

STRATEGIC ELECTIONS AND “WINNING THE COMPETITION FOR CAPITAL”

By Terry Sirois

First, what is strategy, other than one of the most misunderstood words in our language? Define Strategy...if you can!

Almost always, in groups of organizational managers and leaders, when asked to write their definition of strategy on paper, the responses indicate a lack of consensus. How then, if leaders don't know, or can't agree on the definition of the term "Strategy", can they possibly begin to formulate strategy and inculcate their organization in a cohesive strategic process? More on this later...

The best definition of strategy I have encountered is simply...“knowing what you do better than anyone else, and using that strength to achieve your objectives.”

Research is full of supportive evidence that organizations with sound, proactive and flexible strategies achieve winning positions as determined by votes. How does this happen?

Every organization needs capital to survive. This is as true for public sector organizations as it is for private sector and not-for-profit entities. Each day organizations have to compete hard for 3 types of capital.

⌚ Investor Capital ⌚ Customer Capital ⌚ Human Capital

The minute your organization loses focus of this intense, daily competition, you start losing votes.

The concept is quite simple, the Investor is, in fact, the Council (who allocates the funds), the Customers are the Citizens (who pay the taxes and fees), and the Human Participants are the Employees (who invest their earning capabilities).

How do they vote, and what do they vote for? The ballot is the \$. Those who allocate funds provide their \$ ballots to those institutions that provide the greatest return for \$ invested. The customer votes with their \$ ballot for those organizations that provide the greatest value in services. And Individuals vote their time, which is a \$ ballot, by working in organizations that provide the greatest satisfaction.

How can you win the Competition for Capital? The principal way to attract capital is to have a clearly defined strategy that enables investors, customers, and participants to see and understand where you intend to go with their \$ ballots. If the strategic course and objectives satisfy the needs of each voter group, they will continue to provide the \$ ballots necessary for the organization to meet its objectives.

At the beginning of this article, Strategy was described as “knowing what you do better than anyone else, and using that strength to achieve your objectives”. The first step along this path is to have a clearly stated and highly publicized **Purpose**. This statement should be no longer than one or two sentences and simply describe **What you do, What is different about it, and Who your customers are**. Although strategy formulation is an inclusive thinking process, it starts with a **Purpose**. To “Win the Competition for Capital” your organization must strategically “Walk your Talk” and earn those strategic votes.

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Executive Blah Blah Blah

“Blah Blah Blah” refers to words that have little meaning. When we talk to a dog, the dog responds to the tone of voice but may not understand the words. When executive “blah blah blah” strikes at work, employees act like dogs – they may nod their heads, but they either don't understand the message or don't know what to do about it.

Most employees listen attentively to their leaders out of respect or fear. However, if they are not provided with concrete direction, they will leave with no intention to act any differently.

Indicators of potential inaction include:

- ⌚ No tough questions are asked.
- ⌚ No budget is assigned.
- ⌚ No one exhibits any genuine passion or excitement.
- ⌚ No target dates with measurable results are set.
- ⌚ After introducing the change, the leader doesn't close with names, dates and budgets.

The solution can be found in “action mapping” – a checklist that contrasts the old direction with the new, so that people can concretely see, understand, plan for, and execute the required changes.

Ask these five questions:

1. Does everyone now know specifically how to redirect their time or budget given the new direction?
2. Are measures clearly set to determine if individuals and teams are succeeding? (Count the score early and often.)

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HI-PO DEVELOPMENT

In our previous issue on this topic, we said that the curriculum of a high-potential program should cover the topics:

- a) **Fly the Flag** – invite marquee names, your Mayor, outside experts, to speak open and close the program, etc.
- b) **Teach the Municipality** – consider topics such as municipal history, latest technologies, pay, promotion and have department heads speak on these subjects. (See Newsletters on our web site www.westcott-thomas.com)

In this issue, we will address:

- c) **Train the Individual**

A substantial portion of the program should be focused on individual development, spotlighting skills that are useful across a wide range of leadership settings – such as making presentations, interviewing and interpersonal skills useful for managing others.

The area of assessment for development is one on which we at Westcott, Thomas have centered much of our attention; consequently, we are highly biased toward including assessment tools in a leadership course as a means to guide instruction. We have learned that individual assessments, using a variety of psychological tests, provide a powerful means of encouraging leaders to look at their leadership actions and their impact on others.

One of the most effective additions to leadership training courses has been the 360-degree assessment and feedback procedures whereby individuals are provided with highly specific, standardized results showing what the impact of their leadership style has been on those around them. The higher the level of municipal executive assessed, the more potent are these activities because high-level people get so little honest, straightforward, constructive feedback in the normal course of events.

The payoff is that when individual assessments produce results that participants see as relevant to their day-to-day demands, the assessment results are often perceived as the most useful portion of the Hi-Po Development Program.

More in the next issue.

AND NOW A WORD FROM OUR SPONSOR

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We look forward to working with you.

Sincerely, Michael Thomas

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Executive Blah Blah Blah

3. Are the new responsibilities linked to clear rewards for success and consequences for failure or inaction?
4. Where and when will the measures be posted or distributed so everyone can know how they and others are doing?
5. What follow-up is planned to resolve the inevitable implementation and prioritization questions?

If you are serious about the new direction, obey these six commandments: (1) it will be measured; (2) we will not hide where it's happening and where it's not; (3) we will reward those responsible for the success; (4) we will identify what is no longer the priority; (5) we will ensure that everyone understands what is to be different and plan openly and inclusively about how best to accomplish the new objectives; and (6) if we need other people to ensure our success, we will invest the time to get people on board.

Everyone needs to know what to "stop doing" and what to do more of. And no one rests until everyone gets it!

Worker dead at desk for five days

From the New York Times: Bosses of a publishing firm are trying to work out why no one noticed that one of their employees had been sitting dead at his desk for five days before anyone asked if he was feeling okay. George Turklebaum, 51, who had been employed as a proof-reader at a New York firm for 30 years, had a heart attack in the open-plan office he shared with 23 other workers.

He quietly passed away on Monday, but nobody noticed until Saturday morning when an office cleaner asked why he was working during the weekend.

His boss, Elliot Wachiaski, said: "George was always the first guy in each morning and the last to leave at night, so no one found it unusual that he was in the same position all that time and didn't say anything. He was always absorbed in his work and kept much to himself."

A post mortem examination revealed that he had been dead for five days after suffering a coronary. George was proofreading manuscripts of medical textbooks when he died.

You may want to give your co-workers a nudge occasionally. The moral of the story: Don't work too hard. Nobody notices anyway.