

Creating An Execution

Based Culture

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If you're hiring people who are smarter than you, you should be surprised with their new ideas and solutions.

Are you willing to do what it takes to ensure that all of your employees are focused on meeting or exceeding the organization's most critical business goals. Sounds impossible to do, right? But it's doable with an all-out commitment to execution. The most important aspects of a execution-based culture are establishing clear objectives, effective communication, implementing an accountability-based leadership model focused on results instead of activity, eliminating victim mentality, minimizing politics, proactive teamwork, establishing effective measurements and rewards, effectively managing performance and mastering personal involvement in day-to-day aspects of the business. When it comes to executing for results, accountability is your primary driver. Profitability and results start by assigning clear ownership to every aspect of the business. However, for this to work you must to have the right people on your team.

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One of the most important aspects of being a superior leader is hiring people smarter than you. The difference between good performance and great performance is not just having smart people, but also having the right great people in the right positions. That's why top leaders spend more time putting the right team in place to accomplish their objectives than they spend on planning, strategizing, or many other components of their job.

Often ineffective leaders have a fear of not knowing the answer to every question. They personally want to bring all relevant facts to the table every time. That's not only impossible but also counterproductive. Here is an important point to remember. A players, hire A players and B players, hire C players.

Effective leaders hire people who can provide the answers that are pertinent to their particular area of expertise. True leaders also know how to listen to advice and move out of the way to let others do what they do best.

So how do you determine if you have hired the right people? First, ask yourself how often the people around you recommend sound ideas that you never knew were possibilities. Does this happen once a week? Once a month? Does it ever happen?

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Second, in the privacy of your office, study each person in your organization who reports to you, and ask yourself, if there were no ramifications associated with the answer, would I pick this person again to be on my team and in the same position? Caution! If you worry about what you would do if the answer is no, you will not answer the question honestly.

If you can answer often to the first question and yes, without hesitation, to the second, then you have the right person in the right job. When you hire first-class professionals, your job will get easier and your objectives will be achieved faster, better, and more profitably.

One of the toughest jobs for a leader is hiring someone you don't know. The last thing we want is to hire wrong and then have to deal with the aftermath. Here is a secret I use to increase the probability of making the right hiring decision: During the latter stages of the interviewing process, after my colleagues and I have met with the prospective hire several times, I ask the candidate to write a one-page action plan describing what he or she will do the first sixty days on the job. The next time we meet, I ask the person to present the plan. This not only allows me to evaluate the candidate's style, approach, and critical thinking skills, but it also gives me a ready-made performance plan by which to evaluate the person in the months to come. If I'm hir-

ing to fill a senior position, I ask for a three-month action plan.

Having the right people in the right position makes it's easier to assign ownership. When doing so, be direct and forthright with people in every conversation, letting them know where they stand, what's needed from them, and when it is needed. Often good leaders can become great leaders by reshaping the way they talk.

When you make a request of someone, take a little extra time to explain why you are making it. Put it in context and explain why it's important to the goals of the organization. Then the person can provide a more robust solution because she understands the purpose of the task and how the information will be used. Ask what the person needs to complete the task. This approach removes excuses, reduces rework, and is a great way to build relationships. It's also a great way to develop future leaders by increasing responsibility and encouraging decision making and creativity. By holding others accountable, you are teaching them to accept responsibility.

When you follow an accountability-based leadership model, based on clear objectives and clear measurements, it exposes the effectiveness—and ineffectiveness—of your organization at all levels. Results speak for themselves, and they speak volumes. Those who achieve their objectives and treat people fairly along the way can be targeted to play increasingly important roles in the business.

It's easy to determine if you have an execution-based culture. Just listen to the conversation going on in meetings. Is conversation directed toward commitment? Are individuals talking about what is important and what will and won't get done? Are they making requests of one another and asking for commitments? Or do conversations stray to generalities, vagueness, rationalization, and missed expectations?

Do you have people who constantly talk about how hard they work, how many hours they put in, how little vacation they take, yet you wonder what they actually produce? If so, most often these people are focused on activities instead of results. They will continue to do this as long as your culture condones this behavior.

I know a group is performing well when they talk about actual results, not the activities and hurdles along the way. When team members hold themselves accountable, you hear responsibility in their conversations. They ask one another for help in order to get on track. There are no victims, excuses, or concerns over a lack of knowledge. Instead they are searching for the knowledge and support they need from everyone around the table to reach the company's goals.

The ability to consistently convert business goals into results is the sign of an effective leader who knows how to execute. To maintain this level of focus, leaders must first provide clear direction that is concise and easy to understand.

Have you provided clear direction to your entire organization? To find out, just walk around and ask individual employees what the organization's top objectives are and how what they are doing today helps to accomplish them.

Here is an example of an execution-based organization. If one of the top goals is to increase profit by 2 percent over the previous year, you should expect to hear responses similar to the following when you ask employees in a particular department how they are helping the company accomplish its goal:

- Human resources: We are revising the commission plan to increase sales of higher-margin products by 20 percent.
- Finance: We are refining the labor-reporting system to more accurately calculate individual product margins by the end of the first quarter.
- Sales: We are training our salespeople on the new customer credit screening process to help reduce bad debt by 10 percent.
- Information systems: We are implementing a time reporting system to improve productivity by 3 percent.
- Customer service: We are determining the root causes of all warranty claims to reduce the amount by 20 percent.
- Manufacturing: We are reducing the cost of waste 15 percent by selling production by-products and scrap to the secondary market.

Simply listen to their responses.

If you want to increase accountability my advice is to start by defining your role when it comes to delivering results. Simply put, the leader's job is to ensure every member of the team wins, and winning is defined as meeting the organization's top objectives. I only wish someone would have explained this to me earlier in my career. The reason this is so powerful is due in part to the inherent quid pro quo. Throughout my career one of the best ways I've found to help people win is to establish an execution-based culture focused on producing results, not activities. Here is the seven-step formula you can use to increase accountability and execute with certainty:

Step 1: Establish the organizations top three objectives. This means the significant few, not the important many. Once identified, objectives must be clear, concise, measurable and obtainable. Notice I didn't say easy!

Step 2: Assign each team member his or her respective objectives. Remember, when combined they must allow the organization to achieve its top objectives. In other words, the sum of the parts must be equal to or greater than the whole.

Step 3: Ask each team member what he or she needs to win. To help people win, leaders must remove the roadblocks that stand in the way. Do this by having each team member identify a maximum of three things they need to accomplish each objective. Have them put it in writing.

Step 4: Agree on what the leader will do to help. Meet individually with each team member to clarify the roadblocks and agree on what's needed to win and who will be responsible for making it happen. In all likelihood, the leader will assume some responsibility. Why? Because you're responsible to people, not for them. Being responsible to people means helping them get what they need to win.

Step 5: Follow up. Each direct report should schedule a 30-minute monthly update using a standard color-coded results report. Results at or above the plan are in green and any area behind plan is in red. Focus the conversation on what was done to achieve green and if the results will remain green for the remainder of the year. When discussing red results focus on what will be done to achieve green status, when it will be achieved and any help that's needed.

Step 6: Share lessons learned. Hold quarterly meetings with all direct reports present to discuss lessons learned, identify critical roadblocks and make specific offers to help any team member behind plan. Remember, the leader wins when everyone on the team wins.

Step 7: Reward results. When objectives are achieved, ensure that rewards are disproportionate and highly visible. Those who achieve the most get rewarded the most—and everyone should know that. It's just that simple. Ensure that people at the bottom are either improving their performance or being moved out. No one with poor performance gets to remain on the bottom for more than a year without action being taken.

Does Your Organization Measure Up?

Ask these key questions – each should be answered with a resounding *yes!*

1. Are your top three objectives quantified and clearly articulated?
2. Does everyone in your organization know their top objectives and understand what is expected of them?
3. Is everyone focused on meeting the organization's top objectives?
4. Are there appropriate incentives for producing results and penalties for not producing results?
5. Does the organization consistently hit its objectives?

At the end of the day, every employee should be able to answer yes to the question, Did my actions today move the company closer to achieving our most critical business goals?

NEW BUSINESS BOOK GIVES TEXTBOOK THEORY THE BIG KISS OFF

Business Expert Writes the Playbook on "How" To Execute for Extraordinary Results

NEW YORK-Seasoned corporate executive Bob Prosen cuts like a laser through the fog of political correctness and business-as-usual in his new book, *Kiss Theory Good Bye: Five Proven Ways to Get Extraordinary Results in Any Company* (Gold Pen Publishing, August 2006, \$21.95).

Prosen, who spent 25 years as an executive with top global companies including AT&T, Sprint, Hitachi, NCR, and Sabre, says he's had enough of the business books that tell readers what to do rather than how. "Forget the platitudes and feel-good anecdotes from a few CEOs and business gurus. Get to the point - the how-to details that can actually help leaders get the results they need in the companies they run," Prosen counsels.

With the same genius that he used to turn around inherited, underperforming operations within 12 to 18 months in some of the world's most prominent companies, Prosen delivers a straightforward, no-nonsense, battle proven guide to accelerate performance in any organization.

"A smart business leader can achieve unprecedented bottom-line results by forsaking abstract discussions and vague textbook theory, shutting down endless excuses, killing off company politics, and simply doing things that clearly work," the New Yorker turned Texan reports.

Prosen exposes the glaring gap between the business plan and its ultimate achievement. His conviction that execution produces results led him to establish of The Prosen Center for Business Advancement. There he teaches CEOs and talented business leaders on the rise that executing for results is as fundamental as acting on five basic building blocks:

- Superior Leadership-the relentless pursuit of vision and results
- Sales Effectiveness-the organization's lifeline
- Operational Excellence-minding every last detail for extraordinary results
- Financial Management-extracting power and wisdom from the numbers
- Customer Loyalty-the win that keeps on giving

Contrary to the book's seemingly corporate focus, Prosen clients quickly point out that his business execution principles apply equally to not-for-profit organizations. As Los Angeles Unified School District Business Manager Michael A. Eugene reports, "*Kiss Theory Good Bye* is a compelling read, offering a toolbox to public- and private-sector managers alike to help establish clear focus, effective management, and measurable outcomes."

Never subscribing to superficial instructions, Prosen drills down into the five building blocks that support superior business execution. Inside each principle he reveals the critical tools and tactics for successful execution.

Bottom line: *Kiss Theory Good Bye* readers will learn how to execute for highly profitable results, close the gap between planning and execution, become their competitors' worst fear, measure results that matter most, focus on the significant few versus the important many, use communication as the critical path for achieving results, and maintain the gains they've made by following Prosen's lead.

While other business books try to tell you what to do to run your business better, faster and for greater profit, Bob Prosen's *Kiss Theory Good Bye* gives you the tools and step-by-step directions to make it happen. For leaders who demand superior results, *Kiss Theory Good Bye* delivers the goods for taking immediate - and lasting - action.

**"KISS THEORY GOOD BYE:
Five Proven Ways to Get Extraordinary Results in Any Company"
By Bob Prosen, Gold Pen Publishing
\$21.95 / 256 Pages / Hardcover
ISBN 0-9776848-0-6**