap Analysis

Phase II   Leadership:
1. Debriefed Leadership Cabinet as a group
2. Then a debrief of each Divisional leader by CEO, VPHR, & BCG
3. Gap Analysis conducted for each Division

Phase III   Strategy:
1. Cabinet retreats: Vision, Mission, and Core Values
2. Strategic Business Plan crafted
3. *Organizational Performance Scorecard* designed
4. Each Division devised Roll-Out Strategy

Phase IV   Alignment:
1. One-on-one coaching of top three levels of management re: walking the values
2. Executives debriefed entire organization
3. Summary of Strategic Plan distributed to 5,000 employees
4. Multiple Response Initiative Teams (RITs) formed to own/execute various parts of Roll-Out Strategy
5. Built dozens of new communication channels

Phase V   Implementation:
1. Institute Succession Planning and Development
2. Initiate Upward Evaluation process for supervisors/managers
3. Form cross-functional Marketing Team
4. Form Customer Service Task Force
5. Deliver Customer Service Training to entire company
6. Implement Mystery Customer Study
7. Refine compensation system
8. Launch RITs: e.g., one Division identifies 27 key action items

Phase VI   Refinement:
1. Maintain high-level of feedback: 360°, upward evaluations, customer data, repeat employee survey, etc.
2. Monitor *Organizational Performance Scorecard* progress
3. Continually improve: Coming on-line during second year — mentoring program, daycare center, company store, enhanced recruiting/selection protocols, Customer Service II, etc.

Create Metric Foundation
- Organizational Strategy
- *Organizational Performance Scorecard*
- Work Unit Objectives
- Synchronized and Cascaded Goals System

Performance Planning
- Prepare individual business plan
- Integrate plan into *Scorecard*
- Define job responsibilities
- Define competencies and leadership style
- Define work expectations
- Set targets (Business objectives and Leadership objectives)

Performance Accountability
- Evaluate performance against expectations

Performance Development
- Observe and document performance
- Feedback and coach
- Revise objectives
- Provide developmental experiences
- Support effective behavior and progress toward goals

Evaluational Functions
- Compensation
- Succession planning
- Corrective Action

Developmental
- Developmental assignments (cross-training)
- Training/mentoring
- Careerpathing
- Track/build competencies
- Job-person matching

LEADING EDGE Consulting Group
1640 Powers Ferry Road ~ Bldg. 30, Suite 200
Marietta, GA 30067
Voice 404.202.0951   **Facsimile** 770.956.9218
kris_clancy@lecginc.com