

Episode #37: How to Turn Your Organization into a Competitive Advantage In 2021-part 2

Welcome to THE CAREER ACCELERATOR, the podcast where corporate managers will find tips and tools to deliver results through others.

Hello. Today I will cover the second of the four steps that can help you turn your organization into a competitive advantage in 2021.

I'm your host, coach Percy Cannon.

In our last episode I shared an overview of the four steps included in Patrick Lencioni's program, "Organizational Health," which he outlines in his book *The Advantage*.

A healthy organization is one that has minimized politics and confusion. This translates into higher productivity and employee morale, and lower attrition of good people. A healthy organization will always find a way to succeed, because without politics and confusion, it will inevitably become smarter and tap into every bit of intelligence and talent it has.

There are four steps to make your organization "healthy" and become a competitive advantage. They are:

1. Achieve behavioral alignment within the Leadership Team in order to operate in a functional and cohesive way. To accomplish this, a leadership team should practice five concrete behaviors:
 - a. Achieve vulnerability-based trust,
 - b. Engage in productive and unfiltered conflict,
 - c. Achieve 100% commitment and alignment to decisions made by the team,
 - d. Hold team members accountable to agreed-upon actions and behaviors, and
 - e. Prioritize collective results of the team over personal ones.
2. Ensure that leadership team members are crystal clear and 100% intellectually aligned around six simple but critical questions.
3. Over-communicate the answers to the six questions.
4. Ensure that the answers to the six critical questions are reinforced repeatedly using simple human and business tracking systems.

Today I will focus on the second step: Ensure team members are intellectually aligned and clear around the answers to the following six key questions:

1. The first one is WHY DO WE EXIST? This requires a leadership team to identify the organization's fundamental reason for being, also known as its core purpose. As outlined by Jim Collins and Jerry Porras in their excellent book, *Built to Last*, enduring organizations understand the fundamental reason they were founded and why they exist, and they stay true to that reason. This helps them avoid losing their way.

Simon Sinek calls this your WHY in another great book, *Start with Why*. WHY an organization exists should be more idealistic than pragmatic. Employees in the organization or team should know that, at the heart of what they do, there is something bigger than them, something aspirational, something that tells them WHY WE EXIST.

2. The next question is HOW DO WE BEHAVE? The responses comprise the organization's core values. They should be the definitive guide for employee behavior at all levels. They should be two or three values that are endemic, right now, to who the company is. They are deeply ingrained and at the very foundation of a company's culture. They should not be confused with any aspirational principles the organization may be trying to acquire. For example, if they are trying to improve their customers' experience but they are not good at it yet, this should not be one of their core values. Likewise, norms such as those that are the basic principles for operating a business, such as integrity and honesty, would not be considered candidates for HOW WE BEHAVE.
3. The third question is, WHAT DO WE DO? This one may be the simplest to answer and should take the least amount of time and energy to address. It's a one-sentence description of what an organization actually does. The intention is to make sure the team is crystal clear and can accurately describe the nature of the organization's business. This will avoid creating confusion internally and externally. It should be a straightforward statement and not intended to become a marketing slogan of WHAT WE DO.
4. The fourth question is, HOW DO WE SUCCEED? This question asks for the top strategies of the organization or team. There are various definitions available for strategy. Here are a few concepts I gathered from the work done by Michael Porter on this topic:
 - a. A strategy is a unique value proposition that gives an organization the best chance to win and differentiate it from competitors.
 - b. A strategy carries a set of trade-offs, which are those things the organization chooses not to do.
 - c. And there are four of what Porter calls competitive strategies: product differentiation, price leadership, promotion power, and distribution efficiency.

Lencioni suggests restricting this process to three strategic anchors that will be used to inform every decision the organization makes. This provides the filter through which decisions must be evaluated to ensure consistency. These three strategic anchors also help companies focus and avoid the temptation to make opportunistic decisions that could translate into diminishing a company's plan for success. That's why it's so important to be clear and aligned on the strategy TO SUCCEED.

Let me pause for a moment to recap on what you have heard so far today:

- There are four steps to help your organization become a competitive advantage.
- Today you are hearing about the second step: Answers to the six questions that will help team members get clear and intellectually aligned.
- The first four of these questions are:

1. WHY DO WE EXIST?
 2. HOW DO WE BEHAVE?
 3. WHAT DO WE DO?
 4. HOW DO WE SUCCEED?
5. I will now move to question number five: WHAT'S MOST IMPORTANT, RIGHT NOW? The answer to this question, which Lencioni calls "Thematic Goal", has the potential to produce an immediate and tangible impact on an organization or team. As explained in a recent podcast, most of the teams I once belonged to, and those I have coached over the last 10 years, tend to have clear individual objectives for each of its members. This is good and positive.

Unfortunately, most of them lack a collective priority that is viewed as more important than their individual goals. Without a collective priority that answers the question WHAT'S MOST IMPORTANT, RIGHT NOW? teams will continue to function as a group of executives reporting to the same boss, but they will lose the benefit of an overriding synergistic goal between them.

This Thematic Goal should have four characteristics:

- It should be singular. One and only one thing has to be most important, even if there are other worthy goals under consideration.
- It should be qualitative. The thematic goal should almost never be established with specific numbers attached to it.
- It should be temporary. A thematic goal must be achievable within a clear time boundary, almost always between three and twelve months.
- And it should be shared across the leadership team. When executives agree on their top priority, they must take collective responsibility for achieving it, even if it seems that the nature of the goal falls within one or two of the executives' usual areas of ownership.

A thematic goal that is singular, qualitative, temporary and shared becomes the answer to question # 5: WHAT'S MOST IMPORTANT, RIGHT NOW?

6. The last question is WHO NEEDS TO DO WHAT? As basic as this may sound, it helps if every team member clearly understands their respective roles and responsibilities, as well as the roles and responsibilities of their peers. For example, I have observed in several of the companies and teams I worked for, first inside and now as an external coach, the existence of a gray area between Sales and Marketing. Who does what to generate demand from each type of customer? Who is accountable for what part of the sales cycle?

Summarizing, I have covered today the six questions that help achieve intellectual clarity and alignment across team members. They are:

1. WHY DO WE EXIST? What's our core purpose?
2. HOW DO WE BEHAVE? What are our top three core values?
3. WHAT DO WE DO? What's is it that the organization does?

4. HOW DO WE SUCCEED? What are the top three strategic anchors that will make the organization win?
5. WHAT'S MOST IMPORTANT, RIGHT NOW? What is the Thematic Goal that will represent the number #1 priority for the team in the next three to twelve months?
6. WHO NEEDS TO DO WHAT? Are you and everybody else in the team clear and aligned on their roles and responsibilities?

Once the intellectual clarity and alignment is accomplished by answering these six questions, together with the behavioral alignment explained in the previous podcast, you'll be ready to move to the final two steps of achieving organizational health: Over-communicating this clarity and reinforcing it through human and business tracking systems and processes.

Count on my help as needed to support turning your organization into a competitive advantage in 2021.

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This is coach Percy Cannon, working to help you *make the rest of your life...the best of your life*®.

Percy's BIO

Percy has been helping hundreds of corporate executives and their teams boost their leadership and teamwork capabilities over the past ten years.

Before this, Percy spent close to three decades working for three multinational corporations, Procter & Gamble, IBM & Microsoft, in the United States and across several countries in Latin America.

Percy is a Certified Professional Coach from Wainwright Global, Authorized Partner for "The Five Behaviors of a Cohesive Team" and "Everything DiSC", a Certified Go-Giver Speaker & Coach, and a practitioner of several methodologies from best-seller author Patrick Lencioni (e.g., "The Ideal Team Player", "The 6 Types of Working Genius", "Organizational Health" and others).

He published his first book in 2012-13 in English (*The Business Apostolate: Insights to Define and Achieve Your Mission in Life*) and in Spanish (*El Negocio Más Grande de su Vida*).

Percy is a Consulting Partner with Grupo Azimuth and the Chapter Director for the COO Forum in Southeast Florida.

He has lived in 9 different cities and 5 countries, and speaks English, Spanish and Portuguese fluently.

Percy is married, has 3 children and 6 grandchildren, and is a passionate runner & reader.

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