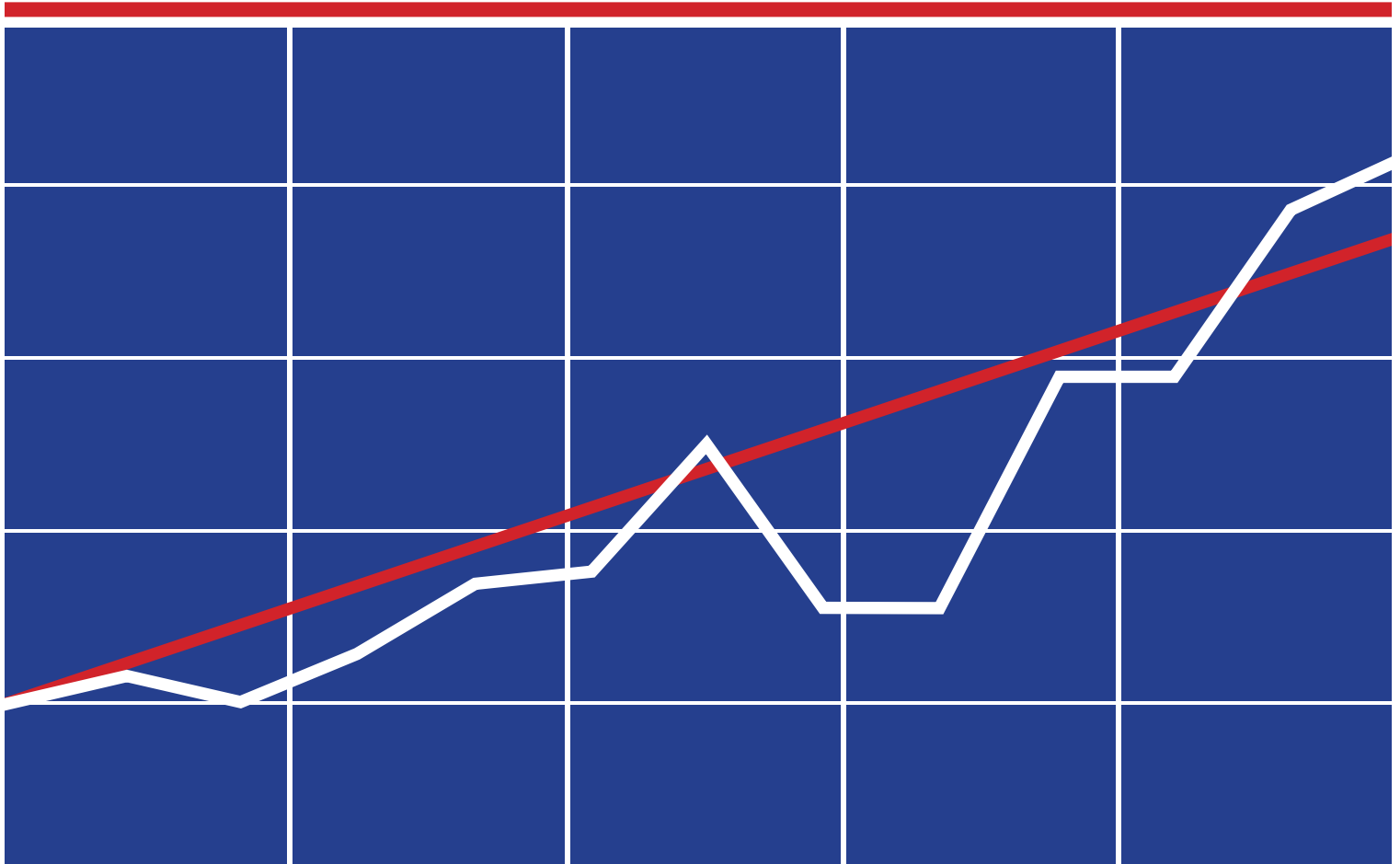


FOCUS REVIEW



Focus Review background

FOCUS REVIEW
BACKGROUND

THE PROCESS

Focus Review products bring together a number of areas vital to running a company or institution:

- Strategy
- Strategy Implementation
- Execution of the Management role
- Organizational Behavior
- Focus on the Bottom Line

Management Execution Survey

Difficult though it may be to draw up a company's strategy, subsequent implementation of this strategy can prove even more challenging. Successful strategy implementation, however, will greatly improve the company's ability to achieve its targets.

Creating an organization that is focused on the top management's strategic initiatives and focus areas requires that individual managers send their employees consistent messages. It also requires that the organizational systems and processes support the strategic initiatives and focus areas. Inconsistency causes confusion, frustration, and insufficient collaboration across the organization.

This is why Focus Review starts off with a Management Execution Survey that asks the top management and the management group a series of questions concerning to what extent the company's strategic initiatives and focus areas have been implemented.

The top management and the management group provide their assessments of the current situation and the targets that should be set for the following 12-month period. The results will show the extent to which there is agreement concerning the assessments and ambitions of the top management and the management group.

The Management Execution Survey offers the top management an overview of which areas are preventing the formation of a focused organization. The top management can then prioritize those areas in which the greatest improvements are possible relative to the strategic initiatives and focus areas.

THE PROCESS

Organization Execution Survey

Once the company's managers have had some time, usually 3-6 months, to improve the areas prioritized by the top management, the Organization Execution Survey that involves both managers and employees, can be implemented.

The questions asked in the Management Execution Survey serve as a point of departure. It is recommended, however, that the company strive in advance to transform the overarching focus areas along more functionally oriented lines, thereby enhancing their links with the daily work of employees.

This process has been shown to simultaneously optimize understanding and strengthen implementation of the top management's strategic initiatives and focus areas.

The Organization Execution Survey reveals the extent to which individual managers and their employees share the same understanding of the current situation and future targets.

The top management furthermore has the opportunity to follow up on the prioritized areas. Have the managers carried out the agreed-upon changes? The Organization Execution Survey provides an overview of the degree of implementation and the ability of individual managers to execute their management roles.

The degree to which the company's strategic initiatives and focus areas have been implemented provides an indication of the extent to which the top management can expect to achieve the company's targets.

The execution of the management role offers an indication of the extent to which the organization's managers fulfill their objectives of fostering focus and commitment among employees.

Follow Up

Many types of surveys present difficulties in terms of follow up on results and bringing about change. Because of this, after a few years' use, they encourage cynicism and frustration among employees, giving the top management and the management group good grounds to wonder whether it is worthwhile continuing with such surveys.

A Focus Review offers action-oriented results that can prompt rapid and visible improvements. This creates a more focused organization that is better able to implement the top management's strategic initiatives.

A Focus Review assists in improving how managers execute their management roles. This leads to increased commitment and engagement within the organization.

THE PROCESS

Frontline Manager Report

The Frontline Manager Report offers managers tools for creating the necessary improvements. Each report is prepared on the basis of the individual manager's results from the Organization Execution Survey, describing the organizational systems and processes that influence employees' focus and commitment. The report also describes how the individual manager's own results can influence employee behavior and provides recommendations on how these results might be improved. Each report is geared toward the specific company in question.

Correlation Analysis

The Correlation Analysis offers the top management invaluable insight into which areas in their particular business have the greatest impact on the company's bottom line and other criteria for success.

Innovation

The transformation of the overarching focus areas along functionally oriented lines provides the ideal basis for creating and encouraging innovation within the company. Individual employees will only be capable of offering qualified recommendations for improvements once they understand their roles and how their daily work relates to the overarching focus areas. If the manager simultaneously executes the management role to the best possible effect, an ideal environment will exist for nurturing employee creativity.

BASIS FOR FORMULATING THE INDIVIDUAL SURVEYS

The questions in the two surveys aim to ascertain the degree to which top management's strategic initiatives and focus areas have been implemented as well as to assess the management group's execution of the management role.

We differentiate between the management role and the leadership role. The leadership role contains a number of demands on an individual's personality. In contrast, the management role focuses on a number of actions that do not pose special requirements for an individual's personality, as a result of which, the management role is easier to change.

In terms of achieving the company's criteria for success, one might easily conclude that the "perfect" leader will also deliver solid results. This is not necessarily the case, however, since the "perfect" leader who does not understand how to execute his or her role will rarely achieve targets.

Failed Expectations, Frustration, and Stress

Many surveys take their point of departure in the current conception of the "perfect" leader. This is problematic in terms of following up on and improving survey results. The definition of the "perfect" leader contains a number of requirements relating to the manager's personality/psychological profile, areas that are problematic and time consuming to change.

The number of managers who fit the definition of the "perfect" leader in no way meets the

demand for such leaders from companies and institutions. Now more than ever, psychometric tools are being used to snatch up those few individuals who meet the criteria.

The vast majority of managers, however, are left in a situation in which the company tells them "to change". If these demands for change involve someone's personality, the result is bound to be frustration.

A large industry revolves around offering courses to change managers. Some managers succeed in changing, but many companies find that such change is short in duration – After a few months, managers tend to "return to their old selves".

This causes frustration for both the manager and the employees. The manager is frustrated by attempting to deal with demands regarding areas that he or she has difficulty changing. The employees, meanwhile, are frustrated because, despite having made their opinions known, they cannot note any change in their manager's behavior. There are those who feel that much can be achieved by sending the manager off to attend a course that teaches one how to react differently than his or her own personality dictates. While it is not impossible to learn to change behavior, it nevertheless remains problematic that the behavior has been learned and is thus regarded by employees as "inauthentic".

BASIS FOR FORMULATING THE INDIVIDUAL SURVEYS

During the feedback of results, many surveys make the manager feel as though he or she has been the subject of complaints by employees. By the same token, when employees fail to see any real improvement on the part of the manager, they lose faith in the process itself.

The formatting of questions in this type of survey also prompts hopes for improvement and suggests that the employees can set requirements, that they possess the right to demand changes. It is thus natural that employees feel frustrated when no change takes place.

Surveys containing these kinds of questions can therefore actively worsen the functioning of an organization. The risk is that the huge expectations and demands placed by Western culture on companies, managers, and society can cause problems on the business and social planes.

Focus Review – A Different Way Forward

Focus Review takes its point of departure in creating an organization that is focused on the top management's strategic initiatives and focus areas.

This makes it necessary to investigate the degree to which the strategic initiatives and focus areas have been implemented as well as the ability of individual managers to execute their management roles. If the organizational systems and processes fail to support or include the top management's strategic initiatives and focus areas, achieving targets will prove difficult.

Focus Review recognizes that managers are just as diverse a group as anyone else: There are areas that take great effort to change. That is why we take our point of departure in questions about areas that can be changed, without demanding changes to a manager's personality. The top management can require improvements in particular areas, and employees can state how they expect their manager to develop within certain areas.

We do not claim to create better leaders. We take the psychological implications far too seriously to attempt such a feat. We do, however, create better managers, managers who enhance employee focus on and commitment to the top management's strategic initiatives and focus areas.

The Process Takes Managers Seriously

The Management Execution Survey creates a platform from which improvement initiatives may be launched.

By beginning with the Management Execution Survey, the company's managers can assess the organization's systems and processes and identify the targets that they feel should be prioritized in the future.

The managers also assess their own execution of the management role and which improvement targets should be set.

BASIS FOR FORMULATING THE INDIVIDUAL SURVEYS

The top management thus gains an overview of where there are divergent assessments of the current situation and future targets within the organization.

Before the organization can become focused, it is necessary for the top management and the management group to share common goals. Anything else will lead to a worsening bottom line as well as confusion and frustration among employees.

The top management can use the results to focus on initiatives and target areas that have the greatest impact on the company's bottom line and criteria for success.

The Organization Execution Survey offers the opportunity to follow up on initiatives that were implemented subsequent to the Management Execution Survey.

- Have systems and processes been created that better support the top management's targets?
- Have the managers made the necessary and agreed-upon changes?
- To what extent do individual managers and their employees share a common understanding of the company's current situation and future targets?

Flexibility

As Focus Review was developed, we placed emphasis on offering companies a great degree of flexibility.

- Questions are selected on the basis of the company's specific situation.
- New questions and combinations can be added.
- The Correlations Analysis is made in relation to the company's own definitions of its criteria for success.
- Participants are able to provide comments while answering the various surveys.

ABOUT ORGANIZATIONAL SYSTEMS AND PROCESSES

Organizational systems and processes influence the company's ability to focus on its strategic initiatives and focus areas. The Focus Review divides the systems and processes into seven categories:

Objectives

Job Descriptions, Work Targets, Work Tasks

To what extent are the focus areas included in the daily work of managers and employees?

Companies have different approaches regarding how detailed and systematic to make their descriptions of daily work.

This is not necessarily the most important issue at hand. An individual's daily work can be described either orally or in writing by the manager, in a SAP system, on a sheet of paper, or on a notice board.

What is important is that the focus areas are included in the daily work and that employees can identify how their work relates to the company's overarching strategic initiatives and focus areas. When the focus areas are not included in employees' daily work, it proves difficult to create a focused workforce.

Performance Management

Remuneration Systems, Bonuses, Employee Evaluations, Performance Appraisals

To what extent are the focus areas included in the performance management of managers and employees?

The performance management includes remuneration, targets, and performance feedback that employees receive. Have targets been set regarding the point at which an employee has performed satisfactorily?

Feedback can be integrated into sophisticated systems, or it can be delivered orally. What is important is that employees know how their performance is being assessed. This feedback can range from a pat on the back from the manager to an automatic bonus system on which employees can keep tabs online.

Whatever the system in place, it is vital that employees feel that they have received positive or negative feedback when it comes down to the company's strategic initiatives and focus areas. When the focus areas are not included in measurements of employee performance, the likelihood of a focused workforce decreases.

Skills and Abilities

Professional and Personal Requirements for the Position, Training and Education

To what extent are the company's focus areas associated with the demands for skills and qualifications placed on managers and employees?

Once the company determines which strategic initiatives and focus areas are vital to achieving its targets, it must assess the needs of the organization in general relating to the skills and qualifications of individual employees.

ABOUT ORGANIZATIONAL SYSTEMS AND PROCESSES

- What is the relationship between the company's focus areas and its course and training offerings?
- Have the individual positions been assessed in terms of the (focus-)specific needs?

When the company's board determines that its CEO is incapable of leading the business out of its current situation and thus decides to find a new CEO, consideration is rarely given to which changes are subsequently required concerning the skills and qualifications of managers and employees.

Unless the necessary changes are made to the skills and qualifications of managers and employees, it is unlikely that the needed change will occur within the organization.

Empowerment and Delegation

Distribution of Responsibility, Signatory Authority

To what extent are the focus areas associated with the responsibility and authority held by managers and employees?

If managers and employees possess insufficient capacity for action, the likelihood of achieving the focus areas decreases. For instance, do employees feel that they have the authority to improve customer satisfaction and minimize company expenses? Or do they believe that "someone else" is responsible for such matters?

Insufficient distribution of responsibility and authority risks all initiatives becoming insignificant in terms of creating the necessary feeling of responsibility among employees.

Communication and Cooperation

Means of Communication, Types of Collaboration, Organizational Environment, Employee Involvement

Even if the top management possesses a high level of communication and uses the best means of communication, there is a risk that the message will not filter its way down through the organization.

The daily contact that managers have with employees allows them to communicate the top management's message in an accessible manner. To what extent do the communication and internal collaboration support the company's focus areas?

Is there collaboration across the organization that supports the focus areas, or are obstacles being created?

Has the company created an organizational environment that supports the focus areas?

Do managers make use of their daily ability to comprehensibly communicate the top management's message to the employees?

Without accessible daily communication from managers to employees, the necessary momentum will not be created.

ABOUT ORGANIZATIONAL SYSTEMS AND PROCESSES

Leadership

To what extent do individual managers create awareness of the top management's strategic initiatives and focus areas?

The active participation of individual managers is vital to fostering focus and commitment among employees.

The organizational systems and processes influence employee behavior, but in the final analysis, it is up to individual managers to form a link between employees and the top management. A management group that offers very inconsistent messages to its employees ends up creating frustration and insufficient collaboration across the organization. Each manager exerts a great influence on the focus and commitment of his or her employees.

Culture and Values

To what extent do the company's culture and values support the strategic initiatives and focus areas?

Especially when a company needs a radical change in focus, it can be difficult for the top management to continue working with the previous culture and values.

Nevertheless, changing a company's culture and values takes longer and is more difficult than changing the other organizational systems and processes.

BETTER ORGANIZATIONS AND THE FOCUS REVIEW PRODUCTS

The Focus Review products represent the result of over 30 years' experience within business operations and leadership development. Focus Review has been developed in collaboration with an advisory board consisting of chairpersons and CEOs from national and international businesses (with workforces ranging from 500 to over 100,000 employees).

Focus Review is also based on experience with:

Culture and Values Processes

Culture and values processes for 120,000 employees. Translating overarching concepts into relevant employee-oriented targets.

Collaboration and Consultation

Collaboration and consultation with majority shareholder and CEO for 18 years. Understanding the challenges and priorities involved in executive management.

International organizations

Participation in international organizations researching the concepts "Leadership" and "Organizational development" for 15 years. Knowledge of the available research and its relevance or irrelevance to business operations.

Identifying and Developing Leaders

Identifying and developing managers for 28 years. Knowledge of the Leadership concept and its practical implementation.

Strategy and Strategy Implementation

Strategy and Strategy Implementation within logistics, oil exploration, various industries, and retail for 8 years. Knowledge of strategy work at the executive level and recognition of the most difficult aspects of strategy implementation. Understanding of differences between companies and the fact the same solutions may not be applicable to different businesses.

Organizational Behavior

Developing concepts and products for managing organizational behavior for 20 years. Even the best managers can strive in vain when faced with systems and processes that work against the targets of the manager and the company.

Psychometric tools

Use of psychometric tools for 28 years. Understanding of the potentials and limitations of psychometric tools for companies and institutions.

Interviews with Over 15,000 Individuals

Recognition of both human diversity and common attributes.

