

Case Study:

Implementing business plans

The directors were very clear on the business strategy but we realised that our employees were not. We needed to fix that quickly.

SA, Marketing Director

The business

A very large corporation in the IT market. They operate on high volumes and thin margins in a marketplace that's fast moving and competitive.

Revenues and profits were continuing to grow but this was dependant upon the company being agile enough to respond quickly and well to business changes.

Their challenge

Stop "seat of the pants" decisions being made by managers and staff in response to operational needs and changes in the business environment.

Whilst decisions were being made with the best of intentions they were often inconsistent which could make more work for staff and, even worse, could confuse customers. Short term tactical decisions needed to support the overall strategies of the business or growth would be impeded.

How do we know when we are successful?

The first step was to identify what staff thought and knew about the business plans of the organisation. This was done by creating a questionnaire and doing follow up interviews with small groups of staff.

The questionnaire asked staff to rate their response to questions from "strongly agree" to "strongly disagree".

Some examples of the questions were.

- I understand the Company strategy
- I know the overall objectives of the Company
- I know how my job supports the Company strategy & objectives
- I have a clear job description
- People live the business values
- The business always thinks about the best interests of the customer

The results surprised some of the Directors and objectives were set to significantly improve on these results. Before announcing these measures of what success would look like we helped the directors check their own understanding of what they thought the agreed strategies and directions were, with each other.

In some other companies we have found widely different views amongst directors on exactly what objectives and strategies had been agreed on. We often help clients clarify exactly what business they are in as well as objectives & strategies. It's therefore a key area to check out.

Where is the business plan?

When we asked for a copy of the overall business plan we were given a large stack of PowerPoint slides. The directors were so familiar with the business plans and objectives that it was never written down as a single agreed document. (Other than the financial numbers.) They just pulled out selected slides to discuss aspects of the strategy or to tell other people about it.

Staff were not implementing the plans and strategies because they had not been clearly and consistently communicated to them. They needed a written plan.



Writing it down

The directors agreed that a simple, clearly written and well communicated plan was much better than a highly detailed plan that could take months to create. They also decided that they were too close to the subject and asked us to help them organise the information on the slides and capture their current thinking.

The end result was a three page document that was designed to be quickly and easily communicated to all staff. It would be a consistent reference point for all decisions and progress against the plan would be reported back to all staff.

The key components of the plan included:

- **The company mission & purpose**
- **The top 5 objectives (not just financial)**
- **The key strategies to achieve those objectives**
- **What to do less of and what to do more of**
- **What good looked like**
- **A list of short term deliverables**

Communicate, and communicate

A complete and regular programme of employee communications was devised and the directors agreed to commit significant time to ensuring that this happened.

Amongst other actions we devised workshops to communicate the plans and strategies to Marketing and Business managers so that they could live the plan. The workshop also covered how to set their own objectives when building and implementing their own plans based upon the overall company directions.

The directors also wanted to ensure that employees had a clear way of feeding back their thoughts and ideas on the strategy and plan. This was achieved by setting up meetings to discuss the plans and also a confidential route through our consultant.

Talk to Customers & suppliers too

Whilst not appropriate to share all of the detailed plans with customers and suppliers the directors agreed to share large chunks of their plans with selected groups. This also enabled them to get feedback and test new ideas before making major commitments. This had never been done before in a structured way.

People skills & processes

As the plans and strategies were better understood and lower level plans were put in place it became apparent that there were gaps in people skills. This was initially addressed by implementing a training needs analysis study and ensuring that everyone had a very clear job description.

We also helped the company review their major processes and adjust them, where necessary, to fit the agreed strategies & plans.

What were the results?

Employee satisfaction improves. Measured against the survey at the start of the project employee satisfaction and understanding of the strategy and objectives improved significantly.

Less “hands on” management required from the directors. Directors have more time to spend on strategic and leadership issues. Managers also felt more empowered to “do the right thing”.

Departments worked together better. By better understanding the strategy and their role in achieving it departments also had fewer “issues” with other parts of the organisation.

Plans and projects are approved quicker. Because a common basis is being used to evaluate plans and project proposals decisions are made much quicker. Equally it is much clearer why plans and projects are accepted or rejected.

The goals and objectives of different departments are now more compatible. This significant issue was resolved by helping the company implement goals and objectives that cascaded both down and across their company.

Training and development increased its importance Given the high growth objectives the company realised that they had to invest more in identifying top performers and ensuring that appropriate training and support was increased.

Plans and strategies actually got implemented. Most importantly it became obvious that plans and strategies were getting implemented. A process is now in place to ensure that it continues to happen and progress is closely monitored.

Summary

Successfully implementing plans and strategies starts with having something that is agreed and simple to communicate. A clearly laid out programme needs to be implemented across the business to communicate plans and updates on a regular basis.

Significant improvements come from ensuring that all of the people and process issues that might impact plan execution are identified and resolved.

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