

THE MACRIS GROUP

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From Dean's Desk:



Prologue

This is our fourth and final issue of the Ten Lessons Learned from Thirty-Five Years in Consulting written by Joe Bockerstette. Thus far, we discussed the below eight lessons learned:

1. Success depends far more on the client than the consultant.
2. Figuring out what's wrong isn't that hard.
3. Leaders don't know how work actually gets done.
4. Leaders and managers also don't understand process.
5. Companies measure what's easy, not what's important.
6. Change is simple, just not easy.
7. Leaders would rather hire superstars to solve problems than solve problems.
8. Industry experience is overrated.

This issue focuses on:

9. Corporate politics stops improvements.
 10. Great clients have a will that delivers successful outcomes.
- Summary and closing thoughts



As done in our last issue, we continue to provide case studies from The Inner Circle. While we will always respect the confidentiality of our relationships, we feel the sharing of the essence of some of our engagements to be illustrative of the issues confronting corporate leaders.

Lessons Learned for Better Leaders and Outcomes #4

A. C. Macris

Larry Reiter

Discussion

9. Corporate politics stops improvements.
Joe focuses on the inevitable silos that develop within organizations. Silos created by departmental self-interest that is stronger than corporate objectives. His perspective is based on workflow vs organizational structure, and the fact they rarely coincide once an organization becomes larger and more complex. He also recognizes that the "... organizational silo" is a dominant cultural characteristic in most companies." Many books have been written about organizational silos. Our experience includes a bit more than alignment between workflow and organizational structure. In the leadership context, we see culture as a major barrier to improvement. Culture includes organizational type/industry, distribution of age of employees within the organization, geography and existing institutional culture. This is not a new phenomenon and have seen it for years. One of the statements that curls the hair on the back of our necks is "That's not the way we do it here." Or another incredible demotivator is when we all the great

efforts to design, build and administer a leadership development program; take high performing middle managers, second them once a quarter for three days, give them knowledge and tools only to have them come back and report that when they attempted to implement their newly acquired leadership skills they were overruled by a more senior (in age and position) person. And when we would attempt to engage the more senior person and provide them with leadership development sessions, they refused. Seems like retirement, self-protection, ego, and risk weighed more heavily than exploring new ways of moving forward. It becomes clear, being sent to prestigious training programs is merely a punch on the ticket for future promotion and is not expected to lead to any significant changes and improvements. "We've always done it this way" is the corporate culture and becomes ingrained when most promotions are done from within and outside talent and ideas are not welcomed, since they might bring different ideas and want to do things differently.

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We have also seen, particularly from our experience in the utility and related industries, major change only comes after a major problem impacts performance and when regulatory authorities step in and demand change. Unfortunately in those cases the changes are rushed and are done to meet deadlines rather than to clearly identify and correct inherent problems.

Then there is the corporate power struggle. A particular department has senior management's ear, and needs to protect and/or justify their existence, has power over those who perform but in a different silo. We were involved with a client where one department (we'll call it Department B) was moving at a healthy pace to provide a service the company needed. Their initiative and performance were enviable. They were meeting a serious corporate need in an effective and timely manner. The only problem was, the next initiative they were to embark upon was perceived to be under the purview of another department (Department Z). Department Z apparently felt threatened or perhaps imposed upon by Department B. Department Z had the ear of the CEO and President, while Department B was down the corporate chain. Needless to say Dept. Z came out on top and was able to stop Dept. B from moving forward. The interesting piece to this is that Dept. Z then made only token efforts at providing the service they positioned themselves for, plus they did not fully comprehend the scope and breath of the overall needs. The outcome was an anemic effort by Dept. Z where the company as a whole was shorted. Recent indications are that nothing serious has happened with nothing on the horizon. So who wins?

There are no real winners and the organizations and the corporation loose. In many of the industries we have worked with, senior managers were promoted from within. While this is not bad, but at some point the continual promotion from within creates a stagnant culture where who knows who becomes much more important than what can be done to improve and bring about strategic changes.

10. Great clients have a will that delivers successful outcomes.

This is where leadership shines. It is a synergistic effect, not a fill-in the numbers approach. Joe refers to things like decision-making, leadership style and company culture. There is more – the leader sets the stage and tone. Successful outcomes can be measured in several ways. The skill is to synergistically bring those key leadership, team-building and cultural components together such that the

corporate environment is healthy as well as the financial condition of the firm. This queues up our next series, where we will examine leadership entitlement or servitude.

To conclude this series though, it is important to note here successful outcomes and great clients reflect hard work on the part of corporate leadership. Hard work that is more than reviewing spreadsheets. To highlight this comment, several years ago we were working with a telecommunications company. As part of that project, we developed a rather comprehensive catalogue of Management Competencies. These included the following:

- Leadership
- Communication
- Business Process
- Problem Solving
- Interpersonal/Interactive
- Administrative
- Business Knowledge
- Professional Self Development

For each we defined the Skills and Knowledge, Attributes and Experience considered necessary for this group within the company. While several of these are standard fare, it's their integration and definition that made the difference. An example illustrated below is the taxonomy for Professional Self Development.

	Skills and Knowledge	Description
Professional Self Development	Business Knowledge	Demonstrated understanding of telecommunications, systems development and financial controls.
	Time Management	The ability to schedule one's time in an efficient and effective manner.
	Self-assessment	The ability to analyze and evaluate one's own ability and performance
	Stress management	Ability to keep control of one's own feelings and behavior in stressful situations.
	Balancing life priorities	Demonstrated ability to prioritize personal and professional objectives.
	Identify training needs	Incorporated with development plan.
	Development Plan	Ability to identify and accomplish training needed to progress along desired career track.
	Goal Setting	Demonstrated ability to set goals and define expectations and to review performance against goals.

Attributes	Description
Self-awareness	Maintains a system of self-checks including a network where feedback can be received. The self-checks and feedback become the roadmap for continuous improvement.
Initiative	Initiative is taking responsibility and action when not required or expected, being a self-starter, a leader, one who overcomes obstacles and continually works toward improving oneself. It is a desire and a motivator that eliminates complacency.
Motivation to change	Displays a high energy level, explores new ways of doing things, and is not threatened by the prospects of change in the organization. Change is perceived as an opportunity for growth and development.
Open minded	Not limited to one's own perspective or position on any issue. This does not mean concurrence, but it does mean an appreciation that other people can have differing opinions and positions on issues. Also the ability to consider the merits or drawbacks of other people's options and positions.
Willing to accept feedback	Understands feedback to be constructive and a mechanism for improvement rather than criticism. Uses the feedback as part of an overall developmental or professional improvement strategy.
Risk taker	The true role of management is to make risk-taking possible. Managers must provide the environment for creativity to flourish. (excerpted from Edwin Diamond) Risk taking must be prudent. As a manager the guidelines for prudence as well as the consequence and/or rewards for taking risks must be established.
Self-confident	Knowing ones strengths and weaknesses, and using the strengths as appropriate while continuously striving to improve the weaknesses.

Experience	Description
Exposure to methodologies / behavioral sciences	Select seminars, audiotapes, workshops and/or books on topics such as organizational psychology, behavioral sciences. Read other texts that stimulate different thinking such as Daniel Goleman's Emotional Intelligence or Senge's The Fifth Discipline.
Achieve advancement (responsibility, span of work, growth/development)	Actively pursue a broader scope of responsibility. Demonstrate ability to successfully perform more demanding level of work. Seek opportunities to enhance your superior's success because of your contributions.
Professional certifications	Maintain an ongoing initiative to gain professional certifications, or additional responsibilities within professional organizations that enhance your visibility and credibility within your area of professional expertise or into other areas consistent with your professional goals.

Professional Self Development

Professional Self Development

commitment on the part of that company's leadership to make this happen. We continually remind our leadership session attendees:

“There is a difference between Interest and Commitment. When you're Interested in doing something, you do it only when it's convenient. When you're Committed to something, you accept no excuses, only results.”

Based on all this we might suggest when Joe says a 'will that delivers successful outcomes,' behind that is a framework of synergistic competencies coupled with a commitment leading toward a healthy and financially strong organization.

Summary

Most of our articles this year have tried to expand upon Joe Bockerstette's list of "Ten Lessons Learned from 35 Years of Consulting." We felt this was a timely topic worthy of expansion; and our experiences certainly aligned with Joe's. Our purpose is to present ideas to get leaders thinking about themselves and their organizations and how they can help the organization move forward and improve. Not every topic applies to

The overall scheme became the overarching framework this group could both strive toward, as well as measure their progress. But, the important note here is the level of

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every leader, but identify those that do (or should) apply to you and think about how a particular topic impacts you and your organization and what you can do to turn that topic into a strength.

We thank Joe Bockerstette for his work and allowing us to expand on it. We will be back after the holidays with our next article where we will be looking at Leadership Entitlement – what is it and how does it impact organizations.

Inner Circle Case Study

The Inner Circle column in our June issue of UPDATE discussed an engagement where a CEO, whom we know, approached one of our principals, requesting time to spend with him. As we reported, this engagement consisted of the CEO visiting our principal and spending time with him one-on-one in an unstructured and relaxing context. Our Inner Circle strategy was to listen and be there. It worked. There is a follow-on to this engagement. The same CEO invited our principal to visit him. In an attempt to prepare we did some research. The CEO leads a significant 501-C3 organization.

At the Inner Circle, we believe in the practice of benchmarking. It is incumbent upon us to know about comparable organizations, their size, revenue, ratings etc. For 501-C3 organizations that survive on donations and community support; knowing how the organization rates as compared with other non-profits is essential. People do not donate to organizations that don't exhibit responsible management, enlightened leadership and are viewed by their constituents as worthy to receive large donations. Our research indicated that this particular non-profit had a marginal rating. Something the CEO was unaware of. Other non-profits in the geographical area were rated higher.

During this second engagement we presented this information and the potential consequences. The initial reaction was one of surprise followed by the realization that in order to build a solid giving foundation the rating had to be increased. In order to build this foundation a significant improvement and development initiative is needed. The key point here is the value an Inner Circle engagement provides.

In general, 501 C3s as non-profits are perceived as not

having to worry about business issues. They have admissions to museums, contributions from wealthy donors, grants etc. Nothing could be further from the truth. Non-profits have very serious business issues, particularly when competing for dollars with other non-profits. Giving strategies are complex and difficult to plan and manage. So, when faced with the choice of giving to one or another organization, being viewed and rated as responsible and of significant value to the community is essential.



In summary, as our story continues, the Inner Circle brought a significant value proposition to the CEO, arming him with information that hopefully will impact his short and long term strategies to build an organization worthy of a solid giving strategy and in the future a strong endowment.

 *Wishing you a
Happy Holiday Season
and New Year* 

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