Defining Reality: Every Leader's First Job
The 'Short' Version

Premise

The first job of every leader and manager is to 'define reality' within their domain. Completing this task requires broad thinking, imagination, and pragmatic focus. These are the first and most important tasks of any leader in every circumstance:

1. Scan the internal and external environment with goal of creating a vision and direction
2. Identify priority gaps between 'here' and 'there'
3. Translate to an execution plan
4. *(Monitor, course correction, continuous improvement) – the second task of every leader*

The Universal Equation: To be – As is – Gaps - Roadmap

I. The 'To Be': A Picture of the Future State

❑ What does the company's business strategy require from my unit/function/process in terms of optimum value and people-process-technology?

Three 'domains' to consider in answering this question:
1. <u>Benchmark external anchor points</u> – what do others consider to be excellence?
   a. What is industry best practice?
   b. What are competitors doing?
   c. What do my (internal or external) customers or key stakeholders expect?

2. <u>Value proposition and core competency</u>
   a. How do we provide value to the Company, internal and external stakeholders?
   b. What are our internal strengths, weakness, opportunities & threats?

3. <u>Company-driven mandates</u>
   a. What does the Company expect of my unit?
      i. Financial (if operating); Contribution margin or risk mitigation (if cost center)
      ii. Chain of command and functional expectations?
      iii. Outputs

II The 'As Is': Where are we today?

❑ What is current reality in terms of
   ▪ People (individuals, teams, cultural attitudes)
      • *Do I have the right organizational/reporting structure?*
      • *Do I have the right mix of technical talent?*
      • *Do I have sufficient managerial and supervisory capability?*
      • *What is the culture and tone of my business unit/team?*

  - Processes & Structure
    - *What are the business processes that flow horizontally and vertically through my organization?*
    - *Are these the right processes? Are they effective processes?*
    - *Are they customer-focused processes?*

III. The 'Gap'

- ❑ Where are the priority gaps between the 'to be' and the 'as is'?
- ❑ The success metric here is 'priority' not 'exhaustive'. Everything above is focused on a 'scan' of the external and internal environment – Gaps should focus on that 'short list' of critical areas that need attention.
- ❑ Gaps are the early precursors for what will become business unit objectives – there should not be more than 7-10. Final business unit or departmental objectives should not be more than 5-7. More than that usually means they are more tactical than strategic; or that there are simply too many.

IV. The 'Roadmap'

- ❑ What is the SMART plan to remedy that gap?
    - o Significant (i.e. high ROI)
    - o Measurable
    - o Actionable (i.e. reasonable and feasible)
    - o Resourced
    - o Time-lined with key milestones

- ❑ Communication and Buy in
    - o Who are the stakeholders?
    - o What are their sensitivities?
    - o What is the best medium and setting within which to persuade stakeholders?

My Influencing Strategy
V. Who's on Board with my Plan?

- ❑ Who are my most important internal stakeholders?
    - o How supportive are they of my plan?
    - o Have I included them along the way so they feel some ownership?

- ❑ Communication and influencing plan
    - o Who do I need to influence and persuade?
    - o What are their needs and motives?
    - o Are my materials keyed to their timeframe and sensibilities?

Appendix – The 'As Is' Checklist

People
1 Do I have enough of, and the right talent?
    a   To meet basic stakeholder requirements?
    b   To excel and add optimum value through my function/department?

2 Given the strategy drivers that I have identified, what enduring capabilities do I need to be successful?
    a   Where do I have gaps in terms of technical competence?
    b   Where do I have managerial gaps? People/style gaps?

3 What is the culture of my business unit?
    a   Is it where it needs to be in terms of:
        i   Internal/external customer responsiveness?
        ii   Productivity and output?
        iii   Internal cohesion?
    b   Do I have a 'working' team?

Processes & Structures
4 What are the key processes that define my function?
5 What is the larger value chain in which I take inputs and produce outputs?
6 Are those processes efficient, clear?
7 Do processes align with vertical reporting structures?
    a   And with static roles and responsibilities?

Rewards & Metrics
8 Are metrics articulated and agreed to?
9 Are incentives aligned?
    a   Are there tangible and intangible rewards that reinforce the kinds of behaviors that I need to execute my roadmap?

Technology & Resources
10   Do I have access to enabling technologies?
11   Do I have commitment of cross-functional resources to support my roadmap?
    a   HR
    b   Finance
    c   IT
    d   Quality
    e   Other?
12   Do I have the resources required to execute my plan?

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