



AlbuOnStrategy

Spring 2008

It's About People First

In describing the value of strategic planning to our clients, we emphasize the importance of gaining alignment of the 3Ps of success: **Plan, Process and People** (see *AlbuOnStrategy* newsletter Spring 2007). Simply put, if the 3Ps are in harmony, it dramatically increases the odds of implementing strategy successfully.

In my opinion, the most important “P” of success is **People**. I propose that two-thirds of success depends on the full commitment and buy-in from all levels of the organization. Too often I have seen enthusiasm spike to high levels as a result of a great plan, only to fail miserably because leaders were not able to summon the courage and conviction of key employees who drive the plan to success.

To get “*People*” right, consider:

Leadership – The people at the top, whether they are owners, the CEO or President, need to take ownership of the strategic plan and process. This is not something that can be delegated. You must lead through great listening and communication skills. Commitment, enthusiasm, and energy for the plan will provide the momentum to keep everyone on task and focused on results.

Knowledge – No one knows more about your company than your employees, particularly your key executives.

Power to the People

In October last year, Harvey Mackay’s e-newsletter made a point about managing employees that still resonates with me today. He spoke about a manager who set some guidelines with her employees on how they should deal with problems that arise in the course of business. I think this one is worth taking note of.

The manager said to her employees, “If anything is *continued on page 2*



A tremendous amount of knowledge about the company, its products or services, customers and competitors already exists inside your company. It is imperative that the company engage its people in the process to take advantage of this knowledge base.

Direction – It is amazing how simple this concept is—people tend to do their best work when they know what they are working toward. Providing direction, and linking employee tasks to that direction, creates enthusiasm and energy. People like to know they are adding value.

Buy-in and Commitment – Involving your people in the process of developing solutions, from executives to the factory floor, exponentially increases the odds of gaining support from most employees. Not everyone will accept change or buy into the plan, but the greater the number, the greater chance of success.

As Peter Drucker states, “The distinction that marks a plan capable of producing results is the commitment of key people...” Working on specific tasks developed through the process, and established by the plan, nurtures an accountability-based culture focused on results. That is a sign of successful implementation!



Dear Friends,

Everyone knows the real estate agent’s mantra for sales success: Location, Location, Location. The mantra for business success is similar:

People, People, People.

You can have the world’s best business plan, but if your people are not behind it 100%, it will fail. Our lead story outlines four key factors that will help you get the “*People*” part of the equation right.

The best leaders don’t just manage their teams; they empower them. In “*Power to the People*,” we highlight one good manager’s technique for encouraging employees to find their own solutions to the issues that trouble them the most.

As important as it is to hire and inspire good people, it is even more important to keep them working together toward the common goal. Our recommended reading for this issue focuses on the dysfunctions that typically sap teams’ strength, and strategies for overcoming them.

In this very young 21st century, it’s easy to lose sight of the fact that even the most advanced technologies are not enough to make us industry leaders. It takes great people to propel your company to great heights.

Our mission at *Albu Consulting* is to help our clients scale those heights. Please feel free to call us at 203/321-2147, e-mail info@albuconsulting.com, or send a fax to 203/321-2148 with your questions, comments, and suggestions on how we can make *AlbuOnStrategy* even more relevant to your business concerns.

Sincerely,

Dick Albu
President





RECOMMENDED READING

The FIVE Dysfunctions of a TEAM: A Leadership Fable

By Patrick Lencioni (Author of *Silos, Politics, and Turf Wars*)

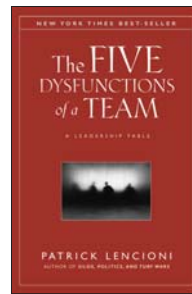
Have you often wondered why your internal teams are not more productive? It could be your team is experiencing one or more of the “five dysfunctions” that threaten the way teams work together to get things done. As Patrick Lencioni states in the introduction of his book *The Five Dysfunctions of a Team*, “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 competitor, at any time.” Unfortunately, often teamwork is elusive because companies are made up of individuals who are inherently dysfunctional. But when given the right tools and the right set of behaviors, it is possible to move people in the right direction.

The book begins with the story of a new CEO hired to redirect a troubled technology company only to realize her team is dysfunctional. Through the use of this fable, the author explains that “the five dysfunctions form an interrelated model, making susceptibility to even one of them potentially lethal for the success of a team... Like a chain with just one link broken, teamwork deteriorates if a single dysfunction is allowed to flourish.”

The five dysfunctions are listed in order of hierarchy:

- 1. Absence of Trust** – unwillingness to be vulnerable within the group
- 2. Fear of Conflict** – inability to engage in an unfiltered and passionate debate of ideas
- 3. Lack of Commitment** – rarely or never buying in and committing to decisions
- 4. Avoidance of Accountability** – hesitating to call peers on actions and behaviors that seem counterproductive to the good of the team
- 5. Inattention to Results** – putting individual or division needs above the collective goals of the team

There is no doubt that it is difficult to change a team’s behaviors due to the diverse personalities involved. However, Lencioni certainly provides guidelines and tools, defined in simple terms, which can move dysfunctional teams toward a greater trust, more open communication, and holding each other accountable for results. Given discipline and persistence, it makes the task of creating a functioning team a bit more realistic.



Albuinfo

Albu Consulting is a business development and strategy consulting firm. We are entirely dedicated to helping our clients create sustainable profitable growth over the long term. We work with owners, boards, CEOs and leadership teams to bring out the best in their companies. We seek to:

- Optimize resource allocation by focusing on high-priority, value-add initiatives, while eliminating wasted time and money spent on low priority activities
- Create an effective and efficient organizational culture, increasing collaboration and communication, eliminating “silos” and creating an accountability-based culture
- Enhance management’s decision making process, encouraging better decisions with more confidence over the long term
- Create a culture of continuous improvement with a willingness to change

Founded in 1994, *Albu Consulting* is recognized for its content and industry expertise, and for delivering results that create value and sustainable profitable growth.

Listen to what one of our satisfied clients had to say about our services:

“*Albu Consulting* was selected to facilitate our strategic planning process. Our goal was to update and upgrade our existing plan to a higher level to ensure we continued to successfully increase sales and maximize profits. *Albu Consulting* did an excellent job of challenging our key executives. The process helped surface key threats and opportunities, and plan specific action steps to address these. We are extremely pleased with our strategy that will solidify our future success. *Albu Consulting* was instrumental in taking our strategic plan process to the next level.”

Craig Finney, President,
W. E. Bassett Company

Please contact me directly for a confidential discussion of your business issues or if you know of someone that would benefit from our services.

Dick Albu, President
Albu Consulting, Inc.
1177 High Ridge Road
Stamford, CT 06905

Tel: 203/321-2147
Cell: 203/613-7212
Fax: 203/321-2148

E-mail: info@albuconsulting.com
Website: www.albuconsulting.com

“ The distinction that marks a plan capable of producing results is the commitment of key people to work on specific tasks. Unless such commitment is made, there are only premises and hope, but no plan. ”

Peter F. Drucker,
from his book *Management: Tasks, Responsibilities, Practices*

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bothering you or keeping you from doing your job properly, I plan to support you in finding a solution... but before you come to me with your problems, I want you to give the issue some thought and come up with some reasonable solutions on your own. Once you’ve done that, come to me with your issues and your ideas for resolution instead of just handing me the problem.”

What a simple, yet empowering concept

that promotes leadership and encourages creativity. Not to mention, as Mackay said, “managers would not have to handle so many problems.” In my experience working with management teams, when people are engaged in helping find the solution, they feel responsible for the outcome and hold themselves and each other accountable for results. This breeds an accountability-based culture that will make any manager’s job a little easier.