

LEADING IN TRANSFORMATION

CEOs are the strategic and emotional center of the company. They are the ultimate owners of strategy and, following the Pareto principle, should directly focus on the people and strategies that create 80% of the value and mitigate 80% of the risk.

CASE STUDY

Three simple words.

Coca-Cola created a strategy called the 360-degree Coca-Cola landscape that detailed how it wanted to look to its communities in five years. The strategy summarized into three simple words:

- Availability
- Acceptability
- Affordability

It allowed Coca-Cola to prioritize its resources. If it was not about availability of brands, affordability through pricing and packaging, and acceptability from a marketing standpoint, then Coca-Cola did not want to do it.

PERSONAL EXERCISE

Start every board and team meeting with a one-page summary of the company strategy. Include:

1. What the team has agreed to as a destination
2. What the strategy is
3. What the priorities are

This will help ensure focused discussions.

“The more reflective that we are about our own effective approaches to driving change and being conscious of where we need to focus our energy, the more successful we can be.”

- Jack Stahl

01 THE CEO's FIVE FOCUS POINTS

1. Paint a clear picture of the destination of your organization

A clear picture of success of where you want to drive your company gathers energy from every stakeholder. Customers, employees, suppliers, and owners. Paint this picture through the lens of what you want your business to look like and deliver to each.

A clear strategy brings focus to the choices you make with all your stakeholders.

Differentiate between strategy and tactics. As circumstances change, be open to big shifts in your tactics that are consistent with your long-term destination.

“By translating our strategy into three simple words, the energy that we got from our employee base was amazing. They were putting the picture of the 360-degree Coca-Cola landscape on their office walls, and they could talk about the strategy in very clear terms.”

- Jack Stahl

PERSONAL EXERCISE

To get the most out of your hallway conversations, consider leading with three questions:

1. What is your name and what do you do?
2. What are you currently focused on?
3. What is your biggest challenge in your work?

CASE STUDY

The power of asking questions about key challenges.

The CEO of Coca-Cola asked a Piggly Wiggly store manager, "What is your biggest challenge?"

"Rusting produce cabinets," he said surprisingly.

The CEO quickly solved his biggest problem with a 99 cent water filter plugged onto the water hose.

The store manager became a positive "broadcast tower" for Coca-Cola in the Southeast and six months later, with produce cabinets that had not yet rusted, he gave Coca-Cola 6 feet of extra shelf space for company products and exceptional support at the grocer's convention.

2. Drive relentless communication

Communication needs to be repetitive. Communication intensity is powerful to help CEOs drive change and share strategy, while learning about challenges and solving issues.

Think of having 100 one-on-one conversations per week. These may be just 90-second hallway interactions. Ask questions. Every interaction you have will be magnified throughout your organization.

"The communication intensity required in transformation is probably three to five times greater than what you believe going into a role."

- Jack Stahl

3. Manage constituencies

Think about who the constituencies are that are most important to your business. Make them a priority. Understand their strategies, objectives, and challenges by asking questions. Deepen your relationships with them in a way that creates opportunity and avoids risk.

Once you've decided who the priority constituencies are, identify the broadcast towers. Is there a key employee who has disproportionate influence with other associates? Spend time with those ambassadors. Spend time with those skeptics. They are who can help magnify your message.

Ask them what they would do to improve the company? When people are part of the solution, they are more committed to it. Create greater ownership for execution and capitalize on the broadcast towers.

"Every Sunday night, I sit down and think about the 8 to 10 constituencies that are important in my life. What am I missing? Am I spending enough time with them?"

- Jack Stahl

PERSONAL EXERCISE – USE MORE QUESTIONS

Enable and capitalize upon strong talent through four powerful questions:

1. What are you working on?
2. What do you need to be successful?
3. Where are you meeting resistance?
4. What am I not asking you that I should be?

4. Lead at scale

Instead of leading through one-on-one meetings or very small groups, take every step you can to lead at scale.

Decide on key initiatives where you can least afford to fail. Build management routines around those 3 to 5 initiatives and lead them yourself. By leading at scale, you can share context about the strategy or a current problem, seek alternatives, learn how people think, assess talent, and identify execution gaps in the same meetings. All of us are teachers. You can reach more people at once.

“If you can lead at scale as a CEO and share what you know, (and gain visibility to what you don’t) it is going to accelerate your progress dramatically. People are going to learn from you, and they are going to teach those lessons to 10 more people.”

- Jack Stahl

5. Develop people

Find your top players. When you have a weak player, or a strong player that holds back the team, move fast. Many leaders are slow to take risks in replacing talent, especially at a senior level. Coach aggressively or make the change.

For strong talent, invest in the power of conversation. Offer perspective. Stretching people is a big part of developing talent. Investing in conversation is an opportunity to coach and develop people, model behaviors, and accelerate transformation dramatically.

“Have you ever said to yourself, ‘I moved too fast to replace someone that clearly couldn’t do the job and likely couldn’t even do it with coaching and greater support?’”

- Jack Stahl



Leaders Advancing Leaders

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