

Focus on Results™

A Program To Improve Organizational Effectiveness

"In 1988 we dominated our market and I couldn't understand why the owner wanted to bring in an outside consultant. Since then we've doubled our profit with a more focused workforce. I realize now that I just didn't know what I didn't know."

■ **Randy Thompson, Vice President and General Manager, Petitpren Inc.**

Overview

Focus on Results™ is a systematic approach to improving organizational effectiveness and increasing bottom-line profit. An effective organization is one that achieves its goals in an efficient manner – in other words, one that gets the most gain from the least strain.

The ***Focus on Results™*** program is a well-tested framework for accomplishing these goals. It is integrated into a company's management structure during a year-long process and is customized to a business's specific needs. The program combines hands-on workshops, group exercises, one-on-one coaching sessions, three-way meetings (manager-subordinate-consultant) and actual workplace assignments.

Focus on Results™ is an exclusive product of HeaneyCougar, a management consulting practice in Bethesda, Md., that was formed in 1979. The program brings together 20 years of lessons learned from working with companies to increase productivity and profitability by improving employees' ability to perform at peak levels. It applies to a broad range of business types and sizes, from start-up companies with a hand-full of employees to national manufacturing firms that want to improve cross-functional team performance. Our fees are determined by the number of employees and the degree of customization necessary.

Focus on Results™ works because it builds a company from the bottom up by helping employees and management focus on common issues. It is a nine-step process that begins with creating a business plan and includes adopting a business strategy that links rewards to performance. At its foundation are five key elements necessary for any successful organization. The first two are just good business sense – that a company has products and/or services that consumers see as fairly priced and adequate capital and profit to support the business. But the final three elements are often what separates the successful businesses from the failures: focus, commitment and belief.

Three Key Building Blocks

Focus on Results[™] promotes the concepts of focus, commitment, and belief because they translate into bottom-line improvements. The program facilitates the empowering of employees as responsible people. Organizations run best when employees are self-responsible. The program has been designed to minimize defensive behaviors through promoting partnerships and participation. It is a no-nonsense, practical program demanding accountability at each step. Employees come to understand the need to commit to results in a real way and are challenged to decide whether they are “in” or “out.”

Focus

A company is focused when everyone in the organization has a clear mental picture of where the organization is going and how company success is measured. In a highly focused organization, individuals understand the results for which they are accountable, how those results tie into the organization’s specific goals, and their level of authority to achieve those results.

Commitment

Commitment is the willingness of all participants to pay the price necessary to achieve the mutually agreed-upon focus. Owners and managers show their commitment by the level of financial, physical and human resources they employ. The commitment of employees is measured by the amount of attention and energy they bring to their jobs. Commitment is achieved through establishing a process of accountability, requiring people to do what they say they are going to do. Accountability is accomplished through firm, fair, direct, and consistent management practices, coupled with rewards tied to the attainment of specific results.

Belief

Belief is present when everyone in the organization has the underlying sense that what he or she is being asked to do is appropriate and attainable. Deeper levels of belief flow from involving individuals in goal setting, decision making, and the management process. Companies achieve effective participation by hiring people who fit appropriately into their jobs, by using group problem-solving techniques, and by requiring “self analysis” of effective performance or the lack of it. Top management generates belief in a company by exhibiting leadership. To be willing followers, employees need to feel that those in leadership positions will protect both their interests and the interests of the company.

Nine Steps To Success

Focus on Results[™] is a program that builds effective organizations. An effective organization is one that:

- Knows where it is going
- Knows why it is going there
- Has a plan for how to get there
- Has a way to measure its progress
- Links rewards to performance
- Encourages all employees to participate in the management process
- Holds employees accountable for their performances

In developing *Focus on Results*[™], HeaneyCougar has identified a systematic way to help its clients build effective organizations. This nine-step process is customized to a company's specific needs and builds upon a company's strengths and management successes. In determining how to resolve a company's problems, HeaneyCougar works within a company's already established structure.

1. Create a Plan

Successful businesses operate from clearly articulated plans. HeaneyCougar will work with a company's already established planning process or will engage owners and top managers in an applied strategic planning process. Together, owners and managers will envision the organization's future and craft the necessary procedures and operations to achieve that vision. Included in the steps are the following:

- A. Agree on the company's values and the general way it will operate.
- B. Formulate the company's mission. This should be a clearly articulated statement defining the business of the organization. The mission statement should be brief and simple enough for everyone in the company to understand.
- C. Envision how the company will operate. Does the vision fit the mission? What new directions or efforts must be made to realize the mission? Does the work-life culture support the vision?
- D. Determine where the company is today in comparison to the vision. Internally, what are the strengths and weaknesses of the company? Externally, what are the opportunities and threats posed by competition?

E. Perform a gap analysis regarding the company's shortfall in meeting its visions. Prioritize the gaps and develop plans to close them.

F. Create an implementation plan and monitor progress.

From this process, you will identify five to seven important goals and develop action plans with timetables and assignments to accomplish those goals. You can then move to establish "authority statements," "results contracts," and performance-based bonus plans for managers.

2. Define Clear and Non-Overlapping Levels of Authority

A company must establish clear and separate levels of authority for every employee. When authority overlaps, inefficiency occurs. To delegate authority clearly, owners and managers can establish "authority statements" for all managers, supervisors and employees. An authority statement is a list of the decisions delegated to an employee.

One way to improve the effectiveness of an organization is to move as many decisions as possible to the lowest level in the organization. The objective is to have decisions made as close to the customer as possible as the owner would make them.

Some employees tend to overstep their authority while others under-utilize it. An authority statement is a focusing tool that can help ensure that employees are clear about what decisions they can make in their duties. Recognize that "authority" has many levels. For instance, a person could approve, recommend, implement, audit, or monitor. Employees must have the authority necessary to accomplish the results for which they are being held accountable.

3. Develop "Results Contracts" For Employees

HeaneyCougar recommends that a company develop "results contracts" for all managers, supervisors and employees. A results contract is a two-party document (employee and supervisor) that states in measurable terms the results that an individual has agreed to achieve for the organization in exchange for compensation and benefits.

A results contract is a job description with specific standards of performance. For example, if the objective is for a manager to control expenses better, his or her results contract might call for reducing overtime in the warehouse by 20 percent over the next six months. Results contracts should:

- Focus efforts by linking individuals to the organizational goals
- Clarify what is expected of the employee
- Shift the emphasis from activities to results
- Make both parties accountable for the success of the contract

Taking the time to establish clear standards of performance reduces the likelihood of conflicts and misunderstandings in performance reviews and bonus payoffs. It is a living document that both managers and employees can recommend changes as necessary. As business conditions change, so must performance expectations. It is not necessary to wait for the end of the year to modify the standards of performance.

4. Ensure All Activities Align With Company Goals

Having everyone in management moving in the same direction pays huge dividends toward reaching the company's overarching goals. To help tighten the focus on company objectives and how they are prioritized, HeaneyCougar customarily conducts a four-hour workshop. Each member of management is asked independently to state the company's goals in order of priority. These answers are compared to the ranking of the owner(s) and the differences are discussed.

Next, participants are taken through an exercise in which they are asked to rank a list of business issues in order of importance as if they were the owner(s). This ranking is first done individually, then managers form small groups and rank them as a team. Managers get a chance to see other managers' points of view. This exercise also builds team skills. The ranking of the group is then compared to the point of view of the owner(s) and general manager.

The list of items is carefully selected to raise discussions on critical issues, such as issues that tend to be conflicts between departments. This allows a company to reinforce the importance and the necessity of teamwork toward meeting goals. At a minimum, it makes clear who is out of the step with the rest of the organization.

5. Build Partnerships Among Employees and Management

HeaneyCougar leads each manager through a partnership-building process with the employees he or she supervises. The purpose of this exercise is to discuss attitudes about workplace behavior and resolve any misunderstandings that could later impede performance.

Employees and managers fill out a questionnaire before the sessions addressing various topics. For instance, employees are asked how they prefer to be managed and what is the best way for a manager to correct an employee. Managers are asked about their own attitudes towards the same topics. Employees and managers are thus able to discuss their points of view before they encounter them in emotionally charged, real-life situations. This promotes understanding and forms the basis of a more effective working partnership. Employees and supervisors leave these sessions ready to focus on results rather than personality or management style differences.

6. Plan for Results

The link between time management, planning, and organizational effectiveness is discussed with participants. Time and project management skills are taught through a formal planning process in which participants learn how to plan to accomplish at least one of their important goals. For each goal, they:

- State a result in measurable terms
- Think about what can go wrong
- Determine a way to avoid the problems
- Define the needed resources
- List the activities chronologically, noting the actual time required
- Establish due dates and accountabilities
- Gain approval and commitments
- Set up a monitoring schedule

The planning process illustrates to participants how to achieve specific results. They learn to identify problems in the processes and discover how to use resources more effectively and efficiently. The process builds organizational commitment and belief while ensuring follow-through. Managers learn strategies to assess risks and mitigate problems, thus reducing crisis management.

7. Monitor Results and Provide Feedback through Coaching and Counseling

In this portion of the program, HeaneyCougar combines a workshop with individual coaching and counseling sessions. Each program participant sits down with his or her manager and a consultant in a session designed to help him or her achieve a specific result more effectively. The workshop will cover:

- Six reasons why employees fail and what a manager or employee can do to help prevent failure
- Techniques for using the six-reasons model to improve employee performance
- How to apply coaching and counseling skills

The coaching and counseling sessions, which are facilitated by a consultant, provide participants with a safe environment to try out new skills. These sessions also directly improve employee performance. Learning occurs at two levels in this hands-on exercise. The process of coaching and counseling is taught, while managers and employees also address real performance problems. It is not solely an academic exercise because it takes place in the context of real-world situations.

8. Review Performance Using a Partnership Approach

A formal performance evaluation process will be established for all employees, beginning with managers. This process follows certain guidelines. For instance, the employee and supervisor must collaborate as partners and the review should be a two-way conversation led by the employee. Performance is compared to pre-established standards. Three ratings are used: standard, above standard, and below standard. Once the objective performance has been agreed upon, both parties are accountable for analyzing the reasons behind the performance or lack of it. Both the employee and the manager recommend how they can apply the employee's strengths in a broader way and decide what concrete steps each will take to improve below-standard performance.

A performance review is an evaluation of behavior and results, not a statement of a manager's personal likes or dislikes about an employee. A number of factors cause employee performance to be above or below standard. Each employee and his or her manager together decide on the best way to approach those factors.

HeaneyCougar teaches and observes participants using an employee-based performance review format. It involves preparing the employee and manager for the performance review using objective data. It gives each an opportunity to compare objective results with predetermined standards of performance, then they will discuss the factors behind the results.

To continuously improve performance, an employee lists areas where improvement is required and outlines the plan of action he or she will take to improve performance. The manager responds to these ideas and makes suggestions. The manager and employee reach agreement on how to achieve, recognize, and measure performance improvement.

Both the employee and the manager are asked to critique the process. The critique focuses on what worked well and what could be done differently next time. They will then be able to establish performance standards for the next performance assessment period.

9. Link Rewards Directly to Performance

Compensation is a powerful way to communicate and affirm the company's focus. For many people, money is a yardstick of how well they deliver what is expected. HeaneyCougar works with owners and top management to create results-based compensation plans. Programs are based on rewarding real outcomes, not on the generosity of owners. This makes decisions regarding bonuses easier for owners to make because it moves the decision from being subjective to one that is very matter-of-fact.

Results-based compensation plans are:

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- Perceived as fair
- Directly connected to the company focus
- Based on achievement
- Simple to explain, understand, calculate, monitor, and administer
- Reinforcements of what the ownership is trying to accomplish
- Not to be used as a replacement for strong management

Results-based compensation plans cover the management of all departments. Whenever possible, employees should be included in the design of these. Employee involvement increases the level of belief in, and acceptance of, the plan.

Focus on Results™ Summary

Focus on Results™ is a nine-step program that helps owners realize their personal and professional objectives for their organizations. The program is straightforward and easily understood by participants. It is based on the proven principles of participatory management, accountability, continuous improvement, responsibility for self, and linking rewards to performance. ***Focus on Results™*** encourages employees and managers to improve themselves and the company for which they work.

If your company is already successful but could improve by empowering management and engaging employees more wholeheartedly in the business, this is the program to consider. HeaneyCougar works best with companies whose top management and ownership are committed to the belief that business can be more effective and profitable if it empowers its staff.

A successful company is one that is willing to commit the energy and resources necessary to realize the potential of an empowered workforce. HeaneyCougar has a track record of helping its clients harness this potential to improve their businesses while it assists employees in reaching their full potential. Success like this doesn't come by default or occur overnight.

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