YIELD MANAGEMENT

The Leadership Alternative for Performance and Net Profit Improvement

by

Jeffrey L. Magee CMC, PDM

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FOREWORD

Over the past thirty years it has been my good fortune to live a life mixed with the excitement of managing within a global multi-business organization and a mid-sized financial services business as well as sharing my experiences with students of business.

During that time, many have joined in the dialogue of untangling the elemental differences between what it takes to become a capable manager and what it takes to become an effective leader. If there is a difference which favors leadership, just how do leaders get people to do things they don't want to do and, moreover, how do they get them to like it? Is the seed of motivation within the manager or does motivation come from within the worker? How does the successful manager adapt his leadership style to varying situations yet maintain a sense of credibility among his followers? Is Taylor right? Or does the thinking of Maslow and McGregor make more sense in the new work environment of this century and beyond? What is a transformational leader and how is one developed? Is it possible to empower workers to become self-managers, let alone have them develop the traits of self-leaders?

Jeff Magee has found a way to meld broader concepts based on accepted and emergent management theory into practical demonstrations of "how-to" become a successful leader. Magee's work provides a practitioner's approach to development of the tools required to lead people.

Yield Management holds the key to why one manager may be thought of as a productive leader while another is capable but ranks lower on the succession chart. The answer may be contained in the thought that effective leading requires significant understanding of the "people challenges" of the new work environment.

Yield Management makes a strong contribution to defining the differences between managing and leading in a very readable format. For managers and leaders who have yet to embrace the notion of "corporate culture" as other than a soft ivory-tower issue, this book

presents a practical and personal approach to identification of key people issues. In Section One Magee's approach embraces the accepted thought that there is no best leadership style for all situations. Thus, there is a continual sensitivity to drawing upon a learned skill of adapting to the leadership style which will result in the successful achievement of the management task at hand.

Section Two presents straightforward methods for transforming the practice of management to leadership styles tailored to meet the challenges of the new work environment in a very personal way. Magee has captured the power of the sentiment that adaptive leadership styles seek to match strategic intent to workers' abilities and personal needs.

If there is a "best" leadership style, it is one built on recognition of the nature of the tasks to be performed and the relationship one has with those involved in successful completion of the tasks. Yield Management© will empower you to reach the levels of management and leadership success you desire.

Anthony Marshall, Ph.D. Dean, Business School Columbia College

PREFACE

Gaining a marketable and manageable advantage in today's place of business is critical to both survival and growth. How individuals within organizations manage their resources and develop leadership skills to lead the people on their teams is the focus of "Yield Management: The Leadership Alternative for Performance and Net Profit Improvement".

Sadly enough, though, many business schools and graduate level courses in management still profess the ways of days gone by. This may be due in part to the fact that many college professors teaching today have never held any sort of professional position within the communities they teach except that of professor! And in some cases, there are even some professors teaching at the college and university level who don't have the credentials they profess to have.

Gaining a better understanding of what does and what doesn't work requires neither an advanced degree nor some high profile celebrity consultant with top selling pop-science books. What it does take is minds and eyes open to the successes and failures around you. Model your development and behavior after the successes you see and experience and avoid repetitive patterns that have led others to failure and bankruptcy. In fact, look at the stewardship of leading businesses around your community and across the nation. Notice that in the first four years of the 1990s there were more displaced CEOs of Fortune 500 firms than in the previous twenty-five years.

Some firms and some managers and leaders, though, are very steadfast in changing their ways and expect others to change to fit and meet their styles and needs. This compounds stress, anxiety and failures within the work environments which could have been otherwise avoided. Consider some large firms and their styles of management and the executive level influences which mentally support the negative behaviors that ultimately lead to the collapse of institutional leaders - witness the migration of some of the fired CEOs of Fortune 500 firms. Many serve on one another's Board of Directors! So how can you identify signs of a decaying organizational structure and leadership? How can you initiate change patterns and institute winning alternative management ways? The answer is not as difficult as some would have you believe! Consider some of the following warning signs and note which ones sound like your environment:

Warning Signs of Decaying Management

- Only senior management can call meetings.
- Only senior management initiates new policies, procedures and directives.
- Only senior management initiates training and educational development ideas, curriculum, sessions.
- Senior management initiates training programs for staff and doesn't participate themselves.
- A tendency to deny problems or unpleasant situations exist.
- · Excessive need for controls.
- A tendency toward secrecy and mid-level manager controls on information and access to materials necessary for successful development unless managers are involved.
- · Compulsive behavior.
- · Autocratic leadership and thinking.
- Inconsistent moods (mood swings) and emotions.
- An overriding loyalty to the organization that leads to maintaining the status quo at all costs.
- Inability to successfully address critical issues.
- Overriding tendency to involve emotions in issues.
- A protective attitude that guards against discussing certain topics.
- Strict lines of authority and power. Little vertical movement.
- Defined lines of bureaucracy and layers of management that may outweigh workers on the staff.
- Layers of mid-level managers that may equal one manager for as few as 20 to 50 rank-and-file workers.

Total number of responses that match yo	our environment,
=	!

As you worked through the questions in the "Warning Signs of Decaying Management Inventory" (previous page), did you feel your emotions become involved in the questions? Did you have several signs which were present in your environment?

Whether your management style resembles the previous chart or not, there are alternative management styles that can be utilized at every level of management to instill self-confidence among your organization's players, allowing them to become proactive and to attain higher levels of success.

Reflect upon the changing environment that you live and work in. Consider the *chaos* the market stimulates and you, in turn, have to operate in. With changing markets, increased competition (locally, regionally, nationally and internationally) and changing needs among the players on your team, your ability to manage with alternative styles and techniques is fundamental to your success and ability to provide world-class ______ (your product or service) to your internal and external customers.

Why this book? The answer is easy! Today there are literally dozens of management and leadership books populating the market, yet not one of these new gospels arms individuals with the ideas, techniques, formulas and tools necessary to attain peak performance. Many books by some of today's leading authors don't even tell the educated reader anything more than the current litany of existing leading business names and a profile of what they are either doing or have done - no step-by-step tools. It doesn't take a rocket scientist to search for, identify and profile today's excellent companies!

Yield Management looks at organizational dynamics unlike previously seen. SECTION ONE will focus energies on ideas, methodologies and those strategies that will impact Strategic Planning (SP) activities and efforts. With SECTION TWO, the foundations of leadership will illustrate the immediate application techniques necessary for Organizational Development (OD). The design of these two sections requires that successful leaders and management personnel incorporate ideas from the two sections into individual efforts. SECTION THREE then takes the

material presented one step further and illustrates how many organizations around you serve as effective successful role models to effective stewardship of organizational dynamics as presented throughout this book. Being competitive in your marketplace requires alternative styles of management and leadership.

Compounding this further is an emphasis on organizational and Corporate Cultures (CC) and the evolutionary changes which they are experiencing today. In an attempt to design environments which foster, promote and which are conducive to dynamic interactions and growth, this publication will explore numerous ways in which success and effective interactions can be attained. We are no longer in a professional marketplace of "Heads" versus "Hands" management mentality!

To be successful, today's management leader must encharge, empower and enforce people to feel powerful, rather than helpless - become a "value-added leader" with alternative management skills (and ultimately lead you and those around you to attaining the "BETA" Factor ©!).

As Aristotle said, "We are what we repeatedly do. Excellence, then, is not an act, but a habit."

Now! Learn "how-to" utilize alternative styles of management with each interaction to attain maximum results and stimulate maximum performance from each person you come into contact with. Here is your step-by-step management-to-leadership users' guide to serve as the skill development map for emerging leaders - become a change manager and leader for tomorrow, today!

Jeffrey L. Magee, PDM

"What lies in front of you and what lies behind you, pales in significance when compared to that which lies within you ... unless you try to do something beyond what you have already mastered, you will never grow!"

Ralph Waldo Emerson

About The Author



Jeffrey L. Magee, CMC / PDM, is a recognized authority with explosive ideas, a style that captivates audiences, and an energy level that is contagious. He presents more than 200 keynote and educational seminars each year internationally. He is also one of the most requested business speakers in America presenting repeatedly throughout all 50 states. In addition to all this activity he started JEFF MAGEE INTERNATIONAL® in 1990 (a management consulting and training firm), has written five best-selling books, produced two personal success-oriented audio tapes series and anchored a team building supervisory video series - audios and video through CareerTrack® Seminars and SkillPath® Seminars. And, he serves as publisher of Performance magazine. Jeff is also a Certified Management Consultant through the Institute of Management Consultants, the only recognized US-based member of the International Council of Management Consulting Institutes. Jeff is also a member of Who's Who In Business.

His tenure includes ten years as business reporter, a top nationally ranked sales person with a Fortune 500 firm, management positions within the Fortune 500 and as the chief operating officer for a national publishing and marketing business.



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SECTION ONE



Chapter 1

Ground Zero -All Factors Being Equal

"Management today is reactive behavior.

You put your hand on a hot stove and yank
it off. A cat would know to do as much."

• W. Edwards Deming

"The operational mind-set of "Heads" versus "Hands" in an organization can no longer be allowed to exist. Every "Hand" within an organization has a "Head" and every player has to be cultivated and empowered to take ownership and use their head while using their hands to make things happen!"

• Jeff Magee

GROUND ZERO -ALL FACTORS BEING EQUAL

Traditional business school doctrine for decades in America was one which professed lines of authority, lines of responsibility and accountability. Upper management layers were reserved for analysis and direction. Lower levels of management needed the hand and guidance of upper management; likewise rank-and-file workers needed the hand and guidance of middle managers for productivity and success. This style of management actually stifles growth and productivity in workers. There are even studies on traditional management styles and hierarchies ("Heads" versus "Hands") which show them doing more damage to the overall organizational growth in the long term.

Traditional and old school management styles resemble a pyramid in structure. In fact, does your organization resemble this?



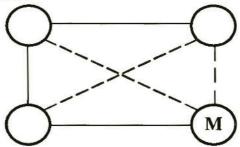
The Wharton School of Business studied this traditional format and organizational structure and found the awareness levels of the individuals within the various levels ranged dramatically in being able to pinpoint the challenges and problems facing an organization!

They found that the *Rank-and-File* workers could identify roughly 44 percent of the challenges and problems facing an organization on a regular daily basis.

The upper layers of management break down dramatically. Mid and Upper levels of Management could identify roughly 14 percent of the challenges and problems facing an organization. Senior Management could identify roughly four percent of the challenges and problems facing an organization on a regular daily basis.

Traditional organizational structure breeds contempt, apathy and lower levels of participation. It also stifles communication of upward ideas and concerns.

There are ways to turn this flow of percentages around and stimulate inner activity among players for greater success and rewards. Consider the new view of organizational dynamics. Consider what this visual implies to others and how this changes the performance of management and rank-and-file workers alike.



What the *new view* of organizational structure (whether called teams, work groups, self directed work groups, etc.) advocates is an image of team and player equality. This image sends the visual message of player equality, whereas the traditional diagram of organizational structure (on the previous page) sends the message that an individual is equal to his level of colleagues only and is subordinate to those players above him.

In essence the new view allows for an equally sized circle for each player. Notice that the "M" for management is still present, only now you are telling members that "Management" has the job of ensuring results and that a manager will assist a player in performing his functions. However, management will not be ultimately responsible for a player's position. Old and traditional management sent that message which is why many times at the end of the day, workers would be gone and management would still be there - completing others' jobs!

The new view of management sends the signal that all players in a winning and thriving organization are both accountable and responsible for their own actions and responsible for the performance of the team overall!

If the team wins, then each player wins, and, if the team loses, then ultimately each player loses! Characteristics of the *new view* organization imply some of the following ingredients are present in an organization:

- Each player is accountable to one another, with ultimate authority still going to one player who is responsible and leads the team or unit in a mutually agreed upon direction.
- Cross-training and functional awareness are both initiated at all levels and fostered among all flattened hierarchical layers and players.
- Interactive and non-confrontational communication occur among players, teams (departments, units, layers, regions and geographies, vendors, customers, and players), both internally and externally in an organization.
- Interdependence develops among players to become proactive and not reactive.
- Vertical and horizontal movement and advancement occur between the players and management team within the organization.
- Lateral, vertical and horizontal synergy and development occur on a regular basis!

Ultimate advancement of an organization and Yield Management focus on management ground zeros. Today an organization can not afford to feel that its marketable advantages rest on traditional business school organizational resources: Structure, Financial Budgets, Products/Resources. Management by these three sole factors alone will lead to "dead zones" far more often than any other single factor!

As Peter Drucker warned in his 1973 classic <u>MANAGEMENT: Tasks*</u>
<u>Responsibilities*Practices</u>, in a ground zero market, any of these three major resources can be attained, refined and even expanded upon by your organization. Yet a competitor can, and many times will, attain and deliver better on these three than you. Many times a traditional management structure works to protect these three factors at the expense of the customers - the people on the team on the inside and the people on the outside that make your existence possible.

Therefore, your only truly marketable and lasting advantage points are your *people*. *Yield Management* focuses upon developing and maximizing that resource - the *people* factor!

Given the need for flexibility in the midst of the chaos and professional challenges facing you daily, having immediate alternatives for improved people interactions will lead to greater efficiency, effectiveness and profitability. Using staff cuts and gradual quality improvements as a business map to greater profitability and growth is a dangerous map to travel on. The IBM Way is a great example of how this doctrine can make an organization look solid and strong on the surface. Yet underneath all these cosmetics the organization still flounders. For example, in the 1970s IBM experienced financial problems due to its inability to meet market needs as fast as the competition - which supports the need for the new view exactly. Compare the 1970s IBM to the 1990s IBM (both eras found the firm in tough financial times and facing dramatic business and cultural changes):

- To meet the tough financial times of the 1970s IBM moved on three immediate fronts to position itself for survival. First, it froze the hiring line, thus addressing staff and labor costs. Then, it moved to consolidate some of its divisions and research/development activities, thus reducing physical costs. And, finally, it sold off real estate to acquire immediate liquid cash to make its stockholders happy.
- In the 1990s Big Blue again found itself in tough financial times.

What did Big Blue do to secure survival? First, it addressed labor costs by downsizing to the tune of tens of thousands of staff eliminated! Then it sold off, eliminated and reduced activities within several of its divisions. Finally, it sold massive chunks of real estate to obtain liquid cash to make itself look good again to its stockholders.

- What key factor did upper management not pay attention to? The people factor. The wave of the world was away from IBM's massive systems and main frames to more mobile systems and user friendly systems. And who was grabbing this market? The laptoppers - such as Bell, Apple, Zenith, etc... More importantly, where did these new organizations find this technology?
- The technology was developed by the same giants who were experiencing trouble, in the back research and development rooms by their people. Yet their upper management did not reflect upon and listen to what the market wanted or what their own players were developing. It would seem evident that someone should have noticed that smaller systems were showing up with other business names stamped on them.

The IBM Way illustrates the need for players at every level within organizations to be able to interact with one another, professionally challenge one another and to stimulate peak performance from one another. This requires alternative techniques for people interaction, and management must evolve into leadership and guidance roles in the future - away from frenzied control junkies running around with their hands in everyone's activities.

The ability to strike when opportunity knocks is critical to management and organizational successes. To empower oneself and those within an organization to take calculated initiative and advance causes, the front leaders within an organization (managers, supervisors, team leaders, work group facilitators, executive staffers, owners, etc...) have to understand what it is that the organization is about and how the players fit into that picture. Individuals placed in leadership and management positions need to realize there are a lot of techniques and strategies to be incorporated in people management.

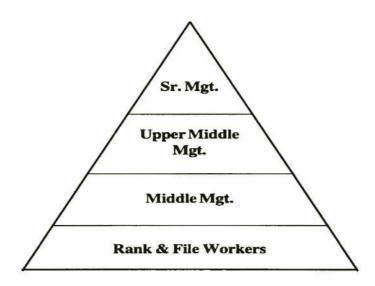
Traditional management focused upon the effective and efficient use of resources in one's environment to accomplish desired results. In order for management to accomplish this there has to be new vitality within the leadership personnel of an organization. Traditional management and traditional management school ideology have taught that management's function in an organization is to maintain primary participation in *five key areas*:



From the traditional five key management responsibilities, management today must focus on additional factors and must empower those around them to assume responsibility and accountability for the five areas above, and other directional maps. Among these interaction maps (habits, styles, techniques, strategies) is the need to have developed and understood mission statements. The fastest way to growth and productivity is a well-defined mission statement. Within organizations today there needs to be several different, yet interlinked mission statements. The *new view* of management incorporates a flexibility, willingness and ability to make adjustments in how one interacts, motivates and thus manages the only true management advantage - your people.

The starting point for managing winning teams is to gain a better understanding of how people interact with one another and how mission statements impact this factor. Sidney Yoshida, a guidance quality expert in Japan, studies the structure of business organizations and the interaction abilities of players within them. Mr. Yoshida's studies also include the awareness of players at all levels within an organization of problems, customer concerns, growth concerns and the overall challenges which players and organizations face.

Startling statistics have been measured from focus groups as to the level of awareness of players within these organizations and at differing levels (from rank-and-file through senior management) as to what is happening around them. In many cases a culture has been created whereby many players hide the problems they experience from senior management. Yoshida found:



- Senior Management was aware of roughly 4 percent of problems.
- Upper Middle Management was aware of roughly 9 percent of problems.
- Middle Management was aware of roughly 74 percent of daily problems.
- Rank & File Workers could identify and were aware of roughly 100 percent of the daily problems facing an organization and its related customers.

All factors being equal in the global marketplace of today, business leaders, managers and individuals operating within business markets have to empower themselves and others to obtain maximum results and peak operational performance on a daily basis!

To meet the complexities of organizational growth and maintaining one's competitiveness for future market placement, the traditional hierarchy and organizational charts of the first part of the 1900s will have to evolve into a more team focused environment. Organizations are facing a new change pattern - every year organizations face tighter budgets, leaner staffs, while at the same time the work loads increase. The human machine is a dynamic and fascinating one. Given these three factors, most every department and organization not only meets this new demand for performance, but in many cases sets new performance records. How do groups of people facing these three factors make this happen? Teaming!

Whether you call your group of people a department, work group, quality focus group, independent work team, self-directed work group, self-directed team - they are all exhibiting various dynamics of being part of a team!

The performance of people in a peak performing relationship is dependent upon players being able to interact successfully with one another and to share with and interact with one another without apprehension. When a player fears the outcome of interacting with another (whether that interaction is a lateral or vertical interaction), the dynamics of a team will break down as Yoshida found in his studies of many organizations.

Focusing the efforts and energies of all players, while reducing the actual interaction and hand-holding time by management, is the thrust of the next chapter. Whether your position is that of performing independently from others or with others, success comes from clear vision and leadership of what each step in the business operation is, does, and should be.

Explore alternative ways for managing the resources around you and for leading the people that will be a part of these interactions and successes in both your professional and personal life!

Sheldon's earlier studies parallel the reality to business today. The post war business philosophy of the 1950s and 1960s - "make it and they will buy it" doesn't apply today. The need today is for organizations to take into account the people factor as the marketable growth and success factor. For this reason management and leadership must look for and apply alternative management and leadership techniques and methodologies for survivability!

This transference is seen throughout this text with the multitude of techniques and ideas applicable to the global approach to organizational development in today's most successful teams and organizations. Witness the new approaches to management and leadership across America today!

Here are just some of the teams from across America who are successfully incorporating *Yield Management* points:

- Arthur Andersen, a major accounting and consulting firm, has successfully implemented in their Sarasota, Florida, computer software division a powerful MENTORing program (see Chapter Four) whereby senior personnel are paired (voluntarily) with younger members of the team as alternative points of contact, along with traditional management personnel.
- American Express Travel Related Services division in Scottsdale, Arizona, has undergone a major management change, in which departments have been designed into teams responsible for seeking out and coordinating on-site, on-going, educational training programs to meet the teams' (departments') respective growth needs.
- TUV Rheinland of North America, located in Newtown, Connecticut, empowers and provides the resources and training for its engineering and technical team to provide a full-service approach to customers. Engineers and technical support team personnel who know customers and customer needs better than anyone are now charged with giving a customer the entire service needs they know each deserves consulting, customer service, sales, negotiation, engineering, etc...

Chapter 2

Five Mission Statements For Ultimate "New View" Success

"Mission Statements are like maps. With a map you can navigate your actions toward a goal and success. Without a map, you are always guessing and taking short-cuts, which always become long-cuts and lead toward confusion, stagnation and ultimately failure."

• Jeff Magee

Five Mission Statements (or vision/purpose statements) For Ultimate "NewView" Success

Identifying all of the objectives and goals of the people involved in every organization is not easy - yet it is not impossible! Understanding these varying objectives or missions and how each ties into the other is critical to management success and to understanding how the management alternative styles of leadership come together. While many consultants speak of mission statements and assist in the strategic development of them, there are still a shocking number of failures and bankruptcies in the business world today from organizations which had mission statements.

Tom Peters has widely quoted a statistic that "only one in every ten organizations which undergo management changes of Total Quality, Total Quality Management, Continuous Quality Improvement, etc... will survive!"

How can this be? The answer is really fairly easy to recognize. Start by evaluating the "Warning Signs of a Decaying Management Inventory" in the PREFACE. Then proceed to recognize that for people to interact and integrate for success, each level of an organization must understand the other and how each player, department, team, committee, etc... impacts the big picture - called success, quality and profitable results.

In order to maximize each player's abilities within an organization, consider these five mission statements in the following order. Which statements do you have in place and which statements still need to be completed for your future success?

Understand that these five mission statements need to be developed in this order for maximum success, and in the following participation sequence to avoid confusion and chaos. Consider the following five mission statements and decide how many of these you already have identified and which ones need to be developed. Also, decide how many of these mission statements are not addressed by some of today's more popular

consultants and then you'll understand why so many followers of these doctrine-espousing gurus are out of business today! You understand the nuances of your industry and you understand your people better than any consultant, therefore you must take the ideas presented and merge them with your common sense prior to initiating any action.

The "Five Mission Statements" necessary for ultimate organizational development, productivity and success are:

- I. Organizational
- II. Departmental/Team/Work Group
- III. Player(s)/Colleagues
- IV. Customers (internal & external)
- V. Yourself (professional & personal)
- = Greater "Yield Management®" Results

Let's take each mission statement individually and break it down as to what it is to focus on and ways in which you design each mission statement for maximum participant involvement, buy-in and thus ownership!

The Organizational Mission Statement should be designed by an organization's key players only. All members of an organization should never be involved in designing the foundational mission statement, unless they have vested financial interest! This mission statement serves as the foundation against which all decisions and actions can be measured to determine if a possible action or decision is consistent with the purpose and direction of said organization, or, if a decision or action about to be taken is in conflict with the foundational mission statement.

View the Organizational Mission Statement as that posted statement which can be easily remembered, written down and against which all other decisions and actions can be gauged. The Organizational Mission Statement serves as a formal and official document by which a company is communicating to its members and the outside world what it is all about. This statement communicates what its purpose is and what the company or organization sees as important (beliefs, values, goals, vision, etc.).

Consider some of the following key statements from some recognizable organizational statements as guideposts toward higher levels of success:

- First, General Electric, the only organization which could be considered to be a Fortune 500 firm in 1901 and is still among that list in 1995 "Boundaryless...Speed...Stretch."
- Second, aviation giant Delta Airlines maintains focus with
 "Throughout the world, we face innovative competitors and
 alliances. There is unrelenting pressure to control costs while
 providing excellent, high value service. Our established ways
 of doing business which served us well in the past will not
 sustain us in the future."
- Third, health care leader and home care partners to families for decades, Johnson & Johnson marches on with - "We believe our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services."
- Fourth, the explosive success and growth of Carl Sewell and his automotive dealerships across America, support the power behind these mission statements as maps. Carl Sewell has grown a small automobile dealership in 1968 from \$10 million in business to a chain of dealerships in 1995 doing more than \$250 million dollars in annual sales, making Sewell the single largest General Motors dealer in America! Sewell's take on them "There are only three reasons for having a sign: to name your business, to describe your product, or to give directions... Signs, in a subtle way, tell the world what your values are and what kind of business you are running. Since that's true, do them right."

The **Departmental Mission Statement** is the second map to be developed. Once the overall organization has developed its map - Organizational Mission Statement - then each department, work unit, team needs to set aside time to review this foundational mission statement and design its independent statement. Each department, for example, cannot and will not be able to make the overall Organizational Mission Statement happen. Each department only contributes a piece toward that big picture.

The Departmental Mission Statement should be designed by all members of a department, work unit, team, etc.... When members within a department or on a team participate in designing this one, then ownership and synergy will occur. Have players assist in establishing the "how" in the plan of how your department will go about contributing to the organization's goal and how it will be accomplished. To increase the impact of the Departmental Mission Statement, once created, have each player sign the statement and post it proudly within the department for all players and visitors to see. This regular reminder of the department's map will further foster energy and team interaction!

Understanding the **Players' Mission Statement** is the third step. Every person has (to some degree or another) a professional intention or map as to where they are aiming in life. Once you have a glimpse into other people and, especially on a team (as a manager), have gained that understanding as to what a Player's Mission Statement is, then you will better understand what is important to them. You will develop a better understanding of how to best interact, motivate, communicate, delegate and develop players for the overall team to be successful!

Players' Mission Statements are derived from their values, principles, goals and desires in life. Each person on your team has different needs in life and seeks different goals, therefore a better understanding of the people within your department is necessary for your management success.

The fourth mission statement to be developed or understood for management and organizational success is the **Customer Mission Statement**.

The Customer Mission Statement is the map which customers follow in making their business decisions. Always remember that a basic psychological point of reference for people is, "what is in it for me!"

By understanding what your customers' needs are and what they are striving for, you can then gauge your decisions to consider these points. You will recognize multiple ways to assist customers to obtain greater levels of success and growth through your position once you know what your core customers' base needs are. Another reason for gaining some perspective on what your Customers' Mission Statements are, is that this insight will impact your decisions and change your growth in future Organizational, Departmental and Player advancement Mission Statements!

As Stephen Covey reflects in <u>Seven Habits of Highly Effective People</u> and <u>Principal Centered Leadership</u>, "seek first to understand, then to be understood." The purpose of the five core mission statements is to guide you toward understanding the forces around you which you must draw upon for ultimate success within an organization and within a competitive marketplace today!

The final mission statement to be designed is Your (Self/Professional) Mission Statement (as a manager, supervisor, leader or business owner)! Until you have gained some degree of understanding of the initial four mission statements, it is difficult to effectively develop Your (own) Mission Statement and have it integrate with the other four.

By understanding the first four statements, you can ensure maximum integration and thus you will be spending energy toward both Your Mission Statement and the others' objectives / statements. If you were to have Your Mission Statement established prior to giving consideration to the other four statements, you would find that Your Mission Statement (also known as your agenda) would more than likely not parallel the other four mission statements (or known otherwise as other agendas). When you have insight to other mission statements, then all five mission statements come together and the team synergy takes over.

Designing the Organizational and Departmental Mission Statements (or purpose statements) is an involved process. Each statement should be able to address and/or identify several key issues. When designing your statements consider how each statement answers or incorporates the following guideposts. Consider:

- Six Key Letters: W, W, W, W, W, H. Every mission statement should identify: Who, What, When, Where, Why, and How.
- 30 Words or less: Every statement should be condensed to a few lines; a short paragraph. The longer and more involved your statements become the more you increase the likelihood that you and others won't be able to remember the statement and that means your map becomes confusing.
- Design Time: The appropriate players should come together for this strategy and brain storming session either off-site or in an area where limited (or no) distractions will cause participants to lose focus on the purpose of the mission statement development session.
- Involvement: All players critical to the design and implementation of a statement must participate in the creation of the core elements of the statement. The more active participation by appropriate players at each statement development level, the greater the ownership level becomes and, thus, increased participation, productivity and success will take place.
- Signatures: Once a statement is developed, it needs to be signed by all participating players and posted as a sign of will!
- Ultimate Objective: The final analysis of a statement is that it should serve as a clear, non-debatable map of an organization's aim. It should help players to focus their efforts, provide a measurement system, and allow for celebrations of success!

You can obtain additional information for use in designing mission statements or in determining others' statements (**Player** and **Customer Mission Statements**) via these same steps and through *profiling* the appropriate parties. Provide information to vested parties, design a questionnaire and gather *questionnaires* from these parties to attain the desired information and their respective insights!

Finally, the ultimate reasoning for the design and implementation of these sequential Mission Statements (as minimums within an organization) is to empower members to focus their energies upon the same points of reference and the same goals. These statements serve as mental *maps* (MAPs©: Mental Action Plans) or models for individual and team effort. They serve as a guiding point for activities, energy, commitment and where resources are to be applied and in what order.

Individual hesitance to commit energy in many cases is due to unclear direction and an uneasiness about whether or not senior management (leaders) is really committed, or whether they are merely paying "lip service," to a cause!

These are the factors that can threaten any well-managed and well-intentioned organization and company. Another major factor in designing these statements, both individually and as a team, is to pull those empowered players together. To empower individuals within an unaligned organization (one without these statements developed and in place) can be counterproductive.

People must share a common vision (mission) for success. Otherwise an organization will experience increased stress, anxiety and tension among its players. Management will carry an increased burden to maintain controls and productivity and a slow (in some cases, fast) demise will fall upon the organization.

To facilitate the design of a personal, departmental or organizational statement and to aid in vision-making among players and leaders, consider the following chart as a planning tool. This chart can be used as a planning work sheet for individual or group interaction.

You may want to weigh this planning chart against any existing *mission* statements to determine if the critical elements have been addressed and accountability is assigned or whether or not a present *mission* statement is so esoteric that it actually threatens long-term survivability and success!