

The New Year Resolution Phenomenon

By Mike Huszar

RESOLUTIONS?

Why do we set resolutions to begin on the first of January? Better yet, why do we set them year after year knowing that we stop somewhere into the month of January never having made a lasting change? Isn't a resolution simply admitting that we don't continually identify our shortcomings and consistently counteract them with self-discipline?

This newsletter is supposed to be about business transformation. So why am I contemplating New Year's resolutions? Well, it occurs to me that the same phenomenon exists in many businesses today. Rather than continually identifying our organization's shortcomings and consistently counteracting them with discipline, we tend to wait for an arbitrary date that is set for us to do so. We call it our deadline to submit the business plan. Whether it is the annual operating plan, the budget, the business plan, etc, it is still basically the same.

For some, the business plan is an exercise in sand bagging and checking the box. Just get it over with and hope it gets approved after a couple of moderately painful iterations. It's like a game - Don't give away too much the first time because there will be a "do better" in the next iteration. For others, it is a comprehensive cross-functional endeavor where the entire organization attempts to forecast the next year's market conditions and their performance within that market. Either way, I have experienced many organizations that have abandoned their business plan as the vehicle for improvement by February; focused more on today's crisis than tomorrow's promise.

PROBLEM SOLVING CULTURE

Isn't this annual endeavor simply a admitting that we don't have a continuously improving organization? Aren't we basically stating that we don't have a problem solving culture? By problem solving, I mean validating a root cause and implementing permanent corrective actions so that the root cause never recurs again. What would a problem solving culture look like? How about every person in the organization at every level focused not only on making things good today, but also spending time each day focused on how to make things better tomorrow.

By the way, the above situations are actually some of the better ones. Many companies don't even truly plan improvements with any level of detail. We hear things like, "we are going to be better next year." This is always a fun line of questioning:

"How much better and in what areas?"

"Oh, well, we were thinking more profitable."

"Through sales growth? Through process improvement? Through what?"



PROBLEM SOLVING CULTURE, continued

“Um, yeah. Sales growth.”

“What’s the plan to improve sales?”

“Well, the market is improving.”

The answers above sound strange, I know. But this line of thinking is all too common.

PHENOMENON OF FOCUS

We’ve been in organizations that have never truly eliminated a problem within their organization. They have made some improvements, perhaps. Or they have continually fought through the problem only to see it rear its ugly head again. This year, I recommend that organizations that have trouble with strategic implementation focus on one (no more than two) thing and get everyone aligned to that one thing. Watch what happens when we focus and align. The next paragraph tells of one such issue at LMSPI.

For years now, we’ve been planning on improving a specific aspect of our process. We have annual strategic improvement planning sessions every December. Each year, we’ve stated that we are going to improve in this area and each year, we got too busy by February to make it happen. While we do manage to improve other parts of the business, this particular area was still an issue at the end of each year. Last month, while creating our plan, we finally got serious. Not only did we plan on improving this process, we actually SCHEDULED THE TIME AND RESOURCES to make it happen! It is now 3 weeks into the New Year and our process improvement is well under way. We have it scheduled throughout the year and I look forward to finally getting this problem resolved. The team looks forward to moving a “gap” out of our organization.

Let’s make 2013 the year we all get serious about the destruction of long-standing strategic issues. At LMSPI, we have years of experience helping clients identify and create the plan to remove their long standing problems regardless of the nature of the problem. If you would like help in this endeavor, you can reach me at my direct email mike@LMSPI.com to learn more.