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Highlight's of San Francisco Breakfast Forum Meeting:

By Allan Steinmetz

Why did we form *Inward Strategic Consulting*?

When I worked on the advertising side, I spent all my time talking to clients trying to win their support and when I became a client, I spent my time justifying what the agency was doing was right, meanwhile the original focus of what were actually trying to accomplish was lost. In both situations we spent more time winning our colleagues over than we were building commitment and executing the program. It felt like hurling myself against a wall every day.

It seems as if, employees are less likely to do what they were asked to do unless they agreed with what we were doing and were bought into the initiative early. They needed to be heard. If they weren't part of the initiative, they might go along, but they were reluctant and slow and thus the program would often fail. Getting buy-in and commitment from employees is like herding cats.

Research supports this concept as well. Gallup recently conducted research that says 20% of company employees are committed, 60% were somewhat committed and 20% were not at all committed. That means nearly 80% don't care enough and are just bodies that show up at work each day to perform tasks rather than change or improve business performance.

Additional research shows that the reasons why companies are less successful today, is because they fail in execution. They create plans and tell everyone to implement them in the field or plant and nothing happens; there's little follow up and soon follow frustrations and blame on corporate headquarters for being out of touch. In fact, Larry Bossidy, former CEO of Allied Signal wrote a whole book on that topic alone.

The companies who succeed in this regard have built a culture of high performance where consensus and compliance are built into the business operations, like GE, Allied Signal and Accenture.

So what do we do about this? We formed our firm to address this problem knowing that there had to be a better way at winning the hearts and minds of people based on **BUILDING CONSENSUS AND GAINING BUY-IN**. We built upon the work done by MIT's Peter Senge and his book *The Fifth Discipline*. He found when you get people to first articulate a personal ambition, from that transfer it to a collective ambition, a company can

accelerate performance and sustain it longer. If we can apply this idea to business and HR processes, marketing processes we would have a very powerful combination.

We created an “INWARD APPROACH”. We believe that when a company educates their people about how the company works, they will become motivated and inspired and ultimately become enrolled. An enrolled workforce works harder, faster, better and longer in support of business initiatives.

After four years we have really fine-tuned our approach to establish methodology and repeatable processes based on best practices and research to **ENABLE CHANGE AND INSTILL CORPORATE HIGH PERFORMANCE.**

High Performance Model

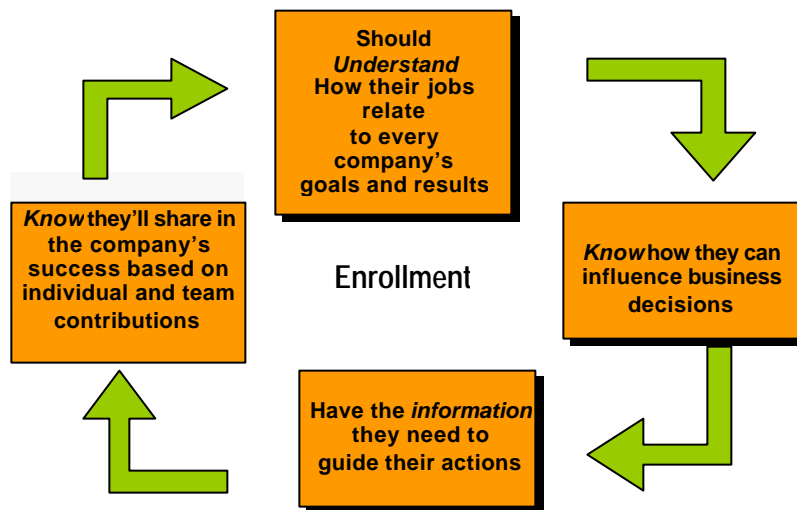


Alignment equals Stakeholder balance

First and foremost, we believe in the concept of High performance businesses. Companies who have stakeholder alignment and agreement around a shared Vision and Strategy, and Processes, Organizational Structure and Resources to support the Strategy will succeed faster and attain C-E-O balance. Their Customer will know what they stand for, The Employees will know what is expected of them and be enrolled and the Owners or shareholders will support the actions management takes to achieve success.

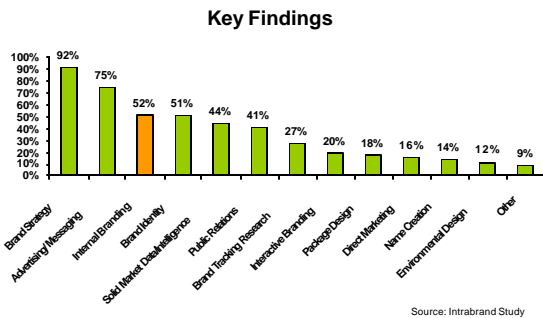
Second you need a model for building enrollment, which starts with understanding how employees become enrolled. Employees must understand what role they play in the organizations success. More importantly what’s in it for them? Is it a raise, a bonus, time off? Fundamentally, if they don’t know how the company works, there is no reason for them to change their behavior. So systemically, people need to be educated about the business and how it makes money of succeeds.

Enrollment is a major communication issue...



Third, effective communications is critical to make change come about and be successful. Your communications should build awareness, understanding, commitment and ultimately challenge behavior. To effectively create a communications strategy, a company must capture their employee's eyes and ears to inform them, challenge their brains and intellect with a compelling message, capture their heart with commitment and demonstrate the behavior needed to achieve the aligned goals. Here to, the tactics you choose for each step is critical in regard to the outcome.

HR Branding is a high priority



Fourth, communicating the vision, culture, values and strategy is often equated to HR Branding – Communicating the essence of who the company is and how it should reflect itself to the outside. Another very interesting piece of research suggests this is becoming more important by companies. In a recent study conducted by Interbrand, a world renowned branding firm, who asked C-suite respondents what factors contributed to a strong brand, the findings showed that HR branding was ranked third at 52% after having a brand strategy 92% and having an external advertising program 72%. More importantly, HR Branding experienced a dramatic shift from previous studies where it was ranked seventh and now third.

Unfortunately, they also found in the research that despite HR Brandings importance, not enough emphasis or money is applied to this need or opportunity.

Three Fresh Ideas Emerge:

- Need to educate the workforce and gain their understanding
- Workforce populations can be segmented just like external audiences
- Creative and Experiential Communications work best

Fifth, after doing a lot of research about change communications, we found only three fresh ideas

Final Thoughts:

You need to educate the workforce and gain their understanding;

Think about your own experiences- Think of a time when you were part of a small team, sometime in your career, and everything worked right. Why was it that made it so effectiveness, what was optimized?

Workforce populations can be segmented just like external audiences;

People are different. Just like we do big segmentation studies when we do external marketing and communications, we should do internal research as well. Why should internal audiences be any different? The more that you can relate to who they are and what their motives are the better the communications will be. This knowledge will create more effective and relevant messages.

Creative and Experiential Communications work best;

We are in an experiential economy. Your company is a stage and you have to stage direct it to get maximum impact. Take a look at what is going on in retailing and hospitality. It's called Entertailing. For example, look at the Mall of America. It has become a destination not just a place where to go to buy things. Its real communications, with feedback that is personalized and relevant towards having fun, so people feel good and are happy thus being treated with respect. Old methods of CEO memo's to staff and video's with CEO's sitting on the corner of their desk with their sleeves rolled up doesn't cut it anymore

Lastly, I want to say that Inward can help you and your company on all these issues. We have the knowledge and experience and talent. And if you know people who are struggling with these issues, please send them our way. We can really make a significant difference.