

Business Sustainability: The Strategies to Achieve, the Leadership That Makes It Happen

By Lee Froschheiser

Sustainability - you often hear the "buzz" word being tossed around in "eco-friendly" circles, by your local and national government agencies, in corporate jargon, and through the media. It's also a term that surfaces frequently on the business front, particularly in an economic climate that's experiencing stormy weather. While today's savvy CEOs and managers sense the smartness behind the concept, many such leaders are desperate to understand, implement and attain "sustainability" - before it's too late.

So what exactly does sustainability mean? In business, it's the ability of a company to develop and implement winning strategies that lead to long-term success. And here's the reality check that great leaders get: When it comes to achieving sustainability, there's no silver bullet or magic pill. You can't just suddenly make a company more sustainable, and therefore more profitable and secure on a permanent basis. It takes real work, in terms of being open for necessary change, committing to a plan, and the ability for the CEO or manager to lead by example.

Business sustainability starts with knowing when to stay the course with proven strategies or when it is time for change. Strong, effective leaders leverage proven strategies that move their companies forward. However, when a company's Vital Factors - the unique set of critical elements that can either hold a company back or propel it to success - are suffering, change is needed to restore the business to original or, ideally, better-than-ever health.

It's easy to find examples of businesses that, in order to achieve sustainability, needed to change - but didn't. Remember the residential construction companies whose executives foresaw the bursting of the housing bubble? Why did some of these companies fail when they had the resources, energy and desire to survive the downturn? Because they lost focus of execution and implementation of their ideas, or they moved too slowly. In short, they dropped the proverbial ball and fumbled. It is not easy to create long-term sustainability, but the consequence of failure is always painful.



~ continued ~



Business Sustainability: ~ continued ~

The residential construction market example comes as no surprise, however, considering that failure to execute strategies consistently is the number-one reason why many businesses don't achieve long-term sustainability in profits and growth. And in fact, this happens in the first and most challenging of four phases that a company must go through to reach sustainability. Leaders who succeed in all four phases will find their organization in a position of renewed vitality and productivity.

This first phase, known as the "How Phase" is all about the mechanics and is typically very difficult because it often entails change in areas including management, policies, procedures, ideology, technical competencies, staffing, etc. Early in this phase, internal resistance to change is at the highest point because employees are focused on how to do the new activity without clearly seeing the benefits. To fully implement this phase of the process, business leaders must strongly sponsor change by communicating and reinforcing the desired new methodologies and workforce behaviors. Examples include: updating the frequency and quality of face-to-face meetings within the company, as well as setting goals and measuring results against the new directions, actions or behaviors.

Once a company's employees demonstrate proper, regular execution of strategy, and begin to see and experience its benefits, a very natural, powerful motivation develops. Called the "Why Phase," this second step enlightens a company's team as to why the strategy was implemented in the first place. It's that "Ah-ha!" moment - when whatever your staff has been striving for and why they've been doing it suddenly makes great sense because initial positive results occur. Employees see their Vital Factors, the specific indicators of the company's health, improve and blossom. The fruit of their labor is right before their eyes - and it's so rewarding that it easily compels them to stay the course ... or do even better!

The third phase of implementation, called the "Who Phase," evolves as the strategy itself becomes internalized and ingrained in the workplace culture, a direct consequence of successfully integrating the strategy and reaping consistent results. Employees on the inside execute the strategy, and those on the outside of the company start to recognize it, as well as its value. The strategy simply becomes part of the company's DNA, and employees emotionally and intellectually accept the new way of doing business. To optimize results, company leadership should continue to focus on employee accountability and recognition directly tied to the strategy.



~ continued ~



Business Sustainability: ~ continued ~

Once a strategy becomes part of your company's DNA, you can fully achieve sustainability through the fourth phase of implementation called the "External Phase." In this phase, companies have a perfect opportunity to apply their strategy externally to their business partners. For example, if you've effectively integrated a top-notch performance management system, you could leverage the system externally to better manage your vendors/suppliers. If the strategy streamlined operations and eliminated waste, sharing these new processes with your vendors/suppliers could ultimately result in better efficiencies and savings.

The golden thread that ties these four phases together is leadership. The responsibility of leadership is to sponsor the new strategy through consistently communicating the need for change, personally modeling the new desired behaviors, and reinforcing the change through accountability and recognition. In terms of managing change, all three behaviors are important, but they are not equal. The personal behavior you model carries more weight than what you communicate. However, what you reinforce is the most powerful leadership tactic of all.

When it comes to sustainable businesses, great leadership plays a crucial role and is about unyielding commitment to proven business practices. Execution of the fundamentals - in both the easiest and toughest of times - is what moves your team players through each of the four phases. Steadfast dedication to this process ultimately leads to a sustainable, winning strategy.

ABOUT THE AUTHOR

Lee Froschheiser, president and CEO of Map Consulting (MAP), works with many premiere business leaders and companies nationwide. Lee is also co-author of the best-selling book, "Vital Factors, The Secret to Transforming Your Business - And Your Life." His consulting firm, MAP, specializes in transforming companies, and accelerates the performance of people, teams and organizations. Clients include WebEx Communications, CORT Furniture, Border States Electric, Hawthorne Machinery and the United Way. For more information call 1-888-834-3040 or visit www.MapConsulting.com.

