Making strategies WORK

Mel Hilderbrand, President of Piezo Technologies Inc. has used Structured Leadership in three different functions - including sales and marketing. Here, with Jamil Rashid, SLC's CEO, he discusses the need for structure and discipline in the successful delivery of strategy.

JR: It's said that 80-90% of strategy fails. What are your views on why that happens?

MH: Implementation of strategy is the deployment of people and resource against whatever your goal is. You need to have the right leadership to inspire the people around you to consistently do the right thing. It's a challenge. One of the obvious reasons is that we don't share our strategy adequately, we just have a strategy at corporate level and then expect it to work and there's not the real cascade down through the organization. Therefore, getting understanding and buy-in can be difficult and so trying to use resources in that environment is generally difficult. Getting anyone excited to come to work in the morning and practice a strategy that they don't necessarily understand is not likely.

If managers really understand the strategy, and have bought into the strategy, we have a good starting point.

Ensuring strategy is aligned

JR: How much time should a CEO spend ensuring buy-in and alignment to the strategy?

MH: It's definitely not once or twice a year, this is an 'all the time' thing. The president should spend a lot of time involving his direct staff in strategy development and then working with teams to keep it aligned. Many presidents go into an office and close the doors and come out with the strategy because… they're Al Haig. They're very dictatorial. That's what they do. How do people buy into that right away? They won't. First of all he will have to involve the key players in the organization in developing and deciding on the strategy. Then they have to do the same. It's surprising how many times senior management, at levels 2, 3, and 4 have no appreciation of this. Strategy has to float down, map down, onto what people on the front line are doing. It takes a lot of instruction, discussion, and training to keep an organization consistently aligned and engaged.

JR: I am not sure that most managers dedicate that much time to this. Why is this?

MH: I don't know whether they're not comfortable with it, maybe they have never been taught or perhaps they just don't realise the potential savings. After all, I think most managers will act on most things if they understand the real potential.

JR: What about when we have selected the right things to do, we are 'aligned', and activities still don't happen on time and on cost.

MH: Yes, a lot of strategic plans can fail because we don't actually do the things we intend to do. We have used the structured approach because we find a lot of strategy execution can be improved purely through more consistent focus. I think detailed planning and then holding yourself accountable to that plan is extremely hard. It's one of the harder things to do and most organizations are nowhere

near as good as they might think. You always have reasons for why you missed that plan. But you should still review the plan. It's what I call 'eyes wide open'. I want to make a conscious decision about not sticking to the plan.

JR: I think people are afraid of that 'eyes wide open' approach.

MH: This goes back to management techniques. What do you reward? If you only reward plan success and not planning itself then you're at risk of getting a plan that is very easy

to achieve. You've got to create an environment that breeds success but also incentivizes the behaviors that you want.

JR: Absolutely. I'll give you a statistic Mel. In our work, a hit rate of less than 30% against a detailed strategic plan is not unusual. When teams see that number they're horrified as they are used to a 90-95% success. What is happening here? Is industry always trying to create a 90% number or are we going to say 'yeah we're at 40% and these are the reasons, now let's focus on how do we get it to 60%?

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MH: I suspect it's probably true. In many cases, I'm more interested in making sure we follow the flow of the plan than a certain milestone came up on time. It's hard; it's a challenging thought process. I prefer that to a half-baked plan that yields great hit rate numbers.

Planning and sales

JR: You make a statement about 'planning is hard'. In many sales environment you won't even find a half-baked plan. Considering the importance of sales, don't you need good planning?

Most organizations don't give their leaders any kind of management system within which they can do their job.

MH: You really do. But it's not part of the culture of sales. I promise you however, that if you really put some effort into the planning process and the reasons why you're doing it, even plan your script for example, timing and all that other stuff, your sales will increase. Now convincing a sales guy that this is true – you may never get there – but it is in fact true.

JR: Why can't you convince sales guys?

MH: Hmmm (laughs), sales guys are of a different ilk! The key to a successful sales team is pulling them as close to a structured environment as you can without killing that freelance and entrepreneurial spirit

Discipline and the military

JR: Being a military man, do you think industry can learn from the military in executing strategy – that is – getting it done?

MH: There's a lot to be learnt. The military world tends to have some benefits that the corporate world doesn't. The military is not a stagnant organization. It is constantly refreshed with

new people and those people move from job to job but because we all get taught a unified way of doing things and tackling problems – it simplifies the analysis and opinions of all involved. There's a disciplined approach in the military. They don't have the time to learn from scratch and there is, in reality, a lot of documented processes and a structured environment for the most part on what to do and how to do it. In business you don't get that.

JR: Are you saying that industry isn't very disciplined?

MH: Well I know you are! I'd say that the approach that industry uses is typically less disciplined. I think engineering is obviously more disciplined than HR. However, as we have discussed, if you get into sales, I think they're highly undisciplined.

Running a business you tend to understand how undisciplined everything is. It's like herding cats. Everything is going its own direction. And you try to make people understand that to expect results you need to have an approach and stick with that approach.

By discipline we simply mean an organization and its people sticking to their own management rules, systems, plans and values. Clearly industry can benefit from a more structured approach to business.

JR: Do you think that people are scared of the word discipline?

MH: It has a negative connotation. Discipline can also mean punishment. I think the military is the only place that uses the word discipline as an accolade for someone.

JR: There's another word we use in Structured Leadership and that's 'involvement'. Because we sometimes use the military analogy for getting things done, one of the things we hear a lot of is that the military doesn't involve people, they just tell them what to do. In other words the military doesn't have to involve them – they will be successful in just telling them what to do. It might happen sometimes but overall, I don't believe the best military leaders just tell people what to do.

MH: If you look at leadership studies within the military and at academies they found that exactly what you're saying, that they can be successful just telling people what to do to some extent. But the limit of their success is the ability of that to be a flexible and efficient machine versus someone just doing an A-B kind of thing. In the Marine Corps it's called 'commander's intent' where the reality is that you want your leaders to understand what it is that you're trying to accomplish. The more dynamic an activity you're trying to accomplish, the more you need your people to really fully understand what you're doing. On the whole, I think most organizations would serve themselves much better in many cases to have a higher level of engagement.

Having a common approach

JR: You mentioned a 'unified' or common way of working to solving problems, what is the benefit of that?

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MH: Most organizations don't have a unified method to doing things and this causes a lot of confusion. Most organizations don't give their leaders any kind of management system within which they can do their job. I believe that Structured Leadership can provide managers with a common way of managing and dealing with problems, which accelerates execution and more gets done. It means much less time is wasted debating how to approach solving issues – they simply get on with finding a solution. Sometimes also, you do have a common approach but it's just rubbish and you end up with results that are mediocre. But if you stand back and let a new one in, you start to get results.

JR: I know you recently won a competition writing a business piece in American Airlines Magazine 'Road Warrior'. In it, you said sometimes people claim success when they haven't achieved what they really wanted to. We think people do that with strategic plans. Why do people do this?

MH: We can't all be successful. We can't all be President of the United States, or Prime Minister so we all try to talk ourselves into successes. You say to yourself – you have a good job, you are content, you don't want to move. The reality is that if you stripped all that away and were completely honest with yourself, you know what, you'd say I'm not where I want to be, I wish I had been…. I should be…..

It's funny I had a first sergeant who did this leadership thing, and have you stand in front of a mirror with your uniform on and tell you to find what was wrong: what here don't you like. We were always programmed to say, you've done the best you could. But he would basically tear that apart. He wanted you to see, for you be honest with your life, and about yourself. The first sergeant's point was that the mirror cannot lie. We don't ever get to that level. And I found that if I'm going to be successful, I have to get to that level myself. I try to show others how to do it – you want them to be honest, and don't just make up a bunch of reasons why you didn't do it.

We've used lots of those tool sets but no one's ever come in and said, here's the package …

JR: Yes, we use a much less frightening method to do the same thing. If you don't have a really good system to understand the reasons for failure, the reason is never us. Isn't the reason always something else?

MH: The customer, the weather…. It is deeply embedded in human nature.

JR: Having used Structured Leadership in three different roles, I have to ask you why you continue to use it?

MH: Clearly we've seen success. If you've had success at something you want to repeat it. Everyone talks about the different tools – for example six sigma or lean and we've used lots of those tool sets but no one's ever come in and said, here's the package - here's how you engage people across the business; here's how you measure yourself to make it successful; here's how to create a common management system the whole business can use to solve problems; and here's some discipline in the process to stick to it. Why would we not want to continue to use the process?

Mel's tips for using Structured Leadership

1. Share the emotional journey

To get people engaged, the senior leadership has to have them understand that they've got to participate, that this is important, that allows this 'thing' to move forward. One of the most important things to do up front is go through their reactions, explain the emotional journey that they face and the benefits.

2. Enabling reflection and admission of error

It's hard having people understand a more structured approach and applying it and be willing to reflect and say 'I was wrong' or not think that they know the answer. I think that's really the core of it. You have to reduce the fear.

3. Expecting immediate results

Depending on the program you're trying to improve, the challenges associated with it can be very complex and can take a lot of time. People get frustrated because expecting immediate results becomes a barrier for those working on the project because they haven't got to the problem part yet.

4. Senior management support that pushes teams

If senior management supports this approach and really pushes and provides the right mental framework for the group that's trying to use it and get something done, provides the right incentives, I think you'll have that success, you'll have that light bulb, that conversion. In other organizations where you don't get true senior leadership buy-in or where teams have the option to just forget it, or where there's not a framework that forces completion and engagement, you almost ensure failure.

5. Reviewing regularly in a Structured way

Finally, from an executive perspective, reviews are critical. It brings some accountability into it, it forces the sponsors to be involved and it gives the opportunity to bring team members up to the higher level and present things that they've been successful in.

Mel Hilderbrand

Mel Hildebrand began his career in the military, serving with the US Marine Corps in Desert Storm. In 1996, with an exemplary record managing avionic maintenance, he moved into industry. First stop was Bell Helicopters in 2001, where, after working for Integrated Logistics Support, he became Program Manager. As PM, his team effected a total restructure to an Integrated Product Team environment.

In 2004 – 2006 as Senior Vice President of Customer Operations at S-Tec, with responsibility for sales and marketing, successfully growing OEM sales by £2m per annum. He became President of S–Tec in 2006, turning the business around, taking it from loss to profit in four years. In 2008 he became President of Endevco where he implemented new programs to stabilize and turn around the business.

In 2010 he became Head of Transformation, Strategy, Sales and Marketing at Meggitt PLC, with a pivotal role assisting Meggitt's transformation initiative. July 2011 he moved to be Senior Vice President of Engineering and Projects at Meggitt Sensing Systems.