



# A Goal of Excellence

*"An Executive Team's Quest"*

**Preface:** It takes no more effort to be excellent than it does to be good or even mediocre. What it does take is a **Culture of Discipline** where self-disciplined people first engage in disciplined thought before getting into disciplined action.

**Excellence**, like beauty, is in the eye of the beholder. We each have different standards of excellence therefore we must decide what excellence means to our own organizations. However, there are two broad categories of excellence that every organization should actively pursue. They are:

1. **Customer Excellence** – this has to do with those attributes that are a direct interest to your customers, such as quality, price, reliability, functional ability, customer service, satisfaction, reputation etc.
2. **Business Excellence** – this has to do with those attributes that are a direct interest to your organization, such as growth, market share, profitability, predictability, longevity, culture, etc.

The **Three Primary Attributes** an organization should strive for are:

1. To be a learning organization.
2. To have clearly defined areas in which you have chosen to be leaders (that is, to be the best at) and are relentless in your pursuit of those areas.
3. To have the ability to sustain your success.

The **Executive Team** has the responsibility and accountability for three key areas:

1. The **Vision** – of the organization.
2. The **Systems** – necessary to carry out the vision.
3. The **Results** – of your organization's efforts.

The **Executive Team** must strive to be proficient in:

1. Leadership
2. Project Management
3. Coaching

**Making things simple is hard.** There's tremendous power in simplicity. Sorting through the myriad of options and conflicting priorities to agree on the absolute most vital few objectives of the organization is one of the most important, yet difficult roles of an Executive Team. Listed below are the twelve **PCR's** (vital few objectives) that an Executive Team should focus on in their quest for achieving organizational excellence:

#### **The Four P's:**

1. Purpose – What need do we fulfill? Why is that important?
2. Promise – What is our commitment to the marketplace?
3. Principles – What are the values we'll operate by? (Rules to Live By)
4. Practices – What are our disciplines, our processes, our systems?

#### **The Four C's:**

1. Cash – A focus on cash flow.
2. Cost – A focus on cost of business.
3. Census – A focus on economic denominators.
4. Customer Satisfaction – A focus on “wowing” customers.

#### **The Four R's:**

1. Retention – Keep the right people.
2. Recruitment – Hire the right people.
3. Realignment – Get the right people in the right positions.
4. Removal – Get rid of the wrong people.

The **Overall Goal** of the Executive Team is to **Build a Culture of Discipline** within their organization. This starts with disciplined people. Next there is disciplined thought. Finally, there is disciplined action. The order is important. Disciplined action without self-disciplined people is impossible to sustain, and disciplined action without disciplined thought is a recipe for disaster.

You need the discipline to confront the brutal facts of reality, while retaining faith that you can and will create a path to excellence. You must build consistent systems with clear restraints and at the same time give your people the freedom and responsibility to operate within those systems. You must expect your people to be self-disciplined who don't need to be micro-managed, and then you manage the systems, not the people.

**It's All About People!** The ability to motivate and engage people in pursuing the goals and objectives of an organization is a top priority of an Executive Team. Research shows that “less than 5% of the typical workforce understands their organization’s strategy.”

The greatest wins in business are rooted in getting the right people in the right spots with a clear understanding of their priorities. Aligning people means bringing the right people into the organization in the first place. It means creating an environment that helps accelerate their growth; it means channeling the amazing ability of every person in the organization to innovate in ways that contribute to the organization’s priorities; and it means structuring the organization so that the mission of individuals and teams are clear and complementary.

**Strength of Leadership** - One of the biggest differences between the highest- and lowest performing organizations is “strength of leadership.” Strong leadership has the ability to define a clear direction for the organization and can explain that direction so people both understand it and connect with it. Simply stated, the six step methodology for Executive Teams to follow in their quest for excellence is as follows:

1. Decide What’s Important
  - a. Define Purpose, Promise, Principles, Practices
  - b. Define the Critical Strategic Objectives
  - c. Agree What to Stop
2. Set Goals That Lead
  - a. Define Measures for the PCR’s
  - b. Define their Targets
  - c. Define their Initiatives
3. Align Systems
  - a. Identify misalignments
  - b. Align Processes, Policies, & Measures
  - c. Align People & Technology
4. Work the Plan
  - a. Engage the People
  - b. Develop the Plans for Individual Departments / People
  - c. Communicate Measurements, Rewards, and Consequences
5. Innovate Purposely
  - a. Culture of Discipline – engage in thought before action
6. Step Back and Review Your Progress
  - a. Inspect what you expect

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What it does take is a culture of discipline. The Executive Team’s main responsibility is to clarify and achieve the company’s organizational initiatives. Using a *Strategy-driven* execution management system is the key to organizational excellence. If an Executive Team wants others to be engaged, then they must be visibly engaged as well. A culture of discipline begins with them. It’s that simple!