

HOW SUCCESSFUL COMPANIES
TACKLE GROWTH CHALLENGES
and WIN

Chapter 7

DOUBLING THE
CAPACITY OF YOUR
EXECUTIVE



PREDICTABLE RESULTS

THEAN • COSPER • GEHRINGER • CHEPUL • PRUITT
MCCULLOUGH • MCBRIDE • SKINNER • ENRIQUEZ

Will you achieve your winning strategy this year?

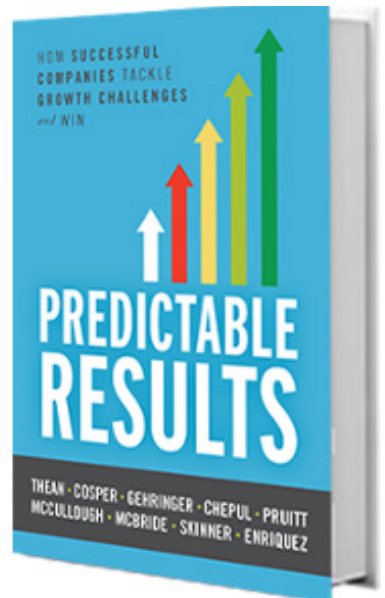
Don't let the lack of a great execution system prevent you from achieving your goals.

As you are reading this chapter, you may consider The Rhythm Software System to help you avoid high-cost mistakes as you work on complex initiatives and projects.



Learn more about **The Rhythm Software System** used by companies in the book.

Order
Your Book
Today.
[click here](#)



CHAPTER 7

DOUBLING THE CAPACITY OF YOUR EXECUTIVE TEAM

**How a lean approach to leading change initiatives
led to execution that was 2X faster.
- Barry Pruitt**

Take a tour of Boston Centerless's shop floor and you will be amazed by the efficiency and meticulousness. The massive room has been exactly designed for the most effective operation of machinery and flow of work. The equipment is placed at just the right angle, seemingly random to the untrained eye, to improve the flow of work product from machine to machine. The status of each job is prominently displayed in red, yellow, or green; there is never a question of which job should take priority, or which job comes next in line. Every employee is listed on a huge dashboard that displays their certifications. It is lean methodologies in action.

You don't have to understand lean to grasp two foundational principles of lean thinking: continuous improvement and eliminating waste. If you're in manufacturing, lean could make you best in class—or keep you there. If you aren't in manufacturing, continuous improvement as a lean practice can often offset competitive threats, eliminate waste, and create additional team-member time and greater margins.

Harvard Business School professors arrived unannounced one day to study the company and were impressed by the quality, efficiency, and total lack of chaos. I saw it myself the first time I visited—no flurry of activity,

no anxiety over a looming deadline, no running to a supervisor for an answer about which job should take precedence. Instead of the chaos I've seen on so many shop floors, I saw calm, methodical progress from one task to another with acute clarity on what came next. Their efforts to eliminate waste in space, human activity, product defects, transportation, and more were evident everywhere.

For all that Boston Centerless was achieving in their high-quality production of precision metal bars for medical devices, high-performance engines, and the like, the leadership team wasn't satisfied. Those amazing efforts I saw on the shop floor to ensure that each job got completed with minimal waste and to incredibly exacting standards weren't happening at the executive level. Rather than a clear idea of what project should take priority, they had a list of eight to ten objectives each year. Rather than a clear standard of success for each objective, they had a general sense that they should be making progress and getting more done. Rather than a strong quarter-by-quarter execution plan, with a way to easily track progress, CEO Steve Tamasi felt the burden of "enforcing" accountability and maintaining an antiquated spreadsheet. When he was too busy, each leader's day job took precedence and some things simply didn't move. "As hard as our team worked and planned," Steve told me, "we'd get to the end of the year and say, 'We were going to do all these great things. We only did two out of ten.'"

The waste they had routed again and again through continuous improvement in manufacturing was ever present at the executive level and slowing their progress on strategic initiatives. As the CEO, Steve was wasting time and energy tracking down the status of important projects and making sure things got done, and even then, they didn't always. Without precise execution plans, the team was wasting opportunities to have the right discussions week after week, quarter after quarter—discussions that could help solve problems, identify opportunities for improvement, and move the company forward faster. Imagine any one project being discussed weekly by five senior team members for only fifteen minutes. That would equal one hour

and fifteen minutes of leadership time for a minimum of 65 hours annually. In the previous year, Boston Centerless had more than five key initiatives incomplete at year-end, equaling hours of labor and weeks of work, with disproportionate results for a large effort. With lack of clarity on priorities, the company was wasting resources and executive capacity pursuing too many objectives, which inevitably meant that some were abandoned after money, time, and other critical resources, including executive brainpower, had been spent.

To break the pattern, reduce waste, and improve the ability to accomplish goals and hit targets, the team needed to scale their executive-level execution processes to keep up with the quality of manufacturing their company was known for. When we first began working with Boston Centerless in 2012, Steve had already led the family-owned company to quadruple its sales over the past decade by focusing on systems and standards that would drive growth and efficiencies. He had rebuilt the executive team to bring on expertise in running a larger company. But he didn't have any tools or processes in place to effectively and efficiently drive execution of their long-term strategy. He needed a way to increase focus on the right few strategic initiatives, drive better discipline in the team, easily track status and progress, and delegate confidently so that more could be accomplished faster.

Executing 2X Faster to Stay Competitive

Boston Centerless's executive team knew they needed to make fast progress in a few critical areas, based on how the industry was changing and what they were learning as they expanded and improved their offerings. New equipment and competitors tightened a market that wasn't growing as quickly as past years. The executive-team processes, however, were insufficiently aligned with the new market paradigm and need for rapid transformation. Steve was committed to changing that.

To break the pattern, reduce waste, and improve the ability to accomplish goals and hit targets, the team needed to scale their executive level execution processes to keep up with the quality of manufacturing their company was known for.

The first area for improvement was their sales and marketing systems. If you have ever tried to drive sales transformation, you'll know it is never as easy as you think it will be. In a good company, the sales process is tied to almost every other department in one way or another, and transforming it usually affects the entire company. Steve and his team were faced with myriad changes.

Consider the complexity of what the team at Boston Centerless had to accomplish. First, they needed to implement a medical device sales and marketing plan to better focus on that growing market in a way that aligned with current research. And they needed to adopt and implement a new customer relationship management (CRM) system that would align sales efforts with manufacturing capacity and project management. Those two initiatives alone would be enough for most teams, but Steve and his team knew they couldn't stop there. They also had to support marketing and sales of their new product and service offerings by testing and deploying stronger branding efforts. At the same time, they needed to respond to customers' desire for a more user-friendly website. And to top it all off, it was time for them to create a sales playbook with a redesigned sales process, improve their quoting processes to support higher sales targets, and develop and deploy a new training program for their sales team.

This was not something that could be accomplished in a quarter or two. It was not something that could be quarterbacked by one person. It would require the coordinated effort and innovation of multiple teams week by week, quarter by quarter, year by year. And while it was happening, the critical day-to-day work of the sales team had to continue, and the company had to respond to ever-shifting market conditions. The antiquated spreadsheet approach they had been using to track projects and Steve's role in enforcing accountability could not support the complex initiatives they needed to complete—and complete as fast as possible. But Steve and his team had already found a better approach, and this massive initiative would be the perfect test of their newly implemented Rhythm methodologies and software.

First, they needed a thoughtful plan that was focused and aligned on the most important priorities, thereby eliminating wasted efforts. Then they needed appropriate accountability for individual efforts and a way to quickly identify progress toward agreed-upon results. Every quarter I worked with Steve to develop and document a solid execution plan, which included clear priorities for individuals that would push the initiatives forward, success criteria for those priorities, and appropriate completion dates. The underlying message for the team was that they needed to get on top of this. It seemed at first that they found it painful to discuss accountability and commit to clear measures up-front, yet those discussions led to solid adjustments throughout the quarter. (You can read more about the Plan Rhythm in Chapter 5.) Confusion about what needed to be done by whom and when almost disappeared.

The clarity of the plan improved the quality of team discussions and the efficiency of their decision-making. First, clear success criteria made Weekly Adjustment Meetings easier, and second, the focus of discussions for anything Yellow or Red was moved from status discussion to solution discussion. The conversation became “What can we do to get this moving toward success?” rather than “We’re currently falling short of the goal.” Solution discussions helped the team coordinate efforts and resources across disciplines and reduce duplicate work. And they established success criteria for key performance indicators (KPIs) that would help them gauge their progress week by week and keep them focused on critical numbers while executing their Winning Moves.

For example, one KPI was the sales opportunity pipeline. This was important, yet risky if all opportunities came from one customer. The countermeasure was a KPI measuring diversity and balance of opportunities among clients and prospects. With both items on the KPI dashboard, the executives could balance team-member efforts.

Using Rhythm software, they began tracking their progress on individual, team, and company priorities and KPIs. Transparency on status, reviewed at

Weekly Adjustment Meetings, improved their flexibility by helping them quickly spot defective components of their plan and make appropriate adjustments. And progress was no longer dependent on Steve's bandwidth for driving accountability. "Once the plan is in place," he told me, "people are self-directed. The system does the managing, and I don't feel like I have to ride herd. If I get busy and I don't have time to follow up, it will still get done." And with a stronger focus on solving problems rather than enforcing accountability, discussions became safer and more productive while morale improved.

In the middle of the transformation, they faced a setback that every leadership team faces. An executive left—the sales executive. Worse, after months of hunting for an appropriate new team member, they were disappointed to discover that their (almost) new hire had lied on his resume and they had to restart the process. They couldn't just halt progress, so the head of operations took on sales leadership and the sales process improvement initiative. Because of the history of the projects, the clarity of status, and the defined steps in Rhythm, he was able to step in and keep the transformation moving forward. When you lean out your executive leadership processes, it's easier to hand off responsibilities as the team changes and grows along with the company.

Quarter by quarter, piece by piece, the team at Boston Centerless dramatically improved their sales processes and their management and leadership processes. For Steve, the newfound speed of execution, with a streamlined approach to managing objectives, has changed his perspective on what's possible. "If we had not had a tool or process like this to structure those activities, I can assure you, we would not have been as successful in implementing that project. It just would have dragged on."

5 WAYS THE EXECUTIVE TEAM CAN APPLY LEAN

1. **Lead with Purpose:** Determine elements of your core strategy, such as BHAG, core purpose, and core values; publish them, and then stop wasting resources on people or opportunities that do not align.
2. **Continually Improve Your Leadership Processes:** Apply continuous and never-ending improvement weekly. Create a team to identify underproductive processes and empower that team to initiate improvements. When the team solves a challenge or improves a process, they should move on to another.
3. **Build a Culture of Problem-Solving:** Foster effective problem-solving skills by creating designated think time and using Weekly Adjustment Meetings to keep plans on track. Use probing questions like how, why, and what to get to the root of an issue. Make sure your teams are focused on solving problems, not assigning blame.
4. **Provide Role Clarity:** Formalize job scorecards to give each team member clarity around what is expected of them and a framework for driving out waste and redundancy in their daily work. (For help, download the Job Scorecard Tool from PredictableResults.com.)
5. **Make Performance Dashboards Visible:** Create dashboards of the most important things for teams and individuals to focus on. Make sure these dashboards are public and updated with the current status of each KPI or priority. These dashboards will help keep discussions focused on results and solutions necessary to improve performance.

More, Better, Faster

No leadership team can work on just one strategic initiative or Winning Move at a time. It takes movement in multiple areas of the business to drive consistent, predictable growth. While the Boston Centerless team was working on the sales transformation, they were also upgrading communications systems throughout the company. They were also expanding geographically and developing ideas for their next Winning Moves. Today, they are in the midst of transforming

their supply chain approach in order to improve their competitiveness in key markets. Each complicated process change requires commitment, consistency, and discipline, and Rhythm reinforces those ideals. With Rhythm, leaders can feel confident that the right work is being accomplished by the right people on the right timeline—a timeline that is always shorter than it would be without it. “In every instance,” Steve has proclaimed, “*our objectives are happening two times faster.*”

Their improved Plan Rhythm, with a focus on execution, refined KPIs, and communication quarterly and weekly throughout the company based on success criteria and dashboards, has helped reduce waste and delay, improve quality of execution, and bring energy and focus to the strategic priorities throughout the company. Methods they have used to bring clarity, steadiness, and predictability to the shop floor for 20 years are now being used at the executive level to coordinate the work on long-term strategy. Steve put it in the most fitting words he knew: “Rhythm has leaned out the process of executing company priorities.”

The Big Ideas

- As you scale your company, you must also scale the capacity of your executive team to keep pace with the demands of the business. While adding executives may be necessary, make sure your current team is working as efficiently as possible first.
- If you want to reduce wasted time and opportunity and improve the functioning of your executive team, you need a process for identifying priorities, clarifying targets, and tracking progress that can expand as you grow.
- Signs that your executive management processes are out-of-date include executives feeling torn between their day jobs and strategic priorities, a CEO who feels it’s necessary to enforce accountability, and strategic initiatives that aren’t getting done or that are moving forward far too slowly.

For tools and insights to help you work on your executive team processes, go to PredictableResults.com.

JUMPSTART YOUR RESULTS



GET MORE INITIATIVES DONE, SUCCESSFULLY.

Software for the unique challenges mid-market companies face.

- CEO's see all the initiatives in one snapshot.
- Departments have one place for cross-functional projects.
- Everyone stays on track at weekly meetings.

REQUEST YOUR CUSTOM DEMO

(704) 209-7290 // products@rhythmsystems.com

Learn more about
Rhythm Software
used by companies
in the book.



"Rhythm felt very natural and fell right into my normal routines, but took it up a notch."

- Mark Nussbaum, COO
Signature Consultants