Task Sets for the Emergent Approach

Task Set 5: Transition to Implementation

With the completion of Task Set 4, you have chosen a compelling framework alternative. In Task Set 5, you complete the framework and make the remaining choices for your rollout to the organization in the following tasks:

Task 5a Complete plans, policies, and budgets
Task 5b Complete dashboard
Task 5c Integrate framework into company managing process
Task 5d Complete rollout choices
Task 5e Complete working documents

Your last move, Task 5f, is to declare good enough and start living it. As always, you accept that you may need at any time to go back and change what you have designed—a small change or a major overhaul—but this is part of executing.

Task 5a: Complete Plans, Policies, Budgets, and Organizational Changes

You may have drafted these framework components to some extent in Task Set 4. Now you complete them, and for each nested organization. Principles for each were discussed briefly in Chapter 17, EAS:

- Plans/roadmaps
- Policies/policy tables
- Budgets
- Organization structure changes (if needed)

BikeShop

Now that the financial resources bottleneck for expansion of YBI is busted by attracting the Louise Foundation, the new bottleneck is an old one, finding managers capable of leading YBI in the shop and as evangelists in the community. Harris asked for a proposal. You debate several ideas.

You realize that a deeper description of the bottleneck is that you are looking for a background in people that doesn't really exist. Biking people don't have community service background, and in many cases just want to do biking; community-service minded people rarely know anything about running bike shops. Then there's the challenge that many biking industry people are interested in high-performance, X-games, mountaineering, and racing, whereas *Yo! Bike it.* is focused on encouraging everyone to ride. These folks can sometimes look down on biking for commuters, and people looking for health benefits, and casual riders.

What kind of strategy?

- Separate evangelists from bike shops managers?
- Have the evangelists be the group leaders as sketched out in Figure 1b.1, EAS?
- The shop managers need to know how to work with the community organizations.
- Debating who can both evangelize and manage the relationships with the organizations that run the after school and weekend programs.
- Use one organization model for all shops? Or, let it vary?

You imagine you may need to run an experiment, and pilot an approach, maybe even one or two. You ask: what would be the trigger to change? You start populating a new SAM for your recruiting strategy, Figure 5a.1.

	Bike Shop SAM 5a.1: Recruiting Strategy		
Aspiration	Recruit people that can be both bike shop managers and evangelists		
Diagnosis	**External Constraint:** Harris foundation wants personnel to mirror the demographics of the region **Proposition:** An interesting leadership opportunity backed by the Harris foundation **Scenarios:** Strong economy makes recruiting very competitive **Bottleneck**: Looking for a background that doesn't exist.		
Strategy	Freedom for regional managers	1-yr trial (Trade-off: turn people off)	
Key tactics, plans, and metrics	T: Candidate Evaluation Criteria M: Monitor		
Fitness Criteria	Assessment	Assessment	Assessment
	Assessment	Assessment	Assessment
	Assessment	Assessment	Assessment
	Assessment	Assessment	Assessment
	Assessment	Assessment	Assessment

Running the other aspects of the business

Because recruiting is the dominant bottleneck, you decide to take on that responsibility full time, and delegate the mechanics of finding new shop locations, starting them up, and ongoing operations to Wolfgang. You work with him to create the simple framework (Figure 5a.2) after considering several options.

Figure 5a.2 Wolfgang's Framework for Shop Buildout and Operations	
Goals	• Add 19 new shops in five years • Maintain the current level of profitability in current shops and achieve this level in the new shops in one year.
Constraint	My Thing shop approach stays in place (more money does not mean we change our style!)
Bottleneck	Uncertainty about recruiting makes it difficult to design the organization structure
Strategy	Be very open in the community about intent as opposed to a stealth approach. Trade-off: aggressive resistance from current shops
Tactics	Five criteria for choosing a new shop location in a region (Figure 5a.3) Training materials (Figure 5a.4) Have them share what works—a metric? Technical program training (Wrenchy develops a short program)
Plans	Staffing requirements plan (Figure 5a.5) Plan coordination (Tactics—Secondary Bottlenecks?] • Road map? Timing of new hires for staffing shops: **See Personnel Requirements Timing**

The framework has several linked documents for plans and tactics, three of which are shown here in Figures 5a.3, 4, and 5.

Figure 5a.3 Criteria for choosing a new shop location in a region
(Aim for 5-6 in region for one regional manager)

Priority	Criteria	Comment	Location 1	Location 2	Location ...
1	Locations underserved by current bike shops	Large discount retailers less of a concern			
2	Near communities with needs, but close enough to people who buy high-margin offerings too			ASSESSMENTS	
3	Low setup cost	Any major building upgrades needed?			
4	Low operating cost	Rent, insurance, taxes			
5	Visibility and access	Parking, space for test rides, easy signage			

Other considerations:

- Target shops that are either struggling or looking to shut down. (Consider potential to hire their employees that are willing to go into training).
- If the location is a current shop, including national brand, that wants to quit because of bad performance, be sure the location is not the problem.
- Can be anywhere in 80 miles radius of original shop—but aim for at least 5 in a smaller region to be managed as a group.

Figure 5a.4 *Yo! Bike it.* Working with Customers		
If a customer …calls and asks if you have a certain item for sale, and you don't have it…	**Avoid** repeating that "you are very sorry." This comes across as "I don't really care, and I wish I could get you off the phone."	**Do…**Discover what they need and help them find that product somewhere. Even at another shop or online.
If a customer …asks a question like "can I add a piece of equipment to my bike?" or, "should I repair my current bike or buy a new one?"	**Avoid** replying, "that's up to you." The customer knows (or should know) it is up to them. What they are asking for is *your* expert opinion.	**Do…**Give them the pros and cons of options, and if you feel strongly about one of the options, tell them that too.
If a customer …asks for a small repair	**Avoid** replying, "come back in 3 days, we are all booked up"	**Do…**Ask them what their situation is, and see if you can find a way to fit them in. Show them that you care about them.
If a customer …asks a question that only someone else can properly answer	**Avoid** replying, "I don't know" or "you will have to ask the repair guys about that." **Never** say, that's not my job or responsibility.	**Do…**Bring them to the right person in in the shop and explain the situation before handing off. If on the phone or email, ensure the connection has been made.

Figure 5a.5 Personnel Requirements Timing

(M/E= Manager/Evangelist ; T=tech; A=associate)

		Existing Shop Replacement			**Staffing for new stores**		
		M/E	**T**	**A**	**M/E**	**T**	**A**
Year 1	1H	1	1	2	-	-	-
	2H	1	1	2	1	1	3
Year 2	1H	1	2	2	1	1	3
	2H	2	2	4	2	2	4
Year 3	1H	2	2	5	2	2	4
	2H	2	3	6	2	2	4
Year 4	1H	3	3	8	2	2	4
	2H	3	3	10	3	3	5
Year 5	1H	4	4	12	3	3	5
	2H	5	5	14	3	3	5

Task 5b: Design Four-station Dashboard

Chapter 18, EAS, presented the four-station dashboard, including descriptions and examples of the stations—foundation, adherence, progress, and bottom-line—and the following design guidelines:

- Minimize the number of metrics, especially process metrics which are so easy to pile on.
- Derive metrics from bottlenecks, not just aspirations.
- Do not shy away from qualitative metrics.
- Do not let data acquisition difficulty influence your choice of metrics.
- Each nested system gets its own dashboard.
- Put clarity before style and put flexibility before automation.

Reminder: Metrics are restricted to feedback measurements where you have some reference point (framework discussion in Chapter 1, EAS) and that are used on an ongoing basis to visualize dynamics, not data analytics in general.

Hint: Put a very concise version of the framework on the dashboard.

Hint: Good benchmarking requires comparing apples to apples, which can be hard. It may be more valuable to create ongoing measurements of benchmarks, as opposed to an occasional measurement, because change over time may give the best insight. Consulting firms have strong practices in benchmarking but be sure your own people understand the methods used.

Chapter 18 also described the use of triggers and responses to enable faster action and to be more sensitized to changes as your endeavor unfolds. Triggers and responses need not be detailed or profound. Like considering scenarios, including just some triggers will expand thinking and preparedness. Start simple and evolve as you see value for it. Try to have triggers at all four stations.

Hint: As one of the ways to minimize your metrics, if there's no need for a trigger, then question whether you need the metric.

To find triggers, imagine what might provoke you to act, for example:

- Results are 3× better than expected → Are we following the framework and our offering is simply better than we expected? Did we get lucky due to events that had nothing to do with our effort (see Chapter 9, EAS, for the discussion of execution wrongly defined as "get good results"). Switch to the accelerated framework.
- The scenarios we envisioned no longer appear to be coming true → Revisit research and modeling; switch to contingency scenario.
- People or leaders not adhering to framework → Need more training? Need encouragement or disciplinary action to get people's attention? Can the framework be followed, or does it need improvement?
- We achieved only 40 percent of the expected customer signings → Discover why. Did the sales team give the agreed pitch? Was the market research for the pitch bad? Did competitors get in first?
- We achieved the expected number of customer signings, but they were not the ones we expected → (Same as previous).
- HR is not adhering to the recently communicated policy changes, even though no one is complaining → Did we overestimate the downside of the change to employees?
- The price of oil is 60 percent lower than we planned → Do we have a framework alternative to take advantage of this? If not, can we create one quickly enough? What was wrong in our modeling? Is the lower price considered temporary?
- Three new competitors have launched decent products → Especially important if they launched them during a bubble, and there's so much demand that you still meet or exceed your commitments to Wall Street.
  What happens after the bubble bursts?
- Though we have no injuries, the quality (by some measure) and frequency of safety audits are down → Stop reporting "excellent safety performance," and fix it.

Hint: Task 1a argued against the yearly strategy refresh. But if you are worried that with a yearly "ritual" no one will ever look at the framework and its strategy, set a time trigger. If results are good and there's no confusion, then after a year you will still be triggered to prove that nothing needs modification.

BikeShop

The team drafts the following dashboard (5b.1) for management of the zExpansion program recognizing how difficult it will be to get data on adherence to the *Yo! Bike it* model in the shops and helping at-risk kids and community service impact.

This adherence is the key indicator of success against the recruiting bottleneck. Their first draft shows what they want to measure, and the rough methods they will use at first. Metrics around the bottleneck of recruiting and training managers who can evangelize and run the shops are key. Those metrics specifically for community service and the Harris Foundation are labeled [CS].

Figure 5b.1 Bike Shop Dashboard for zExpansion Program

Foundation metrics

YBI validity (Quarterly; review performance of shops that are within 5 miles of a global brand shop). TRIGGER: If shops near Brand Shops underperform, reassess location strategy.

[CS] **Monitor government policy** in requiring non-profit status for grants (Quarterly: Marie interviews government contacts and reports back)

Adherence metrics

Adherence to YBI principles (quarterly audit by Wolfgang, Marie, Wrenchy; a use simple +/- system with emphasis on commentary). TRIGGER: If negative results, first reassess training program.

[CS] **Louise Harris requirements submitted** (Quarterly: Wolfgang compiles from each shop)

- Students engaged (#/month)
- After-school attendance (% students full session attended)
- Number of community organizations engaged (#/quarter)
- Parental involvement (interview managers for now; must work with Harris Foundation to design more systematic ways to audit)

Progress metrics

Social media contacts by evangelists (#/month)

Training milestones (% recruits given full training program)

Store opening milestones (site located, any upgrades, hiring for each site on track?)

Retention rate (number quitting after 3 and 6 months; Marie: exit interview). TRIGGER: If greater than two manager resignations/month, increase compensation, or switch them to bike shop or evangelize only positions.

Bottom-line metrics

Profit per store ($ and %margin/month; do not include allocations from YBI Leadership but include all local costs, even costs of the bikes that are bought centrally).

[CS] **Student grades** (improvement of each student per month) — Very hard to get grades systematically; will consider getting agreement with parents to share kids grades through the semester. Must measure on short timescales. If waiting till the end of the semester we lose change to course correct. TRIGGER: If no improvement in 6 weeks, have a dialog with site leader.

[CS] **Earn-a-bike** (# earned per quarter/# students trying) — After certain time, will need to monitor if kids who have earned bikes are still participating successfully in their after-school programs. TRIGGER: If after 1 year, if kids are losing interest after gaining a bike, consider shutting down the program, or, seek advice from other "earning" programs in other after-school programs.

Task 5c: Integrate into Managing Process

Chapter 19, EAS described that you will either integrate your dashboard, tactical policy, and plans, and the other aspects of your framework into your company's managing process or create one if one does not exist. Elements of the process will include quarterly or yearly deliverables for individuals and organizations (perhaps written as charters).

> **BikeShop**
>
> You follow Wolfgang's new approach (5a.2) and give him the freedom to run the program. The dashboard, 5b.1, is how you will judge execution.

Task 5d: Several Rollout Decisions

Make final decisions on:

- Rollout method (including grand or modest)
- Publicizing,
- Naming your endeavor
- Training

Chapter 19 discusses options for a grand or modest rollout to the organization. For naming, once again, use the principles for naming presented in the introduction to the task sets.

Hint: Be careful about encouraging internal marketing and branding of initiatives.

For your training approach, the principles for training for design phase capability (Task 1e) apply equally to the implementation phase. In particular:

- How much training is needed depends on the organization's familiarity with the concepts and the degree of change you are striving for.
- Do not rely on a few big classes at the start. There will be the illusion that people fully get it, which is worse than no training at all. (This kind of "sheep dipping" sometimes comes along with the grand rollout approach.)

- Ramp training up over time! Not down. The more they do the more they can be trained. Prove to the organization that leadership is dead serious about the new framework and its strategy.
- Don't forget leadership training (if they will do it).

Hint: You also need to pick the trainers. Teaching is a great way to learn, and a way to test if someone knows the new framework. Use this to advantage but be sure trainers really learn the framework and how you arrived at it. The more people from the organization that were involved in the design phase, the more ready-to-go teachers you have.

Decide What to Publicize Externally

Another rollout option to consider is what to publicize externally. In any competitive situation, why give information to the "bad guys"? Even conveying an achievement is information (this is called the *existence proof*).[1] Half of the uncertainty when trying to create something new is wondering if it can even be done at all. There's no point in making competitors confident that they should keep trying. If, like the CEO from the Introduction, EAS, who claims execution eats strategy for lunch, and whose "strategy" is a list of themes that could apply to any business, then there's nothing to worry about. But, even if you have a real framework and strategy, there are reasons to publicize all or parts of it.

First, if you believe the information is going to get out anyway, you might as well communicate it properly. The US military makes information like field manuals available online,[2] presumably because there is no way to keep them from the enemy. Second, announcements are needed if you are expected to explain how you will succeed. Your investors and Wall Street usually need to hear how you are going to reach aspirations. A time-honored way to satisfy this need, yet avoid giving information to adversaries, is to supply buzz speak, clichés, and obvious goals. In sports, such talk doesn't make for good television (think Bill Belichick): "we need to excel in all three

[1] A concept brought to my attention by Steven Freilich

[2] https://armypubs.army.mil/ProductMaps/PubForm/FM.aspx

phases of the game" or "we have to execute better." Fascinating. Yet is there a correlation between not yacking and winning? If you can get away with it, smokescreens like this are effective.

Publicity can also be used to mislead. All's fair in love and war, if you can legally and morally get away with it. And if there will be no long-term repercussions, misleading information may give advantage. Be sure, however, it does not confuse your own people in a negative way.

Finally, you may wish to educate the other players in the ecosystem to better understand your intentions and therefore encourage them to work in positive ways. For instance, if you have a new product strategy, major corporate announcements may carry more weight than counting on salespeople and buyers. You can explain your product road map, however, without necessarily explaining the strategy behind it.

BikeShop

For the rollout of partnership with Louise Harris, you decide there really isn't a reason to explain to the entire organization the history leading up to the Harris negotiations, nor the Harris discussions themselves. Instead you focus on the framework for moving forward. To be completely transparent, and you show the team all the materials generated in Task Set 5. You don't create a fancy name for the implementation of the new framework. You just tell people it's the next stage of growth and development for Yo! Bike it. For the outside world, you announce the partnership with the Harris Foundation only in ways that advertise opportunities for kids and customers as part of a marketing strategy.

Task 5e: Complete Working Documents

Your working documents and design package are those materials that are needed for guiding people's work in implementation. It's what they need to know about the new framework to do their job. A typical package is shown in Figure 5e.1.

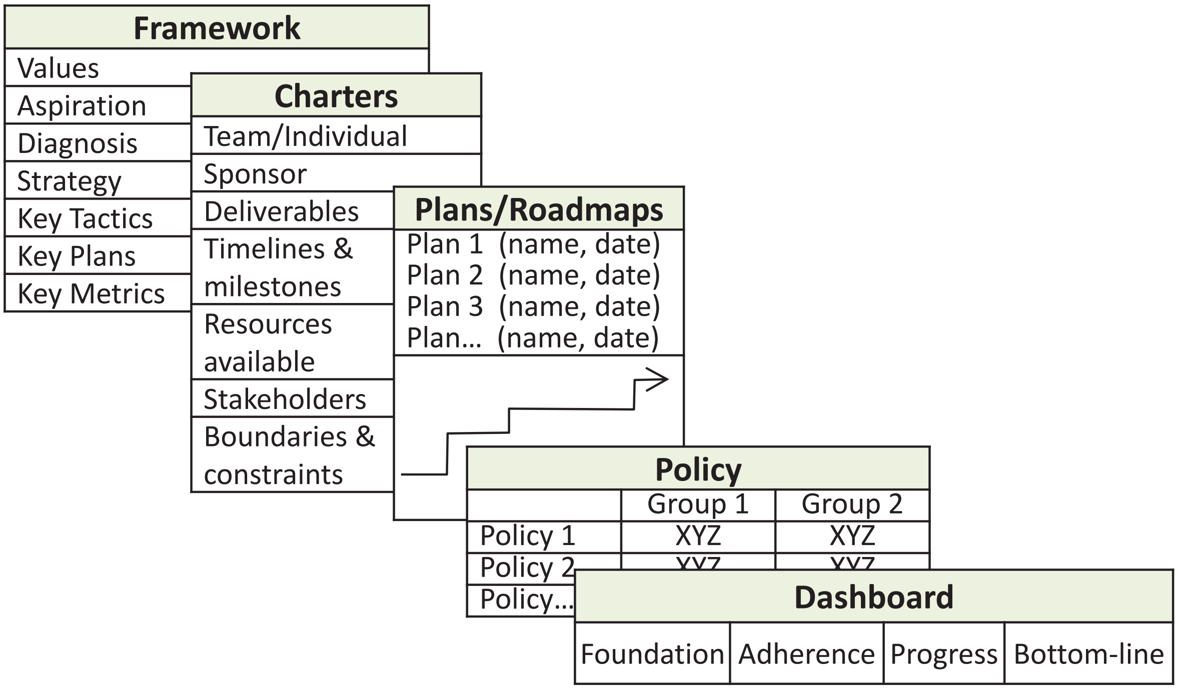

Figure 5e.1 Typical Working Documents (for each nested system)

If you are making only a small change, perhaps a different framework and dashboard will suffice — but show what has changed.

Documents should be in a form that can be modified as you are triggered to adapt and make changes. That means being able to disseminate updated versions as needed. You may benefit from using a Version 1, Version, 1.1, Version 2.0, and so on, numbering system so long as it doesn't look too cute. Too many versions is also a problem. Like updating a product, you have to be sure the benefit to the customer outweighs the added complication.

You may also consider adding graphics to the rollout package to explain how you arrived at the new framework. This can include a simplified SAM, the Strategy←Bottleneck←Aspiration, and the results of research and models. Add this detail if you believe seeing some of the struggle — especially rejected alternatives and fitness criteria — will help the organization internalize the framework. How much you show also depends on whether you are implementing a grand or modest kickoff. You can draw on these materials to construct your rollout communication presentations and training materials. This may be standard PowerPoint presentations, Q&A, video (a purpose-made video with interviews, or a simple voiceover on the PowerPoint). For training, the most useful visuals for conveying the essence of the framework may be the triad, a simple SAM, and a simple summary framework. For conveying the work and responsibilities going forward, the plans and policies are most important.

Hint: Be sure to archive the working design materials—interviews, models, data analysis, research, detailed SAM—so you can pick up again where you left off when you are triggered to modify the framework. This is contrasted to smaller changes that can be made on the working documents above that you will always have available.

A few other considerations:

- Be sure each nested system is targeted with a package.
- It may occasionally be a good idea to give a "travelogue"/history of how you arrived at your framework. Ask yourself whether understanding the path you took will help people buy in or turn them off.
- When designing presentations for your various audiences, consider the consequences of any leaks, and how much detail you will publicize, as discussed in Chapter 19, EAS.
- Do not have multiple versions of documents that are almost the same.

Hint: If you allow people in the organization to put their "spin" on the package and materials, be sure they are aware of which are "bible" graphics. These are the graphics and documents that should not be modified.

BikeShop

Working Docs include Policy tables, Roadmaps, and Recruiting methods, and especially the Dashboard.

Task 5f: Declare Good Enough, Start Living It, and Be Ready to Go Back

You have arrived at the end of your design phase. You can create a checklist like that shown in Table 19.1 in Chapter 19, EAS, to audit that you have everything ready to go. As it says there, what you have will not be perfect, and the key to success is that execution means adhering to your framework but going back and fixing it when you find a flaw that is sufficiently large.

BikeShop

You modify Table 19.1 to create your own checklist Figure 5f.1

Figure 5f.1 Bike Shop checklist for auditing if ready to launch

	Elements	Status?
Implementation Team	• Wolfgang staffing program/organization clear?	
Dashboard	• Wolfgang metrics for running shops? • Harris Foundation metrics? • Recruiting metrics?	
Communication package	• Package complete (no more than 10 slides) • Program name—zExpansion	
Integration into managing process	• Focus on four-station dashboard	
Training	• Harris partnership training set?	
Roll-out design	• Open with all employees	
External communication	• Open or restrict information? → Agreed to be open	