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has your organization *Slipped* out of alignment?

If So, Bet Your Results Have Too!

By Brian Gareau

Dealerships spend significant time developing new strategies to enhance business performance and success. Then communication rolls out. Training takes place. New processes and technology are launched. Lots of activity and “good intentions” happen. But all too often, results fall short of expectations. Why does execution falter? Many times it’s because of the following:

- ▶ Time, energy, money, and talent are used in excess instead of conserved
- ▶ Questions, concerns, and ideas are consistently focused on different goals
- ▶ Processes and procedures are skipped, ignored, or modified
- ▶ Human behaviors and actions are inconsistent
- ▶ When mistakes or errors occur the tendency is to avoid accountability

Bottom line – there is a lack of synchronization in the same direction toward the same goals. There’s an alignment issue!

Research has found that alignment is a common issue in business execution.

Consider the following:

- ▶ 37 percent of revenue targets are lost due to misalignment (Harvard Business Review).
- ▶ 70 percent of all employees are unknowingly misaligned with your company’s strategy (Harvard Business Review).
- ▶ Projects and programs that are aligned with an organization’s strategy are completed successfully 48 percent more often than projects that are misaligned (Project Management Institute).

4 Rights

Ultimately, the challenge can be summarized by the “4 Rights.” Can a dealership’s leaders get employees to consistently do these four things:

- ▶ **The RIGHT THING?** (aligned to dealership goals and values)
- ▶ **At the RIGHT TIME?** (timeliness)
- ▶ **The RIGHT WAY?** (following processes, procedures, policies)
- ▶ **For the RIGHT REASON?** (compliance or commitment)

Here’s a high performance model I designed to help clients better understand some critical success factors for alignment and high performance. In this model the “S” factor (strategy) and the “OCP” factor (processes) each have a value from 1 to 10, where 1 = poor and 10 = excellent. They are multiplied together. Next, their product is taken to a power of individual accountability, or “IA.” The value of IA can be 1 = compliance, 2 = commitment, or 3 = normal/consistent behavior. There is no way that results (R) can be maximized unless organizational processes (OCPs) and individual behavior (IA) are consistently aligned with strategy.

Let’s look at each factor in a little more detail:

1. Strategy. Each day employees must prioritize and make choices as to what to do and what not to do. Sometimes tough choices and tradeoffs have to be made. Clarity and confidence in understanding dealership strategy provides valuable direction and guidance. The key is generating understanding. So remember these tips:
 - ▶ Use common language. Make sure your audience has the same understanding of key terms, acronyms, abbreviations, and metrics as leaders do.
 - ▶ Share context, not just data and tasks. Context helps employees correctly and more consistently interpret information.
 - ▶ Be listenable. Great messages that are delivered ineffectively are filtered and tuned out.
 - ▶ Avoid data dumps. Human short-term memory can only hold seven basic ideas, plus or minus two. Communication on strategy should be prioritized and meted out.
 - ▶ Repeat key messages. Research has found the average person must hear/see key messages at least seven times, through different communication techniques and media, to retain them.
 - ▶ Address start/stop/continue. Ultimately, employees need to understand what they specifically need to start doing, stop doing, and continue or do more of.

Research indicates that a business with 100 employees spends an average downtime of 17 hours per week, or \$500,000



annually, clarifying communication. A solid strategy can't be effectively aligned to without clarity and understanding.

2. Organizational Cultural Processes (OCPs) are a series of actions specifically designed to inform, teach, or reinforce desired behaviors and outcomes. They are like an assembly line. At the beginning of the line are the current human behaviors taking place in your dealership. Some are already aligned with your strategic goals and objectives. Some are not. There is some compliance and some commitment happening. But there are frequent inconsistencies. At the end of the line are your dealership's desired behaviors (your finished product). These desired behaviors should ideally become the norm – what most people do, most of the time, without even thinking about it.

Three key principles apply to OCPs:

A. Sequenced. Processes that inform should be done before those that reinforce. Just like on an auto assembly line, tires arriving before the axles are installed creates confusion and waste.

B. All critical. Too often organizations skip, short-cut, substitute, or simply treat OCPs as transactions and not important interactions.

C. Discipline sensitive. Most, if not all, OCPs reside in an organization's HR functional area. HR is responsible for creating effective and efficient processes and providing ongoing support. But each leader must be disciplined and capable of executing the processes – even if they are not perfect.

Changing and aligning behavior is hard work. Research indicates that a behavior has to be reinforced a minimum of 17 to 21 times before it becomes a new habit. Reinforcement takes time and direct leadership involvement.

Here is a breakdown of the three major functions of OCPs:

► **Inform.** Key processes include communication, policies and procedures, standard processes, and measurement.

► **Teach.** Key processes include onboarding and orientation, formal learning and development, leadership, and decision-making.

► **Reinforce.** Key processes include selection, performance management, non-financial recognition, and financial rewards.

When there is inadequate or incomplete cultural process alignment, then there become multiple ways to do things. This results in confusion, redundancy, and difficulty in sustaining any gains. This is waste and creates underperformance.

3. Individual Accountability. In high performance organizations, there is much less time and energy spent on punitive threats, warnings or blame by those in authority to hold someone lower in the organization accountable. Those just create fear, resistance, push-back and strained relationships. Instead, in high performance organizations each individual focuses on the following:

► Proactively influencing outcomes. It's all about making things happen or change instead of reacting or overreacting after the fact. And everyone can influence ideas and actions if they are assertive, consistent, show instead of tell, and build trust.

► Taking ownership. Simply put, it's taking responsibility for action. It's about behaviors that show initiative, pushing forward, and overcoming obstacles. It's more "I will" and less "I'll wait for someone else to." ► Admitting mistakes. When mistakes happen, we can learn, grow, change and start making better choices. But this can only happen if failing is not perceived to be fatal (emotionally or career-wise).

► Delivering desired results. The focus is on the end game – customer service and organizational performance. Employees are recognized and rewarded for results, not activity.

Accountability goes through a normal development cycle – compliance, commitment, and ultimately a norm. In the compliance stage, an employee does it because it is mandatory. Sometimes they do it because there is perceived punitive action if it is not done. But the actions/behaviors are

inconsistent and may only be done when someone is watching or monitoring. In the commitment stage, an employee's head (intellectual), heart (emotional), and hands (physical work) are more consistently aligned with the dealership's course of action. Finally, in the normative stage, employees naturally execute the dealership's desired actions and behaviors without even thinking about it. It becomes "just the way we do things around here."

There are two additional important points on accountability. First, avoiding accountability must be quickly identified and addressed. Unaccountability breeds more unaccountability. Second, accountability must be used holistically to identify, reinforce, and coach both positive and negative situations.

Now it's your turn.

1. Calculate your current results (R) using the High Performance Model above. What are the consequences for performance in the future?

2. How frequently do employees do the "4 Rights"?

3. How often do you see signs of avoiding accountability – and nothing is done?

Author Patrick Lencioni said, "If you could get all the people in an organization rowing in the same direction, you could dominate any industry, in any market, against any competition, at any time."

Maximize your dealership's results through clarity and understanding of strategy, alignment of organizational processes, and igniting a higher degree of individual accountability.

Consultant and author BRIAN GAREAU specializes in strategic, tactical, and practical solutions to engage and accelerate high performance. To learn about Brian's services and find more articles and resources visit: www.BrianGareauInc.com.

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