



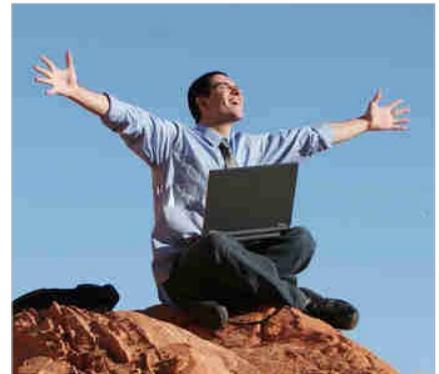
MANDAT  GR  WTHLETTER®

Growth Focus: Start

CEO-Tip *of the Month*

by Guido Quelle

Start – Get Going Now and Don't Let Up



As a CEO, Managing Director or entrepreneur you are constantly expected to deliver results, and you're no stranger to impatience. Sometimes you get frustrated that things don't get done, or at least get started, faster.

In fact, you're often criticized for your lack of patience. They claim you make snap decisions before you have all the information, and that you need to be more thorough. Supervisory and managerial boards are especially fond of such criticism, as are analysts, shareholders and works councils.

The hallmark of all this criticism: It always comes after the fact. But we always see things clearer in hindsight. Complaining about what you could have done better after the fact is moot because it's a cheap tactic. Usually such criticism is only expressed to make the critic look better. Should have, could have, would have: it's a bit too late for that.

Shrug off these criticisms and maintain your present speed. Always keep the start button close by. Keep demanding from your employees, vendors and business partners that they do more starting than they do stopping or slowing down. Finally launch that initiative you've had in mind for so long. If you've already done the concrete planning for it: All the more reason to start it today.

Let the teams responsible for implementing your initiative worry about being thorough. Plenty of imponderable

aspects that are essential to success will crop up in the implementation phase. And the chances are good that these aspects will be of a very different nature than expected.

Though this shouldn't be misconstrued as an endorsement for you to blindly rush into totally foreign situations, bear in mind that most of the change processes and growth phases we encounter are characterized by the fact that, though we have ample information at our disposal, the desire to see a plan through, nonetheless the expertise and self-confidence needed to do so are all in short supply. Instead of taking the plunge, all too often planners want to wait until everything is "perfect." But perfection is one of the few conditions never achieved in the business world.

Forget about perfection. Work under the assumption that, no matter how well you prepare, someone somewhere will accuse you of being "not thorough enough." And so what if they do: What counts is that you've got a head start on the competition. What counts is that you've launched a project you believe in. What counts is that you've learned something in the process. In the end, it's not the companies with perfect concepts that survive and thrive on the market; it's the ones that took the chance of launching imperfect projects and were ready to learn new lessons on the way to their implementation. Speed beats perfection – every time.

Strategy & Leadership

by Guido Quelle

Start, Launch, Act – How to Lead
your Employees to not Only
Think, but to Also
Actually Do Something



Admittedly, the title of this article is provocative, because of course all employees do something. And many not only do something; they do something that generates results. But, and this is a major “but”: Too much of the time, whatever they do, it’s too slow, too little and too late.

Yes, you read that right: It’s quite possible to deliberate too long and too intensively over what to do. This is especially the case when working groups or project teams engage in lengthy debates over how to make a concept that’s nearly perfect – though they may do so with the best intentions, they can easily lose sight of the fact that the concept has already been brought to market or is no longer needed there.

Of course we’re talking about a fine line here: When are projects “ready?” When should they be brought to market and won’t end in a “shipwreck,” the worst-case scenario? There are no black-and-white answers to these questions because they’re too dependent on changing situations. What there definitely are, however, – and this is an observation made after accompanying several hundred project teams in the course of our consulting work – are a number of basic principles company leaders can establish in order to boost speed without any significant loss of thoroughness.

Five principles have become especially clear and are explained in the following paragraphs. One “disclaimer”: Here we’re talking about business contexts. If you’re a firefighter or a surgeon and are therefore responsible for ensuring people’s health and safety, other rules apply. For business, remember the following:

1. Doing without perfection

The most important step is to say goodbye to perfection. The pursuit of perfection is often due to the fact that no one wants to be blamed or criticized for mistakes. And the (thoroughly sound) claim is often made that when teams focus too much on achieving perfection it’s due to a lack of self-confidence among the members, as they can only avoid criticism by being perfect.

But perfection is one of the most dangerous productivity killers, as there’s almost no aspect of business, of corporate development, or of creating profitable growth that needs to be perfect. As mentioned above: I expect firefighters to perfectly and completely put out fires, and I likewise expect neurosurgeons to deliver perfect work, but those of us working in the business world can afford to make mistakes because the results are often insignificant.

The strategy of getting a project 80 percent ready and then starting its implementation is nearly always the right one to pursue in corporate development, in growth projects. Most conceptual and strategic work can be further refined and fine-tuned in the course of actual operations. And moreover: Actual operations can provide valuable insights into what direction improvements need to go in. This strategy is an outstanding example of where the Senior Management can lead by example.

2. Dependable frameworks

If you expect your employees to pick up the pace and take the plunge of proceeding to actual operations, you need to give them dependable frameworks. It's counterproductive for the Senior Management to call for fast and decisive action if, when employees make mistakes, they are openly or secretly punished for them. Weak leaders often can't stand the pressure when their employees make mistakes and the leaders subsequently receive feedback from the market or a higher authority. Leaders who want more speed from their employees need to have a good deal of backbone.

Always keep in mind that what is done in practice is the only thing that counts. Employees only pay attention to what you actually do, not to some policy written down on paper.

3. Future-oriented approach to mistakes

Leaders' approach to mistakes is all too often dominated by a shortsighted focus on "why." There's a major difference between questions like: "Why did you do that?" or "How could this happen? Who's to blame?" and questions like: "How can we quickly act to solve the problem and what lessons can we learn to keep this from happening again in the future?"

This is a basic attitude that also needs to be established in leadership talks if leaders hope to win over their staff to the idea of acting quickly. It's also an attitude that can be justified by appealing to their common sense, because we can't change the past anyway; we can only learn from it if we manage to recognize the patterns of what went wrong. The only thing that counts is that we repair the harm done as quickly as possible (if any has been done at all) and make sure we don't repeat our mistake in the future.

4. Pilot projects

The discussion as to whether or not pilot projects are worthwhile is an old one. We favor using a pilot phase, which provides a benevolently critical setting for you to perform various tests. These could be product tests in the context of a limited scope (regional limitations could also apply here), or could instead be process tests, like the introduction of new processes in Logistics, Sales, Service, etc.

If your goal is to promote this type of "pilot culture," what is needed is a clear identification with the benevolently critical setting it offers, especially on the part of customers; they have to be willing to take the possibility of minor mishaps into the bargain in return for the chance to actively participate in the development of your company. Further, those customers who are ready to get on board should also receive special attention.

5. Rewarding change

Those who know us also know that we are very much in favor of rewarding results (output) and not activities (input). The amount of effort invested in activities that produce a certain result is ultimately secondary, since internal and external customers alike are only interested in results.

However, there is one exception: When your goal is to achieve a new kind of behavior, a change – and that's exactly the case when a company decides to orient its principles on the basis of faster and more flexible reactions –, then behavior that is in precisely this direction should also be rewarded. This doesn't by any means have to be monetary in nature; instead, giving your employees a very specific type of praise, entrusting them with key projects, and assigning them more (leadership) responsibility can be equally helpful ways of recognizing the fact that they are moving in the mutually agreed-upon right direction.

Even if the "It's not the mighty who will defeat the meek; rather, the fleet will defeat the slow" is commonly cited, the question remains as to why so few companies actually strive to increase their speed so as to more quickly arrive at new insights.

Could the problem be that it involves hard work and also means consequences for the Senior Management itself?

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