Execution Challenge

What are the challenges of executing a strategy or initiative that requires a change in behavior?

How would consistent execution impact, you, your team, and your company?
Whirlwind vs. Goals

**GOALS (NEW ACTIVITIES)**

**IMPORTANT**

**WHIRLWIND (THE DAY JOB)**

**URGENT**

(YOU ACT ON IT)

(IT ACTS ON YOU)
Two Types of Strategies

STROKE OF THE PEN

✓ Capital Investment
✓ Expansion of staff
✓ Change in Policy or Programs
✓ Strategic Acquisition

BEHAVIOR CHANGE

✓ Improved Customer Experience
✓ Process Adoption
✓ Higher Quality Services
✓ Faster Responsiveness
✓ Operational Consistency
The Strategy Map

- **Mission**: Purpose statement, why you exist. Unique value proposition
- **Vision**: What it “looks like” to be successful in your mission. Typical horizon 5+yrs
- **Strategy (Initiatives)**: 3-5 yr plan to move toward vision
- **Behavior Alignment**:
  - **Stroke of the Pen**
  - **Whirlwind**
    - Maintain
      - **Financial**
      - **Employee**
      - **Customer**
      - **Ops**

Exception Management “Oil Lights”
Discipline 1
Focus on the Wildly Important
The Strategy Map

**Mission**
- Purpose statement, why you exist.
- Unique value proposition

**Vision**
- What it “looks like” to be successful in your mission.
- Typical horizon 5+yrs

**Strategy (Initiatives)**
- 3-5 yr plan to move toward vision

**Behavior Alignment**

**Stroke of the Pen**

**Whirlwind**
- Maintain
  - Financial
  - Employee
  - Ops
  - Customer

Exception Management “Oil Lights”
Discipline 1: Focus on the Wildly Important

**NUMBER OF GOALS**
(In addition to the Whirlwind)

| 2-3 | 4-10 | 11-20 |

**GOALS ACHIEVED WITH EXCELLENCE**

| 2-3 | 1-2 | 0 |
- There will always be more good ideas than there is capacity to execute -
“We are the most focused company that I know of or have read of or have any knowledge of. We say no to good ideas every day. We say no to great ideas in order to keep the amount of things we focus on very small in number so that we can put enormous energy behind the ones we do choose. The table each of you are sitting at today, you could probably put every product on it that Apple makes, yet Apple’s revenue last year was $40 billion”
Discipline 1: Focus on the Wildly Important

15% - 20%

Wildly Important Goal

GOALS
(NEW ACTIVITIES)

80% to 85%

WHIRLWIND
(THE DAY JOB)
Discipline 1: Focus on the Wildly Important

- Improve Guest Sat from 42 to 55
  - Problem Resolution from 47 to 60
  - Arrival Experience from 50 to 60
  - Room Availability from 65% to 90%
  - Luggage Delivery from 106 min to 20 min
  - F & B Quality from 43 to 58
  - Average Check-In from 12 min to 6 min
Discipline 1: Focus on the Wildly Important

Rules

1. No more than 1 – 2 WIGS per Team or Person
2. The battles have to win the war
3. You can veto, but don’t dictate
4. Every goal must have a gap from X to Y by when
Discipline 1: Focus on the Wildly Important

From: Strategic Intent

To: Specific Finish-lines

- Improve Guest Sat from 42 to 55
  - Problem Resolution from 47 to 60
  - Arrival Experience from 50 to 60
  - F & B Quality from 43 to 58
- Room Availability from 65% to 90%
- Luggage Delivery from 106 min to 20 min
- Average Check-In from 12 min to 6 min
The Strategy Map

Mission

Vision

Strategy (Initiatives)

Behavior Alignment

War WIG

Battle WIG

Team WIG

Team Leads

Battle WIG

Team WIG

Team Leads

Stroke of the Pen

Whirlwind

Maintain

Financial

Employee

Exception Management “Oil Lights”

Employee

Customer

Ops

Exception
Reduce **Turnover** from 106% to 86% by end of 2013

Improve **On-Time Home-Time** from 82% to 92% by year end

Reduce **Repair Wait Time** from 29 hours to 24 hours by year end

Increase **Driver Engagements** (10,000 positive contacts)

“Fewest number of battles necessary to win the war”

**Discipline 1**: Focus on the Wildly Important
Discipline 2
Act on the Lead Measures
<table>
<thead>
<tr>
<th>WIG</th>
<th>LAG Measure</th>
<th>Predictive</th>
<th>Lead Measure</th>
<th>Influenceable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weight Loss</td>
<td>Measures the goal</td>
<td>Measures something that leads to the goal</td>
<td>Something we can influence</td>
<td></td>
</tr>
<tr>
<td>Reduce Accidents</td>
<td>Weight (Pounds)</td>
<td>Predictive</td>
<td>Diet &amp; Exercise</td>
<td>Influenceable</td>
</tr>
<tr>
<td>Reduce Child Maltreatment</td>
<td>Incident Report</td>
<td>Predictive</td>
<td>Compliance to 8 key Safety Standards</td>
<td>Influenceable</td>
</tr>
<tr>
<td></td>
<td>Monthly Health Report</td>
<td>Predictive</td>
<td>Case work Prioritization</td>
<td>Influenceable</td>
</tr>
</tbody>
</table>
“Give me a lever long enough and a fulcrum on which to place it, and I shall move the world”

- Archimedes -
Covenant Transport Lead Measures

Reduce **Turnover** from 106% to 86% by end of 2013

Improve **On-Time Home-Time** from 82% to 92% by year end

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**Parts Department**

- Less than 2 trips to parts counter per work order 75% of the time
- Parts are delivered to job sight within 15 minutes, 75% of the time
Discipline 3
Keep a Compelling Scoreboard
“People play differently when they are keeping score”
“People play differently when they are keeping score”
Covenant Transport Lead Measures

- **Reduce Turnover from 106% to 86% by end of 2013**

- **Improve On-Time Home-Time** from 82% to 92% by year end

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**Parts Department**

- **Lead Measure**
  - Less than 2 trips to parts counter per work order 75% of the time

- **Lag Measure**
  - Parts are delivered to job sight within 15 minutes, 75% of the time
Covenant Transport Scoreboards

Reduce Turnover from 106% to 86% by end of 2013

Improve On-Time Home-Time from 82% to 92% by year end

Increase Driver Engagements (10,000 positive contacts)

Parts Department

- Less than 2 Trips
- Parts in 15 min

Repair Wait Time
Player’s Scoreboard not a Coach’s Scoreboard

1. Simple
2. Highly Visible to the Player
3. Has the Right Lead and Lag Measures
4. Tells you Immediately if we are Winning or Losing
Scoreboards built by the team can be disturbing to leaders.

- Lines are not perfectly horizontal
- Construction paper is often used
- Emoticons (smiley faces) are visible
- They are fun to read
How Scoreboards Should Look

Bell Services Scoreboard

**WIG**
Reduce luggage delivery from 120 to 20 mins

**Lead Measure**
Match 100% of luggage tickets to room # at check in

**Lead Measure**
Escort 80% of all guests to room with bags
Greet 80% of Customers and offer a Sample to Everyone......
Say Thank You to 90% of Customers...
Discipline 3: Keep a Compelling Scoreboard
Drive Period 13
Holiday Party Revenue
From $298,420 to $839,419

WIG
Increase Local Catering Sales
from $2,607,670 to $2,660,670
by the end of 2009
(Increase Sales by $53K)

Closure Rate
From 12.2% to 14.7%
Discipline 3: Keep a Compelling Scoreboard
Discipline 4
Create a Cadence of Accountability
One question…

What are the 1 – 3 most important things I can do this week to impact the lead measure?
Covenant Transport Lead Measures

- **Reduce Turnover** from 106% to 86% by end of 2013
- **Improve On-Time Home-Time** from 82% to 92% by year end
- **Increase Driver Engagements** (10,000 positive contacts)

**Parts Department**
- **Repair Wait Time**
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- **Parts in 15 min**
Reduce Turnover from 106% to 86% by end of 2013

Improve On-Time Home-Time from 82% to 92% by year end

Repair Wait Time

Increase Driver Engagements (10,000 positive contacts)

Parts Department
- Less than 2 Trips
- Parts in 15 min

Parts Department Weekly Commitment
- Install Flag System with Remote Control
- Build 5 new larger parts carts

Weekly Commitment
Covenant Transport Lead Measures

Reduce **Turnover** from 106% to 86% by end of 2013

Improve **On-Time Home-Time** from 82% to 92% by year end

Increase **Driver Engagements** (10,000 positive contacts)

Parts Department
- **Less than 2 Trips**
- **Parts in 15 min**

Create Salvage Inventory

Weekly Commitment

Build new shop work load schedule

Weekly Commitment
Discipline 4: Create a Cadence of Accountability

<table>
<thead>
<tr>
<th>Monday</th>
<th>Tuesday</th>
<th>Wednesday</th>
<th>Thursday</th>
<th>Friday</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1. Report on Last Week’s Commitments
2. Review and Update Scoreboard
3. Make Commitments For Next week
Covenant Transport Lead Measures

- **Reduce Turnover** from 106% to 86% by end of 2013
- **Improve On-Time Home-Time** from 82% to 92% by year end
- **Increase Driver Engagements** (10,000 positive contacts)

**Parts Department**
- **Repair Wait Time**
- **Parts in 15 min**
  - Less than 2 Trips

**Weekly Commitment**
- Create Salvage Inventory
- Build new shop work load schedule

FranklinCovey The Ultimate Competitive Advantage
Covenant Transport Lead Measures

- Reduce Turnover from 106% to 86% by end of 2013
- Improve On-Time Home-Time from 82% to 92% by year end
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  - Less than 2 Trips
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- Weekly Commitment
  - Build new shop work load schedule

FranklinCovey
THE ULTIMATE COMPETITIVE ADVANTAGE
Covenant Transport Lead Measures

Reduce **Turnover** from 106% to 86% by end of 2013

- Create Salvage Inventory
  - Weekly Commitment
- Build new shop work load schedule
  - Weekly Commitment
Covenant Transport Lead Measures

Reduce **Turnover** from 106% to 86% by end of 2013

**Lead Measures**

- Improve **On-Time Home-Time** from 82% to 92% by year end
- Increase **Driver Engagements** (10,000 positive contacts)

**Lag Measure**

- Repair **Wait Time**

**Parts Department**

- **Less than 2 Trips**
- **Parts in 15 min**

**Commitments**

- **Create Salvage Inventory**
- **Weekly Commitment**
- **Weekly Commitment**
- **Build new shop work load schedule**
Repair Time Reduction

- Goal: 24.00
- Target: 28.02
- Current: 28.35

Team View
Repair Time Reduction
24.00
28.02

Parts in > 15 min
75%
72%
70%

> than 2 Trips
75%
65%
53%
# Leader View

## Executive Scoreboard

### Selected pre-defined range:
- **Last Week**
- **Start Date: 3/2/2014**
- **End Date: 3/8/2014**

<table>
<thead>
<tr>
<th>Name</th>
<th>WIG</th>
<th>Lead</th>
<th>Committed Kept</th>
<th>Committed Made</th>
<th>Sessions Held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parts Department</td>
<td>98.5%</td>
<td>101.4%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Maintenance Ops East</td>
<td>88.5%</td>
<td>35.8%</td>
<td>88%</td>
<td>31%</td>
<td>66%</td>
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<tr>
<td>Maintenance Ops West</td>
<td>101.9%</td>
<td>129.7%</td>
<td>95%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Fleet Management</td>
<td>79.9%</td>
<td>247.8%</td>
<td>72%</td>
<td>100%</td>
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</tr>
<tr>
<td>Operations Support</td>
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<td>98.9%</td>
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**XPS**: Execution Performance Score

3.51
Two levels of commitments...

Level 2 Commitment – Against the Process

- Review Fleet Management’s Lead Measures

Level 1 Commitment – Against the Leads

- Build 5 New Large Part Carts
Focus on the **Wildly Important**

**Rules**
1. No more than **1 - 2** at any time for any person or team
2. The **battles** have to win the **war**
3. You can **veto** but not **dictate**
4. Every goal must have a **gap** from **X** to **Y** by **When**

**Counter Intuitive**
1. You have to say **no** to **good** ideas
2. You can’t make everything in the **whirlwind** a goal
Act on the **Lead** Measures

Rules

1. Must be **Predictive**
2. Must be **Influenceable**

**Counter Intuitive**

You must manage to the **lead**, not fixate on the **lag**
Keep a **Compelling Scoreboard**

**Rules**
1. They must be **simple**
2. Highly **visible**
3. Have the right **lead** and **lag** measures
4. Tells us immediately if we are **winning** or **losing**

**Counter Intuitive**
You need to build a **Player’s**, not a **Coach’s** scoreboard
Create a **Cadence of Accountability**

**Rules**

1. **20** meeting
2. What are the **1-3** most important things I can do **this week** to move the **lead** measure?
3. Three agenda items
   a. Report on **last** week’s commitments
   b. Review and update the **scoreboard**
   c. Make new **commitments**

**Counter Intuitive**

You don’t **tell** someone what to do, even if they are used to it, or **even if they ask** you to.
Implementing the 4DX System...

**Design**
1-2 Days

- Determine High Level WIGs. Translating Strategy into the fewest number of executable targets?
- Confirm Senior Level Buy-in
- Define who will be WIG Team leaders or who is little “b”

**Build**
6 Weeks

- Managers Create Draft of Lags and Leads
- Managers are certified to Launch 4DX w/ teams
- Lag / Lead Measures & Scoreboards are finalized w the teams.
- Weekly WIG Sessions begin.

**Run**
4 Months

- Senior Leaders Model 4DX
- Senior Leaders Monitor Progress of sub-teams
- Senior Leaders support sub-teams (with the help of internal coaches) to ensure they are playing a winnable game.

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**Notes:**

- WIG: Work in Groups
- B: Build
- W: Work

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_The Ultimate Competitive Advantage_
Implementing the 4DX System…

**Design**
- 1-2 Days
- Senior Leadership
  - (War & Battle)
- Directors / VPs
- Managers / VPs / Managers
- Managers & Associates

**Build**
- 6 Weeks
- Launch Day
- Manager Cert
- Launch Review
- Team Launch

**Run**
- 4 Months
- Leadership Coaching 1st Quarterly Summit
- Leadership Cert
- WIG Sessions
- WIG Sessions & Huddles

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The Ultimate Competitive Advantage
Implementation

Keys to Success

1. Pursuing a goal that really matters
2. Having a leader / champion fully committed
3. A “credible” internal coach
4. Little “b” teaches and implements 4D with the team