

# Jomer & Co

## **Business plan execution, gain from Unifying Progress Sessions**

Operationalizing a strategic direction through the business plan is not always easy, since people with different emotions habits, beliefs and expectations realize actions. They need to be in sync and without a meaningful heartfelt participation, people will not take responsibility for making it happen. We have too often seen progress being held back by people's habitual ways of thinking and behaving, and by the way they perceive themselves, their role, responsibility and relationship to the strategic direction, the business plan and its implementation.

The sole purpose of a business plan is to make the strategy operational. Therefore, the quality of the business plan is dependent on the clarity and precision of the organization's strategy. When that is not the case, especially in large and complex organizations, interpretations of the strategic direction in the line organization will be blurred.

A business plan is a management tool for executing strategic choices and implementing key priorities. The logical context of a business plan is a hands-on clarification of how the organization plans to move from its current position to its wanted position. Aligning business plans on different levels in the organization is crucial to secure a successful move toward the wanted position given the available resources. Typically, there are several business plans in a company. Business units need externally focused plans and corporate support functions internally focused.

To ensure that the outcome of the business planning process supports the strategy, there must be a common thread throughout the organization. Alignment is key from several perspectives, i.e. alignment of the organization behind strategy and alignment of the separate business units' and corporate support functions' plans behind the overall business plan. Any lack of balance between the plans will most likely create flaws that blur priorities and risk resources to be misallocated.

We have seen execution of business plans fail for various reasons. Employees disengage because they lack consistency in the company's priorities and do not understand the common thread. In addition, functional silos may hinder necessary coordination, and unclear metrics and structures may obscure accountability for customers, projects and initiatives. All of these result in companies missing out on leveraging existing business and seizing new opportunities.

To successfully steer the organization in the desired direction and successfully remove hinders along the way, you need to understand and view the entire organization as a system. Taking a systems view means looking from the outside-in to fully understand how demand, value and flows result in better fulfilling the needs of customers and stakeholders. An organization is much more than just the lines and boxes in an organizational chart.

## **Increasing agility at the top**

The leadership team must see the landscape from multiple perspectives, discern what is important and be alert for what is new and what is an anomaly, contradiction or oddity. Streamlining a company's or governmental organization's linkage to the speed of the external environment is what makes an organization steerable or agile enough to respond to change. This means breaking the core rigidities that commonly strain organizations' drawn out processes for making decisions through multiple layers. Such processes are often slow and filtered with sequential processing of information on its way to decision makers. By defining a path forward and making necessary frequent adjustments to steer the organization along it, leaders are able to bring the organization along by linking the external realities in real time to people's assignments, priorities, decision-making power, budgeting, capital allocation, and ways of measuring progress.

Steering the organization through uncertainty of the future call for leadership to make decisions and lead when things change rapidly. Even the best leaders may lack courage to move in the face of uncertainty when the road bends and there is a need to adjust the course. In most companies decisions are already made about business and functional units' resources and performance targets. Numbers usually get frozen in the beginning of the fiscal year, as if the reality that unfolds between January 1 and December 31 is fixed. Hence, this results in difficulties in making fast changes when reality changes, since senior executives have their targets and annual budget commitments, which are hard to renegotiate. *Executives are surely flexible as individuals, but how can they act promptly on opportunities when the organization itself makes them rigid?*

Collective decision-making and full commitment to the wanted position, the strategic direction and the execution of the business plan are needed from the entire leadership team. All members are mutually accountable for the quality of the strategic direction and for executing the business plan. Mutual accountability, by contrast to individual accountability, is harder to develop. Gaining mutual accountability begins with a meaningful purpose and commitment to specific and common goals. A strong sense of mutual accountability for executing the business plan among the members is crucial, since competitiveness ultimately depends on the pace in which a company embeds new advantages and thereby continuously enhances its strategic direction. Thus, the responsibility lies on the whole leadership team to take appropriate actions to jointly execute the plan.

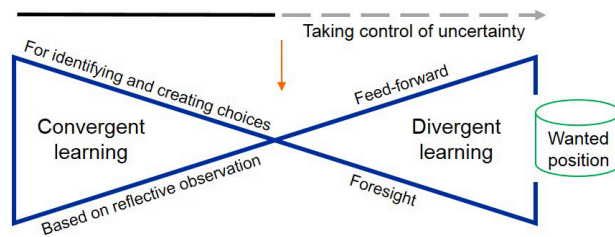
## **Unifying Progress Sessions**

A typical review of a business plan focuses on the last period's results and who made or missed their targets, and there is little coaching and learning. Leaders are seldom concerned about the impact on the rest of the leadership team's morale, focus, or ability to work together<sup>1</sup>. Transforming the setup of the typical business plan review into Unifying Progress Sessions will have the opposite effect and promote transparency, collaboration and coordination. Contrary to traditional business plan review meetings, which most often are based on the feedback concept, Unifying Progress Sessions are based on the concepts of feed-forward and foresight and the processes of convergent

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<sup>1</sup> Inspired by the thinking of Charan.

learning and divergent learning. See fig. 1. Convergent learning utilizes the collective intelligence to crystallize a unified understanding of the current position in terms of



**Figure 1. Schematic view of convergent learning vs. divergent learning in terms of Unifying Progress Sessions**

associated threats, hinders and opportunities as of now. Divergent learning explores trends and possible options to reach the wanted position. Feedback is really about preventing that negative events are repeated, whereas feed-forward is about using the collective intelligence to encourage initiatives and future positive events. Hence, feed-forward helps people envision and focus on a positive future.

The setting of Unifying Progress Sessions gives people ideas on how they can increase their chances to successfully execute the business plan. Foresight is a critical skill for adaptive leadership to understand the deep drivers of change and to broaden possible responses. Without foresight, we are bound to steer into the future blindly and unable to visualize the total picture. Possible future events could either be favorable, unfavorable or status quo, and the possible consequences of the actions or inactions would be almost impossible to handle in relation to the wanted position. Unifying Progress Sessions solve such conflicts that many organizations house.

Successful execution of a business plan cannot be manipulated into the culture, it can only happen when the desired outcome is aligned with the culture. Culture is the total sum of the emotions, experiences, beliefs, ethical codes, standards and expectations of everyone involved and it equals the organization's collective mind. The spirit is the premier driver of all behavior. Minds lead behaviors. So, without tapping into the defaults of the organizational behavior, people's behavior remains the same. Since culture is not tangible and exists in the organization's collective mind, focus must be on visible behaviors. Efforts to change will fail if the spirit of the organization is not aligned to strategic direction. Sustainable change requires change in mindset, change in actions and change in system. Changing behaviors reshape how things are done and changing people's mindset provides intrinsic motivation, which leads them to change their actions and their system.

When executing a business plan, Unifying Progress Sessions are a powerful steering mechanism for the top team to integrate and steer the organization, especially when silos must be removed to achieve the objectives. Unifying Progress Sessions are equally useful on other levels as well, where joint decision-making is required to ensure that the what, who and how are in sync with the speed and nature of change.

A Unifying Progress Session is not just another meeting, which focuses on unit results from the last period. It is just the opposite, and based on the promise that information is transparent to everyone in the leadership team, so they can form a common fact-based view of the total picture. The session needs to include all critical people who are dependent of each other, meaning that their goals, priorities, information and outputs affect and are affected by each other's, i.e. the system needs to be in the room.

Each leadership team members should focus on identifying the root causes of the problems and support the persons working to solve them. This helps opening up the minds and supports the individual leadership team member to be more willing and better equipped to spontaneously make trade-offs and adjustments when needed. It only takes a few rounds of practice for team members to spontaneously start helping each other. This is the first indication that the rigidity of silos is being broken and the organization is becoming more agile. When people enhance their skills in working as a true team to identify opportunities and solve problems, they will be able to form a common view of the total picture, thus giving them a foundation to adjust their individual priorities, resources, budgets, etc., for the greater good. As a result, decisions are made, bottlenecks removed, people are energized and the organization delivers results.

Since individual behavior determines an organization's success over time, transparency must rule. The first step in resolving dysfunctions is to understand how the traits of an organization influence each individual's behavior and affect performance. All team members must put forward their progress on their five to ten most critical tasks for achieving the business plan. The dashboard will then clearly show which tasks are green, yellow and red. Transparency allows facts, not politics and emotions to rule, so individuals are willing to spontaneously volunteer their resources to reach the goals and priorities the team deems most important. Conflicts become visible and are resolved.

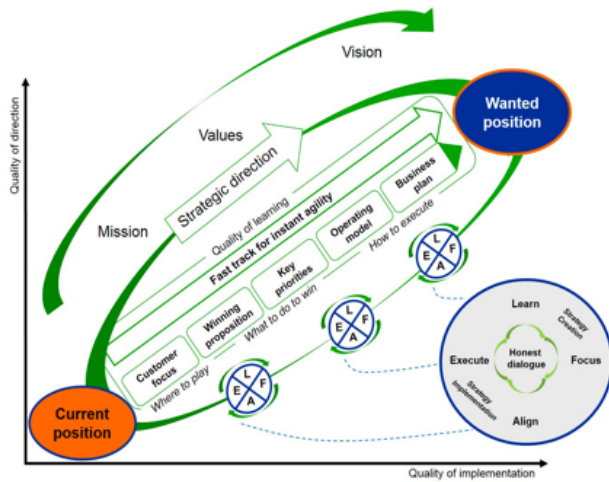
Observations about what is happening in the external context and how it is affecting the company and the execution of the business plan are built into the discussion. Each member presents their own perspective, but converge on a common view, which stimulates their sense of urgency to behave differently. Since everyone is listening to the same information simultaneously, it results in a dialogue and debate that fosters better integration. Responsibility and managed accountability secure that everyone in the team works to turn red into yellow and yellow into green, i.e. they deliver results. The leadership team can now better visualize the progress of the unified effort as a system, since they have a common view of the hurdles, what they need to do, and they are better equipped to manage their own part of the organization. Consequently, people will work in the same pace instead of working autonomously in different paces.

The frequency of the Unifying Progress Sessions conditions people's behaviors and attitudes, and the sessions do not actually consume time, they rather free up time by eliminating the need for pre- and post-planning.

### **The business plan makes the strategic direction operational**

To make a strategy happen, an organization must incorporate elements for translating what to do to win in terms of actions to execute and fulfill. See fig. 2. In other words, the strategy needs to be made operational by the operating model and the business plan. At the end of the day, the wanted position and strategy exist to drive execution along the strategic direction.

The building blocks of a strategic direction include the elements and central forces that propel the business toward its intended objectives. Without an integrated and aligned approach to these elements, there will be lack of clarity and specificity. As a



**Figure 2. The integrated approach for developing a strategic direction**

cover key customers, winning proposition, key activities, key resources, key suppliers, revenue flow, cost structure, competitors and risks, but also address additional key aspects of the strategic direction, such as the mission, vision, values and wanted position.

### Leadership evolution

Many of the leadership teams and executives we support in developing and executing business plans, have come to understand the importance of a system-based leadership from the top leadership team and down the line management. The future of leadership, as we see it, is shifting from an outdated directive approach toward a collaborative framework that inspires to engage in new and different ways of working with each other. This creates an opportunity for all leadership team members to step in and contribute more fully and engage in a way where the best ideas and input are brought forth. It allows them to be more open, and realize that they are in this together. It opens up their minds and reminds them that Unifying Progress Sessions are a learning experience. It creates an environment where people feel for sharing their feelings, stimulating input, ideas and solutions. Working closely with them has put us in the fortunate position to influence and support them in raising their ambition to reach higher levels of commitment and performance.

We believe it is helpful and many times necessary to use Unifying Progress Sessions to combine the strengths and negate the weaknesses in the leadership team to accomplish improved collaboration. Individuals acting alone may not be empowered to make the desired changes, but if there is a real desire to collaborate and share knowledge, most if not all obstacles can be overcome or circumvented. This approach to collaborative leadership recognizes that power is greatest collectively in a team. By encouraging participation across all levels, leaders allow solutions to develop from the best ideas and they take a team approach to problem solving.

From experience, we cannot over-emphasize the importance of Unifying Progress Sessions in creating positive change and target alignment. It is a form of executive crowdsourcing that demands humility and openness to ideas for success from other

consequence, the organization will struggle to make the strategic decisions, allocate resources effectively, align the efforts of people, execute actions and finally measure performance and progress against targets. The offering and organization must be aligned behind the strategy. Adjusting the structure and processes, measurement and reward systems, culture and people capabilities in terms of an operating model does this. The business plan makes the strategic direction operational by detailing how the organization should meet shorter-term goals and evolve toward the wanted position. Thus, a business plan need to

people. The transparency opens up for a free flow of concerns, opportunities, and needed actions, which lead to an enhanced execution of the strategic direction, as well as alignment and support from all participants. Running Unifying Progress Sessions has taught us the importance of having independent facilitators in the process to secure objectiveness.

### **How can we help?**

It is impossible to eliminate risks from strategic decision-making, but we argue that it is possible for companies to significantly improve their chances of success when it comes to implementing a strategic direction if they expand their tool kit with the concept of Unifying Progress Sessions when reviewing their business plans.

Jomer & Co has long experience and knowledge of aligning organizations behind their strategies and supporting senior executives and managers in forging and executing business plans that close the strategy-to-execution gap. Our support is always bespoke and there are several possible entry points to a successful collaboration, for example:

- Running a number of trial Unifying Progress Sessions with the leadership team when organizational silos must be removed to achieve targeted results.
- Engaging in establishing the concept of Unifying Progress Sessions to improve agility and thereby enhancing the skills of the leadership team to identify opportunities, solve problems and make necessary adjustments to their individual priorities and resource allocations.
- Conducting a Business Plan Audit, to analyze the organization's alignment behind the strategic direction and thus making the strategy operational.
- Conducting a Strategy Audit to analyze the readiness for strategy execution.
- Engaging in a Strategic Dialogue with senior managers, to solve their key challenges in their strategy implementation work, provides high caliber hands-on support.
- Conducting a Strategic Metalog collects the organization's honest opinion about the strategy in a structured and anonymous way.
- Conducting SAX Dialogues, to support down-the-line managers to establish collegial collaboration between different units with regard to strategy implementation.

### **Jomer & Co**

We help clients close the strategy-to-execution gap by creating and implementing winning strategies.

Jomer & Co is a boutique advisory firm, focusing on strategy creation and implementation. Our focus on employing professionals with extensive experience provides us with the executive resources of a larger organization while still being flexible and responsive in the relation to our clients' challenges.

We are devoted to knowledge and situational insight and are aligned to the shift in demand for management consulting services by its way of leveraging knowledge, experience and giving advice. Our experienced Consulting Associates work closely with clients throughout the stages of strategy creation and implementation.

For contact and more information, please email [info@jomer.se](mailto:info@jomer.se).