

Article This Issue:

MAKE IT WORK DAILY: Tips for Strategists

GET CONSENSUS FIRST: Agreement vs. Sales Pitch

MetaManagement Communicator

MetaMatrix Consulting Group, LLC.
Consulting & Speaking Services

Information created to inform, educate and prepare management to lead

MAKE IT WORK DAILY : Tips for Strategists

Every year a select group of senior executives pack their bags and head off to an exclusive retreat for several days with the purpose of developing the corporate Strategic Plan. For last year's excursion, your team may have included the CEO, president, CFO, COO and all the vice presidents and several key managers. In other words, the people at the top, the people in whom all others in the organization put their faith, are the people who create the strategic plan by which the rest of the organization will work for the next year or two. However, will they build the best plan for the firm? Will the plan actually work? More likely than not, the plan is not going to reap the expected rewards.

Because these people know what's going on in the company and are setting the tone, we often place a kind of blind faith in them that their plans are good plans. Unfortunately, the positive natures of our faith and their intentions do not equal excellent strategic plans. Doubt what we say? Take a look back at your previous years of planning sessions and follow the track record. Leadership comes back with a several-page report establishing direction, budgets, competition, marketing, human resource needs and a host of important topics that were discussed in detail, yet the well-intended papers of years past have not really been the reality of what happened during the year to follow. There are two major reasons that explain why this so commonly occurs: 1)Rome wasn't built in a day, and 2)No recipe tastes like Grandma's when it's missing key ingredients.

Rome wasn't built in a day: The time frame set for the completion of most strategic plans is too short. It is unrealistic and irresponsible to expect to put together the framework of an organization's action plan in only a 2-3 day retreat. It takes months to formulate decisions and to compile complete data in some instances. It also takes time to measure the actual results of past decisions against the expectations. Therefore, it's important to be realistic. Don't expect the impossible; it raises false hopes and makes for sloppy and incomplete strategic plans.

Grandma's recipe: What's missing from traditional plans? Let's start with the name--Strategic Plans. Change the name to Strategic and Tactical Plans. In making a name change, we also change the contents of the plan in a conscious fashion. We no longer are willing to accept a white paper that sits on a shelf that holds a laundry list of topics that often addresses no more than the theoretical side of the business. Our expectations change to include the HOW. The HOW are the missing ingredients. Your plan should include, but not be

limited to:

- a. project management tools
- b. how alliances should be created
- c. how products should be developed
- d. how alliances should be attempted
- e. how technology would be integrated
- f. how the firm should educate itself (obtain new knowledge)
- g. how the management should lead
- h. how the firm should be looking at the future
- i. how sales and marketing should be coordinated
- j. how leadership should function
- J. how will you grow your executive team

So, what is the true test of a successfully developed plan? If everyone, from CEO on down, can clear their desks/workbenches/work areas, set the Strategic and Tactical Plan down in front of them, and work off it daily to achieve consistent, reliable, predictable and integrated results for the firm, then you've developed the plan successfully. A real plan is the road map by which your top level people can find their way not only to and from the retreat each year, but by which everyone else can navigate your firm to success during the months between.

GET CONSENSUS FIRST: Agreements vs. Sales Pitch

"I'm going to force you to sign this, because it makes money for me." Are you a guilty partner in this type of crime?

Have you ever taken the time to draw out a clearly defined contract or proposal for a client/customer, vendor/supplier or partnership/joint venture only to find that the party had little or no interest in the ideas you outlined? The contract is not accepted as is because of a fatal flaw in our perceived notions about creating such documents. So, what is the purpose of a contract and how should we use contracts?

For our purposes, we will define the term "contract" and examine two types of contracts, proposals and agreements. A contract is a legal and binding document sealing the fate of a serious venture between or amongst two or more parties. When contemplating signing a contract, parties often experience a level of stress and possible hesitation; no one wants to be trapped by signing something that won't serve their best interests now and in the future. Visual: ball and chain.

The party submitting a proposal is asking, "What do you think of this?" One party is suggesting that you put the terms or

MetaManagement Communicator

MetaMatrix Consulting Group, LLC.
Consulting & Speaking Services

Article This Issue:

MAKE IT WORK DAILY: Tips for Strategists

GET CONSENSUS FIRST:
Agreement vs. Sales Pitch

Information created to inform, educate and prepare management to lead

GET CONSENSUS FIRST: Agreements vs. Sales Pitch Continued Page 2

recommendations in writing and then you may review the details. The proposal is often written to:

1. Eliminate calling the individual in charge
2. Get all their ideas down on paper first.
3. To look professional and well prepared
4. To secure a deal you think is worth obtaining.

You and the other party are about to agree on the words on a page. Here's the catch. All the above have to do with you and not necessarily the other party involved.

Agreements are summaries. Agreements say, "I've outlined what we've already agreed to do for each other." You are now submitting a compilation of what two or more parties have already agreed upon and have now placed it in writing. It's not making assumptions about what others want and you need, its addressing shared needs. You've already done your homework, answered questions, established a relationship of trust, understand each parties needs, and the sale has been made prior to asking for the signature.

An agreement to purchase a home outlines a price and guidelines that both parties have already stated they want. The same is true in a sales proposal or an alliance.

1. You have discussed the matter in depth to secure understanding and consensus
2. You have covered all the bases of a deal with options to continue
3. You now gain a professional stature from the thoroughness
4. You have had time to think out the deal and are now willing to put it in writing.

Consider changing your vocabulary and changing your method of obtaining a signed-for sale. Instead of submitting contracts and proposals, try agreements. Agreements in business come from great note taking, asking great questions and thinking of the old "win-win" situation. It means you understand the other's objectives in the deal... what they want. What they would consider to be measures of success...how you will know if the deal is successful and what is the value to the firm or individual to get this accomplished.

If all three are not outlined the deal is bound to go bad. Take the time before putting pen to paper or fingers to the keyboard to find that middle ground. If done right, the signature is all but secured and more importantly, both parties will win.

Copyright 2001 MetaMatrix Consulting Group LLC.
927 East Colvin Street
Syracuse NY 13210-3215
(888) 777-8857 F (315) 476-0339
email: dgoldsmith@davidgoldsmith.com

The website can now be reach from two directions
www.metamatrixconsulting.com or
Www.davidgoldsmith.com

EXECUTIVE ACTION SERIES
management tools for profitable leadership

Need to develop the competitive edge. Take a look at our **Executive Action Series (EAS)** of programs that can both increase your profits and help to direct your firm in changing economic times. Detailed information on our website.

- * *Enterprise Thinking: Making Sense Out of Leadership and Management*
- * *Getting It Right the First Time: From Strategy to Tactics*
- * *Building and Army of Support: Strategic Alliances from Start to Finish*
- * *You Can't Begin Without A Product: New Product and Service Development*
- * *Designing The Window To Your Firm: Strategy to Function in Web Management*
- * *White Horse Management: Leadership the Way It Was Meant To Be*
- * *Sales Opportunities In Every Corner: Management's Role in "Non-Sales" Sales*
- * *Successful Sales Management: Producing Predictable Reliable Results*
- * *Implementing Technology: Out of Confusion to Generating Profits*
- * *From Dreams to Reality: Corporate and Personal Goal Setting*