

Case Study: A Top Ten Company.

How Ascot Associates Ltd. gave clear strategic direction and prevented a potentially significant loss of business

Research shows that in the UK only about 10% of companies feel they could do better and seek outside support in order to improve; the other 90% are sufficiently complacent to think they know it all!

One of these companies in the top 10% approached Ascot Associates Ltd. to ask for an outside view and was prepared to act on that view. They were a most rewarding company to work with.

A number of major benefits accrued from this project including:

- Early intervention saved a potentially significant impact on business continuity
- The Board of Directors and Senior Management Team are now absolutely clear about the non-financial, as well as the financial, elements required to meet the strategic intent
- There is overarching buy-in to the corporate strategic focus – the MD is confident in its effective implementation
- Efficiency will improve as corporate energy will be better directed to attain specific, focused strategic results
- Common values have been established to support communications and to strengthen the brand

The cost of the exercise was covered many times over just from the immediate outputs of the off-site meeting; other significant cost benefits will emerge from implementing the action points developed during the project.

Consolidating a Strategy for Growth

Introduction

There is so much pressure on companies to manage the daily routine and to deal with ever increasing reporting requirements that the long term vision might be easily lost – even at board level.

In this case, the MD has been given the freedom and time to consider the future of the organisation, opportunities to meet people and explore the impact of possible events from outside the company on its growth and progress. A foil for the MD is the non-executive Chairman, who brings experience of other companies and other markets to shape and challenge the strategic planning.

The strategic plan is then implemented and managed by the Board of Directors and the Senior Management Team [collectively The Team]. This has resulted in a remarkably successful customer-focused company which continues to grow profitably at a rate well above others in its sector.

Ascot Associates Ltd was invited to become engaged to bring alignment with the company strategy across the very busy Board of Directors and the Senior Management Team

The situation

The Managing Director who has mapped the future for the company needed to share it with The Team. These strategic requirements went beyond the financial measures to include corporate values and operational focus.

The financial requirements were already well documented and planned, especially cash flow which will determine the rate at which the company progresses. A means was required to measure and display the current operational situation and corporate values; and to compare these with the strategic expectation in a way which quantified the changes needed.

The Programme

The programme was managed as three separate elements:

- Discussion with the MD about how to tailor the process and how to present the results to be consistent with the company's way of working. The meeting was held off site to allow preparation and forethought ahead of the main meeting
- Each member of The Team completed e-mailed questionnaires to identify their personal position and expectations with regard to operational focus and corporate values. A personal profile was prepared for each.
- The MD and The Team came together; moderated by Ascot Associates Ltd; to discuss, agree and create the strategic plan. Additionally, in the process, complex management issues were brought to the table and more easily resolved within the overall strategic framework.

Before the Programme

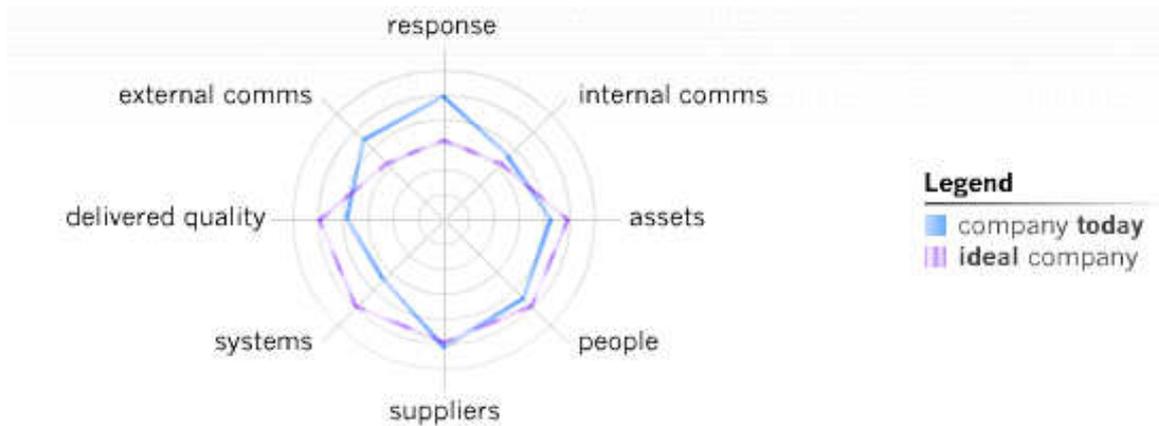
A series of meetings were held between the Managing Director, the Chairman and Ascot Associates Ltd to devise the way forward. The optimum approach was to use two of the proprietary business analyses devised by Ascot Associates Ltd. [*values* and *operational focus*] to map the future position and current position for each member of The Team.

Prior to mapping the individuals in the company, the Managing Director had tested the process on himself and discussed the outputs, the format and the implications before being properly satisfied that this approach was appropriate to his organisation. The final presentation was based on experiences with other businesses and then tailored to meet the specific requirements and personalities involved in company.

The Approach

Each member of The Team completed e-mailed questionnaires to identify their personal position and expectations with regard to operational focus and corporate values. These outputs were compared, collectively and individually, with those of the Managing Director who has set the targets and the vision.

Business analysis – example of a typical graphic output



In this instance the current business emphasis is very much directed to being highly responsive and relying on external communications; in some cases this would be seen as reactive rather than proactive. The ideal emphasis should be to delivered quality and (customer centred) systems.

Business analysis – part of a tabular output

	As you personally see the company today	Avge.	SD	MD	Mgr 1	Mgr 2	Mgr 3	Mgr 4	Mgr 5
1	The organisation is one which is reactive to events usually as a consequence of specific customer demand	78	10	75	65	75	75	95	75
2	The organisation engages in regular two-way dialogue with customers to explore opportunities to enhance existing products and services	84	11	95	75	65	85	95	85
3	The organisation actively promotes existing or traditional products, using price if necessary to gain volume as necessary	55	26	5	65	75	45	75	45
4	The organisation actively seeks increased market share, altering elements of the basic product e.g. packaging, language etc.	75	15	45	85	85	65	75	85
5	The focus is on maintaining a very consistent product quality usually as defined by rigid specifications	58	27	95	45	25	35	75	85

As with values, SD is used as a means to identify those elements which show the greatest variance and where a short programme will bring early benefits. In this case issues about marketing traditional products and product quality need to be resolved.

A personal profile was prepared for each member of The Team.

Managing the Outputs

All the senior staff came together for two days to assess the results, consider their personal analyses and see more clearly how they could contribute collectively and individually to the company strategy.

It was stated from the beginning that there are no right or wrong answers in an exercise such as this. Different functions have different requirements and as a consequence attract different types of people. For example: to be effective the transport manager will have a very short time horizon, the economist will have a long time horizon.

It is important is that, collectively; The Team meets the overall requirements for the company [as measured by the averages in the tables above]

Shortly into the meeting each Senior Manager declared their own results and position in the tables which allowed a very open discussion, better understanding of each other's position and, most importantly; opportunities for mutual support.

The meeting was chaired and moderated by Ascot Associates Ltd. to ensure that the process and the results were fully understood by each participant. This provided the opening discussion and brought the team together in a position of mutual agreement.

When the foundation for discussion had been established, the key elements of the analyses were presented and discussed, drawing out the similarities, differences and 'oddballs'. The outputs were collated as they arose to later become action points with appropriate Directors and Managers taking responsibility for each one.

During the discussions difficult issues surfaced which did not belong clearly to any one department; by providing a better understanding of the values and dynamics these issues could be prioritised and decisions made then and there as to how they would best be managed.

At the conclusion to the meeting the *action points* were written up, responsibilities confirmed, desired outputs shared and timescales allocated.

"I'm glad the Chairman talked me into doing this" – MD

Additional Deliverables

Bringing The Team together to discuss strategy within a recognised framework also allowed management issues to be brought to the table and considered within the overall strategic plan.

One such issue did not rightfully belong to any one department or function; yet, if left unattended could have risked a potentially significant loss of business, estimated in the tens of thousands of pounds. The decision was made to address it immediately; middle management was called to the meeting, briefed, and a specific action programme prepared then and there to ensure future continuity.

Key Benefits

- Early intervention saved a potentially significant impact on business continuity
- The Team are now absolutely clear about the changes needed to the non-financial, and financial, elements of business to meet the strategic intent
- There is overarching buy-in to the corporate strategic focus – the MD doesn't need to be concerned with acceptance of his plan
- Efficiency will improve as corporate energy will be better directed to attain specific strategic results
- Common values have been established to support communications and to strengthen the brand
- Resources will be better deployed and better utilised due to a new clarity of purpose

Next actions

- To formalise an action plan from the action points generated at the meeting
- Use the action plan to ensure everyone knows what they are personally responsible for further down the company
- Establish e-mail groups to report progress
- Include progress against plan at each monthly meeting – as an exception [ahead of time, over budget] not as a report back
- Provide a space on the intranet to keep staff informed
- Formal review with new inputs [questionnaires] every quarter to track progress

Conclusions

- The Senior Management Team are now better aligned with the vision for the company
- The strategic focus is clearly understood by all
- The Senior Management Team has 'bought-in' to the strategic plan and are more strongly committed to achieving it
- Decision-making is more clearly focused
- Areas of mutual support have been shared and help will be provided as required
- Genuine progress was made in identifying and resolving issues that might slow the rate of development of the company
- Difficult issues were brought to the surface and successfully resolved
- Action points were created to guide management for the next period
- The MD has greater freedom of action as decisions can now be safely made lower down the organisation

Learning points

- Issues which normally get sidelined, left for later or may be confrontational got tabled
- These issues got resolved with the team, supporting the responsible individuals
- Once openness is established the discussions were free, frank and without politics or acrimony
- There is a great sense of relief that the future is being charted and articulated
- There is an increased willingness to provide mutual support because the objectives have become clarified through discussion about a common framework

Appendix

An example of a part of one section of the *Action Points* grid

People issues

	Tactical	Strategic
Strong	Use of interim management Day-to-day management Delegation	Open discussions Politics-free Prepared to change
To work on	Social/cultural barriers Reluctance to confront Undemanding with sub-contractors	Executive development Common disciplinary processes Succession planning

An example of part of the list for immediate attention

Things to do

Task	Lead	Understudy
Reduce the numbers of meetings	Mgr. 1	Mgr.4
Formalise the development process	Mgr. 2	Mgr. 1
Better targeted sponsorship	Mgr.4	Mgr. 6
Improve internal communications	Mgr. 3	Mgr. 1
Etc.		
Etc.		

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in a truly focused and effective manner.*