Faster, Safer, Cheaper

By: Steve Mullins & Peter Ainsley

Project Management: Into the 21st Century – The Personal Frontier, or*:*

How & Why to Match Project Type with the Temperament of the Project Manager

Mission:

To have a practical process that objectively identifies the best person for the job, whether existing staff or identified from outside the organisation by adding an extra dimension to the selection process.

Written for:

The decision-maker who wants to run a leaner, sharper more responsive enterprise and has the breadth of imagination to identify and match the right people to the strategic intent of a project – a project[1] that can range in scope from realising a new opportunity to the appointment of a new Board member.

Overview

Sustainable organisations <u>need to evolve</u> in order to meet: changing circumstances, emergent customer needs and growing stakeholder expectations. The direction of change is identified from analysing <u>research</u> (both formal and informal) to identify the one clear option that has the greatest chance of success.

The majority of organisations are in business to deliver <u>benefits</u> to their customers; these benefits may be either tangible (readily measured e.g. cost saving) or intangible (e.g. brand development). The benefits also fall into three groups: progressive (moving forward, and may be needs-based), volume driven (more of the same and may be wants-based) or consolidation (improving internal operations).

Characterising the required benefit leads to a series of business <u>Options</u> where the most appropriate one will be identified and, like the benefits, may be characterised as: progressive (moving forward), more of the same (volume driven) or repositioning (getting back on top of the competition with existing products and services).

In order to fulfil the identified option and deliver the benefits in the most appropriate manner a <u>project</u> will be specified with resources identified and allocated. The options and benefits define the ***project type***: progressive, more of the same or consolidation, which in turn defines the profile for the most appropriate person to deliver against the strategic intent.

In order to meet the project's strategic intent a <u>Project Manager</u> is identified; and, like the project itself, operational people fall into three main ***temperaments***: the Trailblazer (the entrepreneur or inventor), the Pragmatist (delivering in the here and now) and the Controller (ensuring everything is managed to best practice). Selection includes temperament as well as the technical demands of the project

The agile organisation works to match the required benefit to the best commercial option, closely define the project type that will meet the strategic intent and use this information to select the Project Manager with the temperament most able to deliver.

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[1] A ***project*** is regarded as a sequence of activities with a clear path and a single outcome, several projects linked by a common goal and usually running concurrently is regarded as a ***programme***

Contents:

Preamble:

Much has been written about organisations and their management; there are even studies into giving organisations a 'personality'[2] that might be used to help management be more effective; for example many organisations are accused of being 'introverted' and could benefit from some 'extraversion'. This paper moves this concept deeper into the organisation with project management – to give the project an identifiable 'personality' that can be matched to the organisation's needs and to identify those people to be involved in the project.

Generally organisations fall back on a tried and trusted group of Project Managers or non-executives who manage with a greater or lesser degree of sameness which perpetuate their own idiosyncratic way of working whether consistent or not with the client company's strategic intent.

This note sets out to examine the characteristics of a project that can be defined in terms consistent with corporate strategy. The goal is to break away from the established approach of appointing the Project Manager or a new executive on the basis of past history elsewhere or the 'old boys' network and develops a new approach that is both logical and consistent with business needs

For longer-term posts, a secondary exercise matching the individual's personal values with those of the organisation ensures a harmony of style that minimises the inevitable disruption caused by a new permanent hiring.

By adopting a process that creates a multi-dimensional profile matching person to project to strategic intent the organisation ensures that objectives are more readily delivered, efficiency improved and resources used to best effect.

Figure 1. The Journey

Need to evolve

└→ Research into what to
    change (broad brush)

    └→ Clarify emergent customer
        benefits (specific)

        └→ Select the best commercial
            business option

            └→ Specify the Project

                └→ Identify the right Project
                    Manager
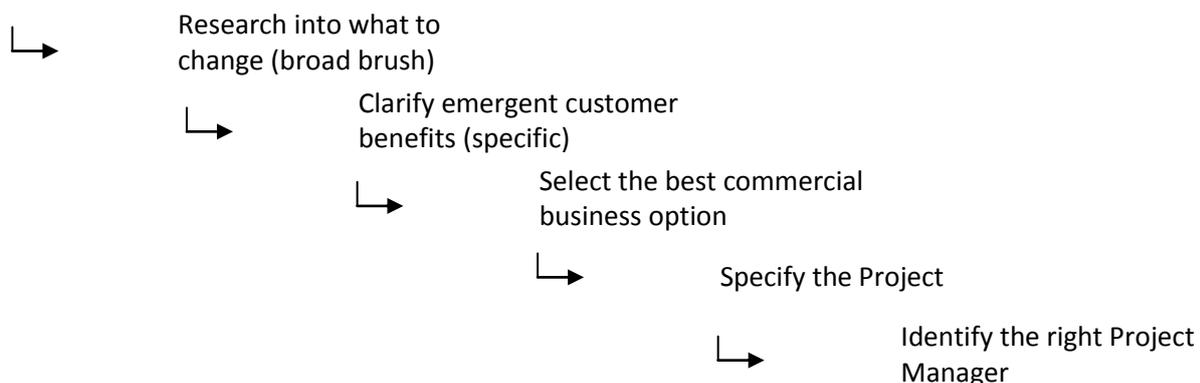
If a longer-term relationship is required there are additional tools and values analyses that explore ethical, personal and corporate profiles to provide a match that will balance project, person and business need in order to most effectively drive the organisation forward e.g. ensuring that the appointment of a new Board member has the right ethical and cultural fit.

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[2] William Bridges 'The Character of Organizations' ISBN 0-89106-149-5

Introduction:

There are three facets that link the project with the organisation and its Project Manager:
A. Review intelligence to identify the strategic intent (Steps 1, & 2)
B. Define the required customer benefits in order to scope and characterise the project (Steps 3 & 4)
C. Identify and match the right individual to deliver the project (Step 5)

Project management per se is not considered here because there are many publications that can be referred to. This paper explores the new idea that the characteristics of a project and a person can be objectively matched to increase the likelihood of a successful outcome – when typically the selection of a Project Manager has been based on subjective perception, an individual's track record or personal relationships that can overlook significant weaknesses.

The Stages in Creating the Project/Manager Match:

A typical project follows a series of clear steps: recognising the need to evolve, external and internal research, analysis, the identification of new opportunities, the definition of the one business option, the deployment of resources to meet a strategic intent and the efficient delivery of the required outcome i.e.

Step	Stage in the process	External situation	Internal situation
1	Origination of Intelligence[3]	Research: Market, Consumer	Monitoring: Finance, People
2	Making use of Intelligence	Opportunities & Threats	Strengths & Weaknesses
3	Developing Benefits	Intangible (Confidence, Reassurance), Tangible (Finance, Performance)	
4	Strategic Intent	Attack, snipe; bundle, acquire; retreat, capitulate	
5	Identify the Project Manager	Temperament, Style, Personality – matching project and person	

1.   Origination of Intelligence:

It is worth stating that there is a delicate balance between hunch and overload. Intelligence, by its nature, will never be complete and some will be subjective. There are stories of people using this lack of completeness to justify unconsidered decisions[4] or even to develop export programmes into the country where they have their holiday home – and failing quite spectacularly! There are other stories of stagnation where the desire for the complete picture takes so long the competition steals the market.

1.1   External Intelligence

1.1.1   Tr*aditional Intelligence from Sales & Marketing*

External intelligence maps and tracks the activities of customers to identify reasons for buying and how customers' demands and expectations are changing. This type of intelligence will reflect the market which, in turn, reflects the organisation and its operational preferences. The information is derived from formal research and informal feedback. The formal research tends to be quantitative and may be derived from commissioned studies into the current situation, or from published research for the historical context (most published material is more than one year old and can hardly be called intelligence).

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[3] Assumes a recognition of the need to evolve
[4] See also *'On the psychology of military incompetence'* Normal Dixon ISBN 978-0-712-65889-8

External intelligence is derived from a number of sources, typically:
- Market research – what is happening in the market and how trading patterns are changing
- Marketing research – what new markets are becoming available, what new products might suit existing markets and changes in how goods and services get to market (e.g. internet sales)
- Customer research – what are the changing demographics and expectations of those key groups of people who buy the goods and services
- Competitor research – not just direct competitors, but other offerings that compete for the customers' attention and expenditure – to buy a new sofa or a new washing machine?

The informal research tends to be qualitative and for the larger organisation may involve the non-executive directors who are significant sources of informal market information[5], for the smaller organisation executive networking serves a similar purpose. Taken together the various sources of intelligence give a rich picture of the market and the directly served customers with their emerging needs, as well as emerging operational constraints and new trading opportunities.

1.1.2   Emergent Intelligence from New Systems and Communications

During the last few years the pervasiveness of personal technology has opened up new pathways to communication and relationships that is transforming the way people communicate and share information to bring about a new way of exploring the world – gone are the basic demographics (ACORN, ABC_1C_2DE etc. etc.) and in their place are international communities which share similar interests that night be quite specific and niche – and the tools are there for people to be able to readily identify kindred spirits.

This evolution is opening a whole new marketing discipline (which is being developed by the big internet providers) of C to C marketing – Consumer to Community[6] where the challenge is to drive advocacy to and manage sales and marketing in a way that encourages this advocacy – and with this, comes many new and previously unrecognised opportunities for both expansion and for new products or services.

The relevant material tends to fall into three (overlapping) camps:
- Social Media Metrics which measures the dynamic traffic and links between people using mobile technology and interpersonal links such as Facebook, Twitter, LinkedIn and the rest – it contributes to the knowledge about the various on-line communities
- Web Analytics which measures website traffic – both yours and other people's to help construct a business model that is both compelling and drives interest and sales.
- Mobile Websites which sit between Social Metrics and Web Analytics and are where the information and navigation is simplified to support easy travel within the website.

There is now so much information that its selection and management demands a very clear vision that is consistent with the organisation's mission and objective in order to inform the selection of data, the choice of analysis and its interpretation to give pertinent social and commercial information[7].

1.2 Internal Intelligence

Internal intelligence is more controllable that that from outside the organisation (but often overlooked); it demands an openness and willingness to share metrics between individuals and departments by breaking down silos. The two key areas to monitor are: Finance & Operations and People & Performance. As with external intelligence there is both quantitative and qualitative data.

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[5] http://fundamentally.typepad.com/files/an-effective-structure-for-the-board-of-directors-2.pdf pp. 15-18
[6] http://fundamentally.typepad.com/files/the-ecology-of-modern-marketing.pdf
[7] http://fundamentally.typepad.com/files/selectivity-and-stupidification.pdf

1.2.1 Finance & Operations

The Financial element is generally regarded as quantitative and readily measured to create a bewildering array of ratios and management information; it is relatively straightforward to pinpoint where the organisation can improve, and where there is scope for investment.

The Operations element considers development (and creativity), production and customer service [both in getting goods and services to the customer and post-purchase customer support]. In the main, this may be regarded as a qualitative process in that lower levels of satisfaction are seldom reported because exemplary performance is expected.

Customers rarely bother to inform, and even questionnaire responses can lead to ranges of scores depending on how the respondent was feeling that day, or even the weather!

1.2.2 People & Performance

Performance may be regularly measured and monitored by quantified KPIs[8] identified by strategic intent, personal development and forward planning. The KPIs will have been determined by a clear and quantified objective[9] so that all outputs may be captured, measured and monitored – it's only by having a clear objective that success can be properly identified (and celebrated). Over time the requirements of a department or organisation can change and the objective and KPIs will reflect that change.

Performance is more of a qualitative parameter in that it is about how people carry out the role they take on in the organisation, e.g. how they relate to others, clarity of thought, initiative or inventiveness; these attributes are very difficult to measure accurately and virtually impossible to monitor objectively.

Taken together, these strands provide an overview of the general health of the organisation, provide the strategic focus and quantify the organisation's ability to respond, evolve and deliver.

2 Making use of Intelligence:

2.1 Making use of External Intelligence

The assembly of the various strands of external intelligence informs the organisation of emerging opportunities and potential threats – events and decisions over which the company has no control; generally these are classified into the 'STEP' analysis[10]: which considers amongst other things: Sociology, Technology, Economics and Politics. It informs scenario planning and strategic thinking which leads into project definition and forms the Opportunities and Threats part of the SWOT[11] analysis

2.2. Making use of Internal Intelligence

An honest appraisal of the internal position identifies the Strengths and Weaknesses (the SW of the SWOT analysis) of the organisation in relation to the emerging commercial landscape, for example old skills becoming redundant and the new skills that will need to be developed to ensure the sustainability of the organisation in its chosen market(s).

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[8] Key Performance Indicators
[9] SMART Objective: Specific, Measurable, Achievable (resources available) Realiseable (enough market to achieve a significant result) and Time-bound (progress is readily communicated)
[10] Detailed and expanded at Appendix 1
[11] Strengths, Weaknesses, Opportunities & Threats; detailed at Appendix 2

2.3   *Analysing the Intelligence*

The fitness of the organisation to change may be evaluated by a number of analytical tools, each of which contributes to defining the scope of the project to meet the strategic intent; these include:

- The SWOT analysis which informs the organisation of emergent commercial options – the routes to take to market and future scenarios that will ensure growth and the continuing ability to serve stakeholders. The final output is a <u>single business option</u> that will drive direction, clarify strategy and ensure sustainability
- The Ascot Associates Analytic[12] defines the balance of resources across the four key business areas (People & Performance, Finance & Operations, Marketing & Sales, and Systems & Intelligence) to inform how best to manage and deploy these resources into the future.
- The values analysis[13] compares personal drivers with company culture and market characteristics to ensure the project balances: deliverables, organisation and Project Management to deliver the best possible result

Collectively the findings advise the strategic intent, which is discussed in more detail below

3.   Developing Benefits[14]

Benefits fall into two categories:
- Tangible benefits – those which can be readily measured, e.g. cost reduction
- Intangible benefits – those which are difficult to measure directly e.g. increased customer confidence.

People buy things for what they do, not for what they are, and so the project is directed to realising the clearly identified benefit in a way that is more compelling to the particular consumer group then the goods or services provided by the competition; this clarifies and defines the strategic focus

As things become easier to copy, the intangible benefits have become more important. There is hearsay evidence that the reason people will buy a particular product or service is twice as likely to be for the intangible benefits (e.g. confidence in the brand) than for the tangible benefits (e.g. price centred)

In the main, there are three classes of benefit (whether tangible or intangible), these are: Need-based, Want-based and Social, these are explored below.

3.1 Need-based Benefits

Most prevalent in the Business-to-Business [B-to-B] markets where goods and services are created or purchased for reasons of sustainability and relate to the long-term health of the organisation. Their purpose is often tangible in that it is cheaper or more efficient to buy or supply certain goods, or develop goods and services that more efficiently meet a business need than those currently available.

3.2 Want-based Benefits

Here, the reason to purchase is often driven by a 'want', rather than by a 'need' – something that meets the immediate requirements of today, whether to demonstrate status through designer wear, or to belong to a group by having a particular look. The requirement for the organisation is to be more responsive and better tuned to current intelligence than is the competition.

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[12] Detailed and expanded at Appendix 3
[13] Detailed and expanded at Appendix 4
[14] Detailed as a table at Appendix 5

3.3 Social Benefits

The advent and rapid, pervasive growth of mobile and social communications invites people to buy (or try) because of peer-group pressure. A member of the on-line community who has enjoyed a product or service will pass the good news to other members of that community as a part of belonging. There can be little in the way of direct sales effort by the provider, but to improve profitability there is every good reason to develop an on-line understanding and a proxy 'membership' of that community to promote the opportunities for advocacy amongst potential users[15].

3.4 Overview of Types of Benefit

As with strategic intent (section 2.3) benefits can also have a strategic dimension, as examples:
- Diversification (moving ahead) – often the province of needs-based benefits taking the purchaser into new territory, or supporting a customer in their own development programme
- More of the same – may be the province of a want-based need where ownership of the product or service gives a sense of belonging and as groups grow, the extra volume needs to be delivered
- Consolidate – can be seen with the social benefit which develops opinion and a sense of belonging by continually strengthening peoples' views (and which can be quite polarising[16])

4.   Strategic Intent [17]

Strategic intent is generally considered under three headings:
- Advance (moving ahead) – customer needs are evolving and the range of offerings needs to be advanced or new offerings invented
- Volume driven or 'More of the Same' – there are increasing opportunities for volume, possibly though advocacy as more people get to know of the product, by partnering a complementary organisation or by bundling existing products to support weaker selling lines
- Reposition/consolidate – competitive intelligence has identified a need for fundamental reappraisal of the organisation or its various offerings and a need to re-position, examples include the implementation of JIT or 6σ to address declining overhead recovery or consistency of delivery

4.1 Advance

Generally, described as *attack* (usually for the larger organisation) or *snipe* (the smaller one) – the organisation has a definite advantage which is known, understood and can be communicated; the desire is to retain dominance in the appropriate market sector(s), often by means of continual product development/enhancement and the introduction of new, related, products. The intent is to strengthen stakeholder returns and reduce opportunities for the competition.

4.2 Volume Driven

This strategic intent may be internally driven and focuses on volume, and may involve *bundling* (providing similar goods or services linked together) or externally driven and focuses on forming *strategic partnerships* (which may involve the exchange of intellectual property or operational capacity) as both organisations work to a common goal.

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[15] Posting good things about yourself (pretending to be a happy user) is not a good idea – it's too easily spotted and undermines customer confidence

[16] http://fundamentally.typepad.com/blog/2011/07/searching-for-a-new-stupid.html

[17] See also appendix 6

Bundling may include for example software packages, or tap washers, where to buy one that's desirable it's necessary to buy others that you don't need or won't use.

Strategic partnerships are an integral part of the automotive industry, for example the smaller supplier might provide door handles to the major manufacturer. This is increasingly important now with low-cost economies playing an ever greater role in world trade

4.3 Reposition

On occasion the organisation may not have responded quickly enough to market forces, competitive activity or to one of the threats noted earlier, which has had a detrimental effect on the organisation. The response may be to refine or introduce processes and procedures that support the initiatives necessary to re-approach the market with revised goods or services and ensure efficient delivery with consistent quality

Interim summary

The origin of a project is based in the analysis and interpretation of intelligence which may arise externally from the market [including emergent social networking and mobile media], as well as internally from the needs of various departments. The collective analysed information is used to inform the development of the organisation, often by means of projects

The intelligence is brought together into a number of frameworks that include:
- The SWOT analysis which summarises the intelligence, identifies benefits appropriate to the market and signposts a number of business options, from which just one will be selected
- The business option informs the overarching strategy, and this strategy will define the clear and singular objective which will be used to identify success
- Further analysis e.g. the Ascot Associates Analytic summarises the balance of resources available within the organisation to identify timescale and the allocation of the necessary resources
- Imaginatively applying traditional personality metrics identifies the right Project Manager
- The ideal Project Manager delivers, reviews, learns and informs the organisation in order to 'seed' the next iteration of business development
- For a permanent appointment Values Analysis examines the ethical drivers that match the manager with the organisation in terms of temperament

Figure 2. Diagram of the Project Management Cycle

Data from multiple sources

Next project

Review

Analysis and definition of benefits

Learn

Manage

Develop

Control

Business options

Best Project Manager

One option selected

**Faster,
Safer,
Cheaper**

Strategic intent

Ethical values
(Values analysis)

Clear objective

Project definition

Resource assessment
(Ascot analysis)
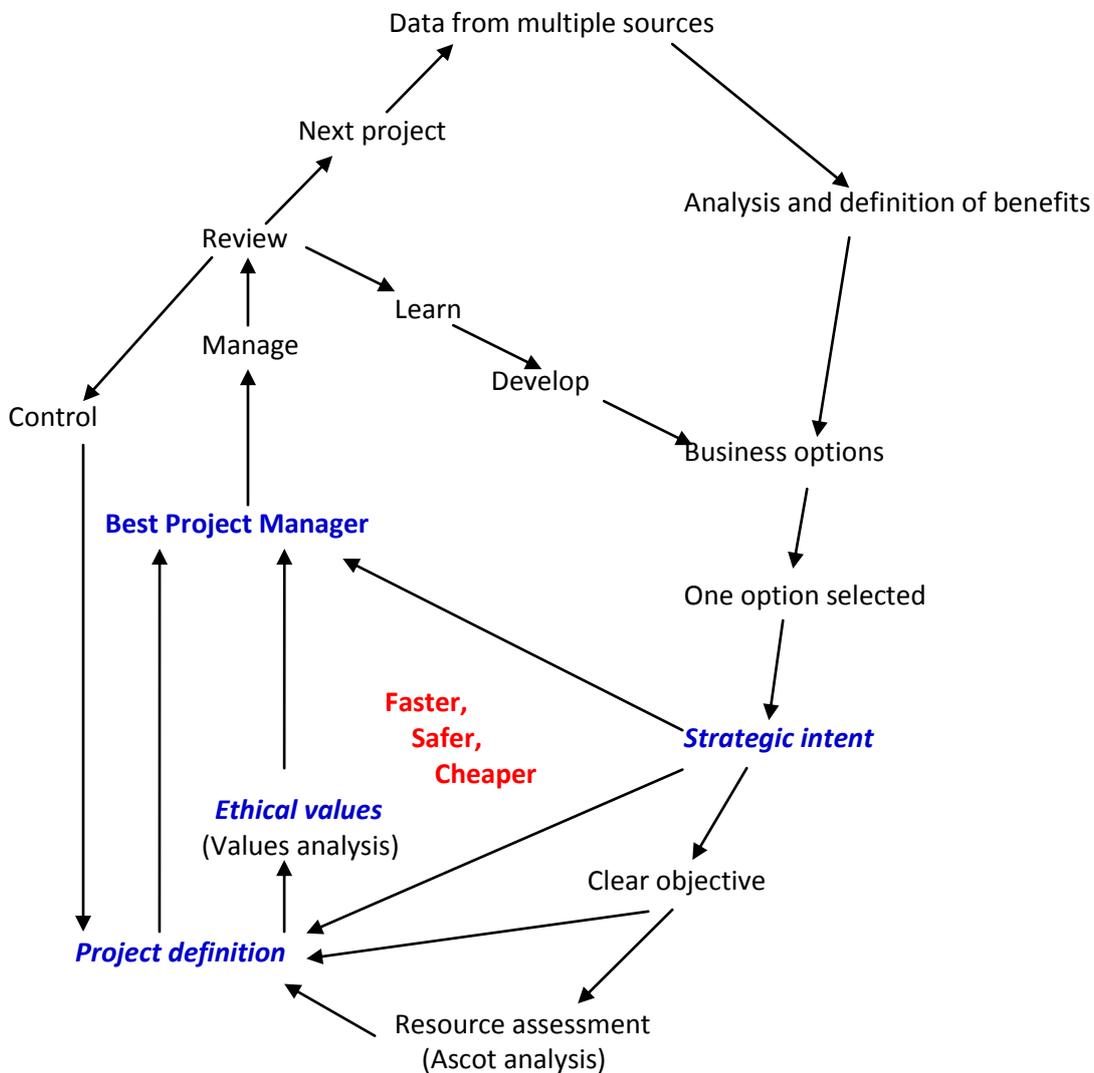
Note to the figure:

The relevant elements in identifying the Project Manager derive from:
- Strategic intent signposts the required temperament of the Project Manager
- Project definition identifies the resources available for the project which informs the required level of creativity[18]
- Project definition identifies the required expertise to understand the project
- Ethical values match the individual to the company

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[18] **Note:** To end 2009 there was no recognised measure of creativity in a project setting; it is generally assessed from observation, which is subjective – this characteristic will be the basis for further examination.

5. Identifying the Right Project Manager

Identification of the Project manager is a two stage process, the first stage matches the person and project, which for a sub-contracted assignment is the major activity; for a long-term placement or new hiring the second stage is to identify coherence between the values of the individual and those of the organisation – an activity that ensures lasting stability.

The key elements discussed above that characterise the assignment (whether a one-off project or the hiring of a new director) are:
- To have absolute clarity about the benefit(s) to be delivered and to whom
- To have decided on one final single identified business option (from the SWOT analysis)
- To be able to objectively define the one outcome that will signal success
- To have identified the availability of resources (Ascot Analytic)[19] to set budget and time frame
- To be in total agreement across the organisation and its relevant stakeholders about the long term impact (strategic intent)
- To clearly identify the core values that define the organisation and the project

5.1. Matching the Project's Strategic Intent with the Manager's Temperament[20]

Strategic intent is used to characterise the temperament of the Project Manager which may be derived from a restructured MBTI[21] profile:
- The Trailblazer, who is comfortable entering unknown territory and taking measured risk without too much concern for personal reputation, looking primarily for the opportunity to push the boundaries and explore something new, this person is typically xNTx
- The Pragmatist, who is very much concerned with making things happen *now* and can't be too concerned about what might be, or about what has already happened is usually an xSxJ
- The Controller who appreciates conformity and that things are done right (often with some protection of reputation) with good recording and reporting who may be characterised as the xNFx type.

5.2 Aligning Project and Project Manager

The project type is characterised by strategic focus and the Project Manager by strategic temperament. These may now be matched to provide the best person for the job i.e.

Figure 3. Matching the Project to the Project Manager's Temperament Objectively

Person Type	Strategic intent		
	Advance	Partner	Re-position
Trailblazer	**Comfortable with uncertainty**	Able to deliver, likely to get bored	Frustrated with detail and regulation
Pragmatist	Reluctantly deliver, too much uncertainty	**Very comfortable and capable**	Able to deliver, likely to get bored
Controller	Very uncomfortable with uncertainty & 'risk'	Able to deliver, unlikely to be responsive	**Comfortable with detail (& routine)**

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[19] 'Project creep' is a well known phenomenon as people from outside the project want to add their additional personal stamp, and may be accommodated – far better to specify a new project with quantified additional resources
[20] Please see appendix 7 for more detail
[21] Myers-Briggs Type Indicator – see also www.typelogic.com

Some aspects that are not covered by the characterisation noted above are the Project Manager's ability to cope with a shortage of resources, a weak team or changes to plan (creativity, patience and flexibility) – at the moment these attributes must be left to the assessment of the individual by the contracting party.

There is often a suspicion that unsuitable sub-contractors are re-hired for projects because the hiring party is comfortable with the relationship and even though the outcome of a previous project was inadequate – 'better the devil you know'! These cosy relationships are not only unsatisfactory but they stifle growth and can lead to challenges of corruption[22]

For a sub-contracted Project Manager charged with a specific outcome and no guarantee of further work, this strategic match is an adequate level of selection – provided the individual has the right mix of technical skills. However, if the appointee is for a more permanent post, such as a Director then a second level of compatibility needs to be explored.

5.3   Considering the Long-term Appointment Using Values Analysis

A commonality of personal and organisational values is central to a stable relationship. The process of values analysis was originally developed to realign dissatisfied senior executives within major organisations. Its use has been to identify those few areas where the individual and the organisation need to come together in order to work harmoniously

Emerging from this analysis are typically three or less sets of values (out of fifteen) that are at variance between the individual and the organisation. In making these evident and raising the executive's awareness to these differences those individuals who have participated have become more successful and more motivated as they better recognise the situation and more easily cope with the differences.

This approach ensures that the personal values of the new hiring are consistent with those of the organisation and are appropriate to future strategy – they clearly identify the individual to move the organisation forward in a positive manner that matches the way the organisation operates in the commercial world; they serve to reduce the likelihood of future dissonance.

5.4   Applying the Process

The combined analysis provides a 3 x 3 x 3 matrix which plays to peoples' strengths and matches those strengths with a project and with an organisation.

Figure 4. Diagram of the Matching Process

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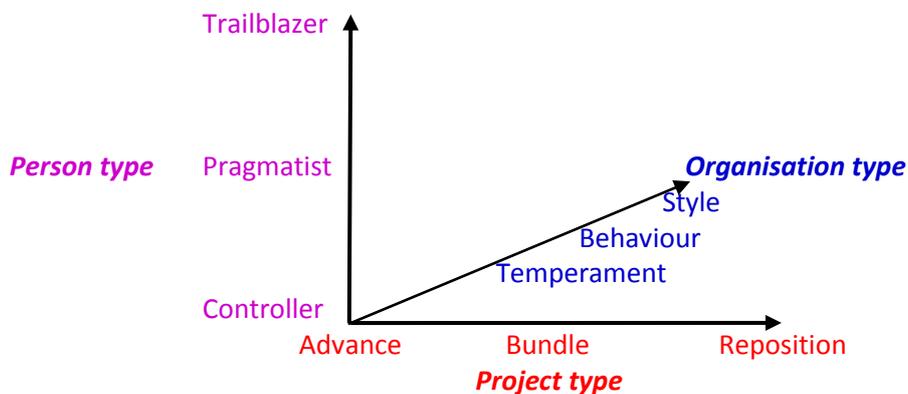
[22] The new Bribery Act may have an impact in time

6. Eight Stages to Match Project and Manager

	Activity	Est. duration	Performed by	Deliverable
1	Research	Variable	Agency	Data
2	Analysis	2 weeks	In-house (IH)	Information
3	Presentation of findings	4 weeks	In-house	Best option(s)
4	Agreement to best option	1 week	In-house	Objective identified
5	Business case developed	3 weeks	IH + Consultant	Agreement to proceed
6	Project scoped & defined	4 weeks	IH + Consultant	Strategic objective
7	Project Manager selection	2 weeks	HR + Consultant	Project Management
8	Commence Project			

7. Summary and Conclusions

We make the [sweeping] assumption that any individual being considered for a job or being put forward for a post has the basic technical skills to deliver against the criteria necessary to best realise that opportunity. This paper moves the process forward into a clear and simple approach that identifies the best 'goodness of fit' from amongst appropriate individuals

Too often project management or the appointment of a new executive depends on past history or the 'old boys' network – who you know, not what you know or how you perform as a manager.

One of the basic premises of the discussion is that a project may be characterised by strategic focus and an understanding of this strategic focus supports the new approach of matching a person's profile to the outcome required of a project.

For a longer-term relationship, or permanent hire the person's temperament may be matched with the ethical values of the organisation to ensure a fit that will last well into the future with little disruption to the normal operations and customer service.

Here we argue that by comparing three clear and very different measurable parameters it is possible to match person and project quite accurately to ensure the optimum outcome for the organisation.

The parameters are:
- A closer understanding of the strategic focus of an initiative (project or executive placement)
- The basic temperament of the individual
- Personal and corporate ethical values to ensure the individual will mange the project or organisation in a manner that is consistent with overall culture.

By adopting a process that creates a multi-dimensional profile which matches person to project to the company, the identified strategy may be readily realised, efficiency improved and resources used to best effect in a properly sustainable organisation.

8. Contact Details to: Challenge, Add, Comment or for More Information
Or even to discuss a project

Peter Ainsley at peter.ainsley@virgin.net 07814 063 722
Steve Mullins at steve.mullins@virgin.net 07974 918 229

Appendices

Appendix 1

Expanded STEP Analysis

It should also be noted that rarely will any of the points below happen in isolation; each one will involve or influence others so there is ample scope for wider consideration

Sociology
- What is happening to the population and demographics? Can we create variants more suitable to the growing sectors e.g. the over 50's?
- Will there be a cure for HIV/AIDS? Will there be options to support the orphans growing into adulthood?

Technology
- Are communications become easier and more widely available in the target market? If 'yes' can we reach people more easily; if 'no' can we devise a way not thought of by the competition?
- How is chemical and physical technology changing? Will there be new options for local wind powered electricity generation for example?

Environment
- What will happen to the pollution levels in the industrial areas [not just gases but also oil spills, chemical waste etc.]? Will this create options for clean-up products or interesting new by-products?
- Are the arid regions retreating or encroaching? Are there options to develop cost efficient water retention products [e.g. vermiculite] or to develop new cultivars?

Politics
- What would happen at a national level with a change of ruling party or a coalition? Reduced taxation might lead to more luxury options, increased taxation to cheaper varieties
- What might happen at the local level? Transport, housing, water and power – more investment or less investment? And the impact on the people, how will that affect the goods and services we supply?

Legislation
- Can laws created for one sector of society be wrongly applied to the sector in which you operate? Could laws to prevent trespass impact on legitimate holiday activities?
- Are there likely to be laws in the pipeline which could affect business in three or four years time? E.g. likely changes to the tax laws

Economics
- Exchange rates are determined from outside the country, what impact would an increase/decrease have on your business in terms of finding and satisfying markets as well as access to economically priced supplies
- Interest rates can be varied by the government, what will the impact be of increased interest rates, or the options opened by decreased interest rates? [situations might be reversed for those in financial services!]

Weather
- Will changes in weather patterns affect the market? Global warming may cause migrations of people from areas which are becoming increasingly inhospitable; will this drive people towards you or away from you?
- Will changes in rainfall open new options or close existing markets? Increasing rain and more sales of umbrellas and Wellingtons, less rain more sales of sun block?

Skills

- Will changes in the economy e.g. from manufacture to construction affect skill levels? Would there be too few carpenters and too many machine minders? Is there an option to open a business for re-skilling people
- Have markets moved on to the point where the original experts are no longer expert? Advances in technology might leave people behind, is your own IT system now vulnerable because you don't have the skills to maintain it properly?

Culture

- Is there a market where there might be culture shift within the next ten years? Zimbabwe will probably have a new leader in that time, who might that be? What will be that leader's values? What might that mean for trade?
- Is one product right for one culture but not for another? Might a black-centred product appeal to whites if appropriately modified?

Religion

- Will one sect not trade with another? Can business be generated by acting through an intermediary not aligned with either?
- Different religions have different holy days, could a change in sales pattern give an extra day's sale each week?

Global Climate Change

- Will raised sea levels provide new opportunities? Could heavy engineering develop modular dams? Could service industries offer specialised relocation?
- Will shortage of water give rise to sales of bottled water through the shops or desalination plants along the coast?

Epidemics

- Will swine flu be an issue in five years? Are there other potential products besides vaccines that might offer protection or immunity?
- What might be the impact of Ebola virus moving south as the climate changes? What might be the options to build quarantine areas or put more resources behind a cure?

War & Terrorism

- Could the problems in the Middle East demand troops and reservists? What would this mean for companies which need skilled people to make their products?
- Could there be a terrorist target some time within the next ten years? What would this mean for tourism? How might transport be developed to cope? Would boundaries be closed?

Appendix 2

The Pictorial SWOT Analysis

SWOT stands for Strengths, Weaknesses, Opportunities and Threats
Strengths and Weaknesses are from within the business and may be driven by the SOCKS analysis
Opportunities and Threats are imposed from out side the business and may be driven by the PEST analysis

Note: SWOT does not include business options (export, diversify, acquire etc.) – these come from the outputs of the SWOT analysis

The organisation   The external environment

Strengths

Space
Options
Challenges   **Opportunities & Threats**
Knowledge
Skills

Weaknesses

Politics
Economics
Sociology
Technology
Environment
Legislation
Weather
Culture
Terrorism

Commercial options

Appendix 3
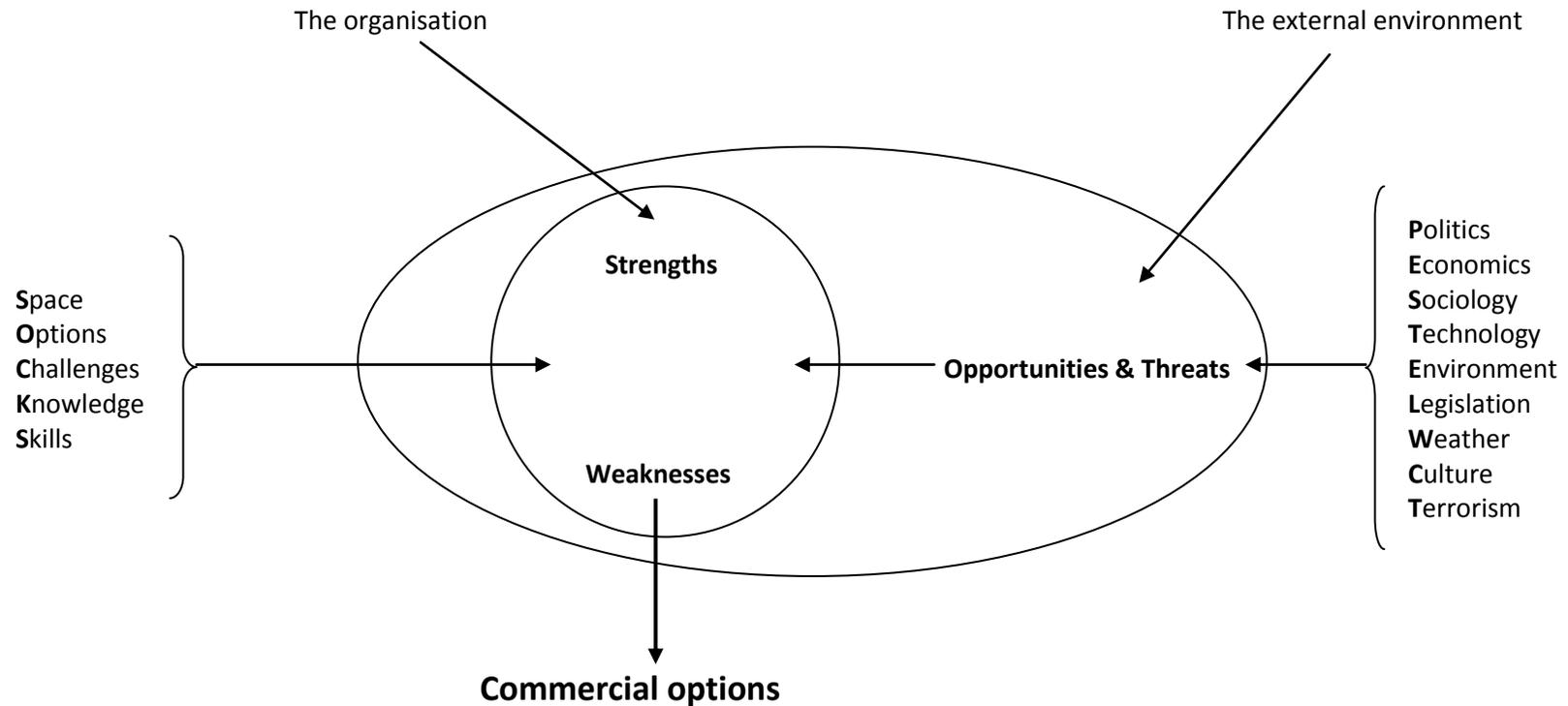
Shortened Business Analysis for a Greenwich Company

A brief management report prepared by:

Ascot Associates Ltd

Contact:
Steve Mullins
07974 918 229

Dated ...

The completed questionnaire

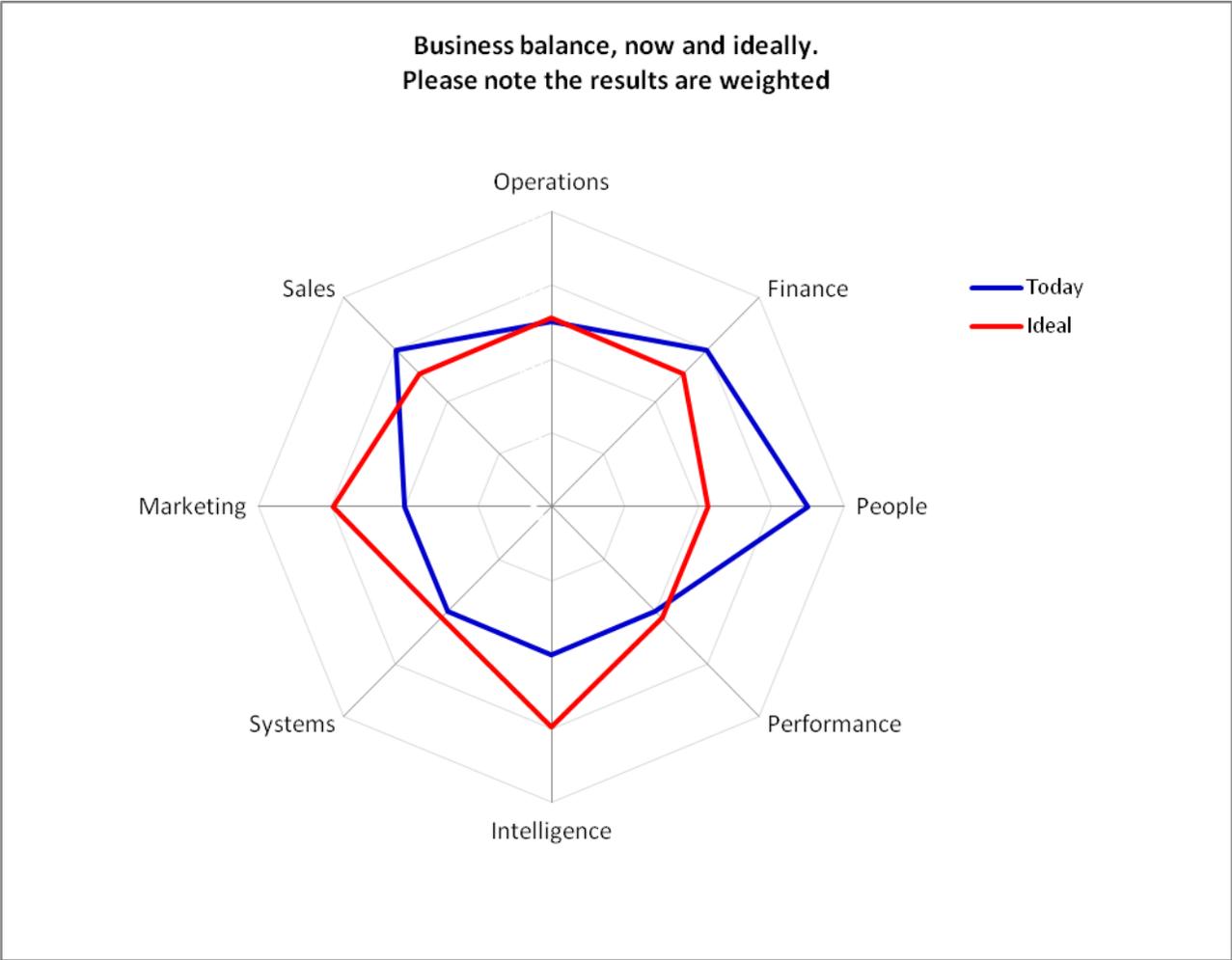| *Greenwich Company*	Dated ...	
Questions		
Please score from 1 (Poor, not at all) to 7 (Excellent, highly) how your organisation rates for the following aspects:		
	Today	**Ideal**
Operations - Is the organisation flexible in its approach to customers and open to positive change	5	6
Financial management - is reporting accurate, timely, correctly analysed and useful	6	6
Marketing - do you know clearly the reasons customers buy from you and not from someone else	4	7
Sales - are sales targets met (income), and margins maintained	6	6
Competitor Intelligence - do you know what the competition are up to and how to counter	4	7
Systems - do your systems provide adequate feedback to justify modifications to product or service	4	5
People - do managers have clear direction and people the scope to make decisions	7	5
Performance - do you regularly set SMART objectives, and monitor and develop people appropriately	4	5

Experience has shown that for a business to be successful it must focus its efforts and cannot be all things to all people, so whilst it is tempting to give a score of 7 to all categories under *Ideal* this would be counter productive as no well managed organisation has the resources to manage all business functions simultaneously. So in order to focus attention **there are maximum allowable scores:**

Number of 7s allowed:	**2**	**2**
Number of 6s allowed:	**3**	**3**

The Graphical Output

Business balance, now and ideally.
Please note the results are weighted

Brief Management report for Greenwich Company prepared on   Date ...

Addressing the balance between 'hard' (measurable) management activities and the 'soft' activities which are difficult to measure

Less numbers focused, more 'soft' issues focused

In business there are two key elements: the 'hard' elements that have traditionally been used to manage: "If you can't measure it, you can't manage it", for example income or margins. More recently the more successful companies are recognising the 'soft' elements - those things that are difficult to measure yet very evident when they go wrong, elements such as leadership or communication. In the case of Greenwich Company the balance today needs to be shifted away from close measurement towards more active leadership and communication in order to get the best from your people and better serve your market

Considering customer focus for Greenwich Company

Less focus on internal matters, more market focus

In all organisations, the business focus may sit between a very customer-focused organisation where business needs are subordinated to customer demand, and a business focused organisation where internal needs are paramount - for example where compliance is a major requirement. In the case of Greenwich company the balance is more towards your internal management and measurement systems; perhaps risking a loss of market confidence if customers feel they are being sidelined. There may be benefit in focusing additional effort and training on marketing needs and alternative sales opportunities

Exploring the balance between maximising short-term delivery or planning for sustainability

Good strategic/tactical balance

In managing the business of today it is very easy to lose sight of the changing market and unfolding external pressures; similarly, if concentrating too much on the future it is possible to ignore the pressures of today. in the case of Greenwich Company there appears to be a good balance between delivery and future planning with the company heading in the right direction; now might be the right time to give additional thought to hiring staff, engaging specialists or considering one of the schemes to introduce young people to the workplace.

Appendix 4

A Values Analysis for an Individual [in Their Workplace]

The grid below compares personal values with the values expected in the organisation.

		Values Analysis			
		X represents your personal values			
		O represents the values for your organisation as you perceive them			
		⊗ represents values that are common to you and the company			

Category	Left	1	2	3	4	5	6	7	8	9	Right
	Impulsive				O	——	X				**Rational**
Style	**Tough**			O	X						**Sensitive**
	Expecting				⊗						**Thanking**
	Systems Driven							⊗			**People Driven**
	Outcomes	X	——		O						**Image**
	Operations centred				⊗						**People centred**
	Loyalty to self			X	——				O		**Loyalty to others**
Behaviour	**Competitive**			X	O						**Co-operative**
	Hierarchical						X	—	O		**Informal**
	Low Trust								⊗		**High Trust**
	Closed						X	O			**Open**
	Self centred						X		O		**Team centred**
	Expediency			O	X						**Quality**
Temperament	**Traditional**								⊗		**Innovative**
	Do now	X	O								**Do later**
	Opportunistic			X	—	O					**Developmental**
	Tactical				O	X					**Strategic**
	Today centred				⊗						**Future centred**
Overall	***Management based***				X	O					***Leadership based***

Brief commentary

This summary is about discovery, it is not a psychometric analysis; it is a tool which may be used in situations such as selection, coaching, management or counselling to deliver insight and greater awareness of the individual, see also: ***Interpreting your personal profile*** below.

The scores and commentary are put first as most people want to see the outcome and later to explore how it has been derived; however, to summarise, some personal values may be at variance with those identified for the organisation. <u>This is normal</u>, and for some may reflect a desire to be challenged and stretched in the workplace.

These are areas where you should look for apparent contradictions; for example you may be someone who enjoys, and even demands, orderliness yet may be at your best in a disorganised environment where the challenge to create orderliness from chaos is worthwhile and you will gain a great sense of satisfaction from it.

As with any values or personal analysis, there are no right or wrong outcomes. The impression from the analysis is that there are some areas which might cause some tension and ought to be considered quite closely, these include:

Rational/Impulsive You are highly rational, yet seek an organisation with 'excitement' and 'gut feel', there is a possibility that the organisation will feel held back as decisions that seem to be obvious to others may be slow to be implemented by you

Outcomes/Image, you are driven by getting things done, perhaps at the expense of the image of the organisation, which might be seen by some as exposing the organisation to unnecessary risk as if all the elements of the situation might not be fully thought through. People in the organisation could feel threatened if there is too much determination to deliver a tangible result

Loyalty to others/loyalty to self, there is the possibility that there will be real or imaginary isolation as people in the organisation attend to their personal affairs without the regard you might expect them to show for others; potential frustrations might build up in this type of situation.

Additional areas to be sensitive to are:

*Hierarchical/informal***,** there is a preference for status and the trimmings of office, but an expectation of those around to be informal. There is the possibility of an 'us and them' atmosphere where respect and deference are expected, yet interruptions and contributions to others can occur without invitation

Opportunistic/developmental, perhaps seeking to deliver a result ahead of a formal decision which has been considered by enough people and in enough depth – may be seen as threatening to some people and perhaps interpreted as undermining authority.

Decision making

There is a good proportion of definite answers which suggests decisions once made will be soundly defended; yet given sufficient reason they will be subject to change – although perhaps a little reluctantly.

Your Comfort zone

The overall position is to the right of centre in the graph which indicates a senior position but not so far over that the loneliness of directorship would come easily; the most effective style is probably operational, leading a team which can contribute to decision-making; perhaps a decision-influencer or Project Manager.

Overall

The majority of personal scores are towards the right of the centre of the chart indicating a preference for current thinking; although the more traditional style of management still appears to be a part of your makeup

Ideal organisation [should you consider changing]

It is your task, not ours, to search for suitable organisations and then check whether you will be comfortable there – we simply provide a broad view about what might be appropriate. Some thoughts on relevant organisations for you include: those with a high profile, operating in a developmental or support environment.

Appendix 5

The Benefits Matrix – people buy for what something does for them; not for what it is, or who you are

	Delivered Benefits – 30%			Perceived Benefits – 70%	
Benefits to Business	Save Solve Increase Improve Reduce Remove	Something relating to	Finance (COGS) Image (T/O) Performance (O/Hs) Responsiveness Risk	Deliver Provide Encourage Produce Generate	Reassurance Confidence (Don't worry) (Peace of mind) Leading edge
Benefits to the Decision-Maker (or buyer)	Save Solve Increase Improve Reduce Remove	Something relating to	Power [MD] Influence [FD] Recognition [S&M] Achievement [R&D] Orderliness [Admin] *Others may strive for:* Safety/security Affiliation Challenge Wealth	Give you Give rise to Bring about Inspire Foster	Don't worry Peace of mind Reassurance Confidence Mental stimulation

Playing to:
- Ego
- Fear (May be legislation, media exposure, or just the unknown)
- Guilt (everyone's got one, why am I missing out – relates particularly to software)
- Greed
- Ignorance

Answers the question "So what?"

Appendix 6
How Social Media are Forcing Strategic Thinking to Evolve

In the Beginning...

When I started my commercial life, trade was nearly all Business-to-Business [B-to-B] and strategic marketing focused on just a few key components:
- Attack – invest heavily in corporate activity to woo potential customers with new products, flatter existing ones or enter new locations (still popular in some of the bigger organisations)
- Retreat – go back into a shell to either seek an alternative market, or redesign the product or service
- Snipe – ideal for the smaller business, to focus on a very narrow customer profile, become a 'niche player'

And, for some people this is still considered adequate to run their business

Early Enlightenment...

As time went by, Business-to-Consumer [B-to-C] marketing evolved from B-to-B and became the order of the day. Strategy expanded to include:
- Bundle – you could only buy a product if you bought something else with it, whether a tie with a shirt, nuts with washers or a software programme
- Distribute – become an agency for a cheaper manufacturer and gain market share on price or 'exclusivity' endorsed by some 'celebrity', whether designer clothes or badged washing machines; compared to the native product, an opportunity for enhanced margins
- Capitulate – as competitive pressure increased and prices fell so did profitability which led to the strategy to dress up the organisation to get the best price possible in a sale or foreclosure

For many people this is their complete strategic armoury and is understood by those at the top as well as those tasked with selling the products in the marketplace, so when sales decline it is the fault of the sales team, not the stone age strategist!

For many people, modern marketing strategy is just this – what it has always been, but a bit faster because it's now done over the internet

The Awakening...

In reality strategic options have increased as the use of social media has extended into Consumer-to-Community [C-to-C] marketing, where people join together through common interest and share experiences – anywhere in the world. This demands a whole new set of understandings and demographics:
- Inform – encourage users to let others know their views about a product or service, these will be uncensored comments, so a specific business strategy is required alongside the marketing strategy to build the brand and reduce corporate risk.
- Persuade – develop a proposition so compelling that customers want to engage others in a shared experience. And, in that product or service, give your customers the means to form their own society who want the experience, whether footwear, motor cars or iPhones
- Lead – encourage behaviour changes, from visiting the shop to shopping on line to shopping on the move. A change process that demands the marketing activity is bounded by integrity and innovation

> The pace of new marketing is bewildering; we have seen how thousands of people can be assembled within a day and, to succeed, organisations need to understand the new strategic dynamics of a whole new world in addition to the established opportunities and approaches – if their business is to be sustainable, and thrive.

Given this additional insight into social media an organisation can
grow and flourish to become a significant force faster than ever before.

Appendix 7 – the People in the Stream

A New Slant to Understanding Management Types

Imagine a river and in that river are a number of people:
- People *swimming against the current* trying new things, unsure of what's ahead and enjoying the adventure of finding out and taking risk. Typically, the domain of the entrepreneur.
- People *stood in the current* very much aware of what is happening right now, actively looking for challenges and things to do, the place of the effective manager
- People *swimming with the current*, staying safe because they know what to expect and there are no risks, the natural habitat of the lawyer, teacher and administrator
- People *on the bank* chronicling the events and describing what is happening but not being directly involved – the actor, writer and musician; they may speculate and give the appearance of the Trailblazer [*swimming against the current*] – but without the same depth of involvement, understanding or passion.

There is a further dimension which is described in the *endnote* on the next page

The four people are described by several eminent scholars in different ways

David Keirsey[23] identifies four main groups of people:

The Rationals [Myers-Briggs NT – looking ahead
The Guardians [Myers-Briggs SJ – in the here and now]
The Idealists [Myers-Briggs NF – everything prescribed – clear points of reference
The Artisans [Myers-Briggs SP – on the bank

Similarly with **Roger Birkman**[24] who has identified four career management profiles:

Planners are people whose profiles involve: dealing with abstraction, innovation and ideas,
Expediters are people who are: directed to solving practical problems, organising and decisive
Administrators are people who are good at: scheduling, detailed work and keeping close contact
Communicators are people who enjoy: selling & promoting, persuading, motivating and counselling

Additionally, the medievalists and others[25] Four types were identified in the Middle Ages and summarised as:

The Melancholic – The Thinker
The Choleric – The Doer
The Sanguine – The Talker
The Phlegmatic – The Watcher

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[23] Please Understand Me ISBN 1-885705-02-6
[24] The notes here are taken from: http://www.careerlab.com/assessment/birkman.htm
[25] The medieval types are described in more detail at: http://oneishy.com/personality - why not try the test. These types also reflect the work of Jung and also the ancient Greeks

Notes about the four types

To avoid aligning with any one author, the types noted above have been redefined as:

The Trailblazer is someone who can envision the future and is aware to the potential risks and likely ways to overcome them, if not as a Director, then as a scenario planner. These people appear to take risks, but in reality the potential down-sides have been thought through and the risks are usually less than might be seen from the outside. Perhaps the entrepreneur

The Pragmatist is a person who will deal with issues here and now, a typical example is the transport manager chasing the drivers to ensure timely delivery; often self-motivated but with a clear task 'get the vehicles back here before 7.00 P.M'.

The Controller works with established knowledge and procedures to achieve a clearly defined goal; whether to ensure the accounts comply, children are educated or the company is not legally at risk. Normally these positions need a clear start point based on established fact, a precise brief and a defined end-point.

The Chronicler/Critic is someone who is generally the spectator, not part of the team [see below, Endnotes, The people on the bank]. These individuals have the ability to speculate on what might be, based on what has been. They can be readily confused with the scenario planner or director; the down side is that the contingencies usually haven't been properly thought through and their risk profile is high if they are in charge of an organisation.

Endnote   Is there a dimension that has been overlooked?

When looking at motivation it is evident with all *types* that some people prefer to work for themselves whilst some people work for others. As examples:
  • The directors who work for all of their stakeholders compared to the 'fat cats'
  • The managers who strive to deliver the best product they can, and those who simply seek promotion
  • The accountant or lawyer who works for the benefit of the client and the one who stretches the work to maximise payment
  • The performer who is on stage for the delight of the audience, and the one who walks off as soon as payment is guaranteed

There is surely a case to develop and extend many of the profiling tools and analyses to include this trait. The outcomes would provide a more rounded profile of an individual and how they would best fit the position they seek, or the position they will be moved to.

Appendix 8

Case Study: – a Top Ten Company[26].

<u>The Position</u>

The company is rapidly growing and employs over 500 people; it provides service support to both government departments and commercial business.

The Managing Director had mapped out the future for the company which needed to be shared with the Board of Directors and the Senior Management Team [collectively The Team] who will manage its implementation. The strategic requirements went beyond the normal financial measures to include corporate values, operational focus and site productivity.

<u>The Process</u>

The project was managed as three separate elements:

- Preliminary discussion with the Managing Director and Chairman about how to tailor the process and how to present the results to be consistent with their normal 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 two e-mailed questionnaires, one for each of two proprietary business analyses to identify their personal position and their expectations with regard to operational focus and corporate values. A personal profile was prepared for each which informed both corporate and personal development needs.

- The MD and The Team came together to discuss, agree and create the programme to meet the strategic plan. Additionally, in the process, complex management issues were brought to the table and more easily resolved within the overall strategic framework.

One of the outcomes of the programme was the recognition of an immediate issue in one of the operating units. This became a project in its own right and is discussed below.

<u>The Operating Unit Project</u>

In completing the analyses, the temperaments of the members of the Team had been clarified and the various members better understood each other, their constraints and how they worked best together.

The immediate issue demanded a Project Leader who is very pragmatic and a strong decision-maker. The opportunity to manage this task was offered to each Team Member and compared to their individual profiles.

The ideal leader was the MD[27] who, in characteristic style, divided his work amongst the Team to give time to tackle the issue and instructed two junior managers to join the meeting for instruction in order to reassign operational responsibilities.

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[26] Like so many projects, this one addressed a shortfall in an operating division; so for reasons of commercial confidentiality the company cannot be named.
[27] http://fundamentally.typepad.com/files/an-effective-structure-for-the-board-of-directors-2.pdf

Selection of the Team Leader

Had the situation continued the organisation risked losing significant current volume and failing to capture new business which was due to be signed. The project was one which very closely matched the *volume-driven* project profile

The ideal manager for such a project is *Pragmatist* which ideally suited the MD above the other Team members. The approach was what might be expected – duties reassigned and very early action

The Outcome

The outcome was also what might be expected:
- The issue was resolved within two weeks
- Significant business losses were averted
- The new business was signed by an impressed client

Additional Outputs

- The Team can fully support the strategic intent because of a clearer understanding of the vision and goals for the company.
- Progress will be faster because decision-making and corporate energy will be better directed to attain specific, focused strategic results.
- Progress will be more secure because people will be more appropriately assigned to projects
- Common values have been established that better support communications and also strengthen the brand
- Genuine progress was made in identifying and resolving issues that didn't fit any one specific department and where responsibilities had been difficult to assign

Key Benefits

The Team are now absolutely clear about the non-financial and financial elements leading to the strategic goal, and can more readily plan the use and deployment of resources to meet globally agreed targets whilst having the confidence to suppress activities that could lead away from the future vision.

Appendix 9

Brief Resumés

Steve Mullins

BSc, BSc, MCIM (Chartered), FIC, CMC, FRSA

Steve Graduated from Liverpool University and started his career in the food industry; firstly in Research & Development (R&D) with Express Foods where he learned the skills of project management in order to create new products and develop them to production volumes.

After seven years in R&D he moved directly to Marketing where his commercial skills were honed and, by linking his R&D experience with marketing understanding, he developed new markets and new businesses for Mars and then Gallaher before becoming self-employed in 1988.

As an independent consultant Steve has used this project understanding (as applied to new product development) to work with companies as diverse as HSBC, BT, Hexel and RHM as well as the Business Link, Train to Gain and a host of SMEs to strengthen their commercial offerings and to develop new aspects of their businesses.

Steve teaches management, product development and marketing; he has published occasionally, delivered programmes on BBC local radio and has won the *Barclays Better Business Award* and was runner-up in the *Shell Making a Difference Award*.

Steve can be reached at: steve.mullins@virgin.net or 07974 918 229

Peter Ainsley

MA (Oxon), FIC

After reading physics at university, Peter spent four years in industrial research and development with the Solartron Electronic Group, before moving into the management problem solving field with J Lyons and Company. Work on ice cream factory operations, product development and sales policy led to a senior position in the then relatively new activity of corporate planning.

Peter then accepted the post of Planning Director at Warner Lambert, with responsibility for pharmaceuticals and toiletries, to be followed by several years in the Corporate Strategy Division of PA Management Consultants, where Peter's expertise was further developed through diverse projects that included: overseas banking (in Belgrade), ship-owning (Ellerman Group) and civil engineering consultancy.

This breadth of experience was then employed in working for seven years as Planning Director of Sir William Halcrow and Partners, followed by work in the London City Business Link and some time as Executive Director of the Bishop of Guildford's Foundation. More recently Peter has been sharing this experience and expertise by teaching management and business strategy at the University of Surrey.

Peter is particularly interested in the sources of effective strategy and the influence of management personality on such decisions.

Peter can be reached at: peter.ainsley@virgin.net or 07814 063 722