

# LEADERSHIP Excellence

Warren Bennis



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△ BTS

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**Humble  
Inquiry**

**Why Leaders Fail**

**Collective  
Leadership**

**Unite Diverse Groups**

**Henrik Ekelund  
CEO BTS**



*"Leadership Excellence is an exceptional way to learn and then apply the best and latest ideas in the field of leadership."*

—WARREN BENNIS, AUTHOR AND USC PROFESSOR OF MANAGEMENT

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## Practice Makes Perfect

### Getting the company on course.



by Henrik Ekelund

UNVEILING A NEW strategy? Everyone knows the drill—cue the town hall meeting. Create a big splash at the annual conference. Send out emails, webcasts, brochures, even logoed shirts with the strategy boiled down to a pithy statement.

There's a better, faster way to achieve genuine employee alignment and effective execution of that strategy. Savvy leaders are now focusing on strategy execution as well as strategy development, knowing that practice is the key.

*While having the right strategy in place is mission-critical, poor execution can sink a company and a CEO's career.* In the end, execution is everything, and CEOs have less time than ever to get it right.

Senior leaders have identified strategic alignment and speed of execution as the most pressing challenges. CEOs are rarely fired because they lack a strategy, but because they fail to effectively engage people in its execution. This starts with

building agreement among the leadership team members—getting everyone on the same page. As Jack Welch said, "Getting every employee's mind into the game is a huge part of what the CEO's job is all about."

Those top managers often internalize the strategy in different ways, which influences the implementation. The differences can lead to inconsistent execution, lackadaisical implementation, conflict, and turf wars. Without alignment at the top, a strategy can splinter into a million pieces.

*How can leaders motivate people for success when strategic change is often synonymous with fear, uncertainty, and doubt?* "Why should I adopt the new strategy?" is a question that every CEO must answer crisply and convincingly. Senior executives and frontline managers need to understand six points: why the new strategy is necessary; the impacts of the new strategy and how they apply to daily work; changes required for the organization and the leader's department or division; how they may have to shift

as leaders; what strong execution looks like; and how to build skills and motivate others moving forward.

### Case In Point: Sodexo

A \$20 billion on-site services and employee motivation solutions company with more than 380,000 employees, Sodexo serves 50 million people daily. When Michel Landel took over as CEO in 2005, Sodexo was primarily known for food services, despite being the third largest outsourcing company with expertise in such disparate areas as medical equipment maintenance, defense, senior care, and education. Landel introduced a strategy to better reflect current demand from Sodexo customers and capture market opportunities. He engaged top Sodexo leaders in the strategy, pushing them beyond their food-services comfort zone to envision themselves as part of a valued service provider for all non-core client services.

In March 2009, the Sodexo Management Institute was tasked with engaging 940 managers and VPs in the new strategy. They launched the CLIMB (*Change, Leadership, Implementation, Behaviors*) program. CLIMB incorporates online learning, face-to-face sessions, and a customized, competitive simulation developed with BTS. The goal: *Get 940 managers living and experiencing the new strategy.*



After being organized into groups of 100, CLIMB participants complete a four-month online/virtual preparation process and then participate in *VirtuoSo*, the heart of the program, featuring a virtual as well as a three-day onsite simulation. Teams are formed to serve as the Senior Leadership Team, then guide the three-year simulated lifecycle of an enterprise based on Sodexo.

*Managers are convinced of its effectiveness, and employees are hooked.* Simulations provide rapid alignment, build confidence in the strategy's success, and help CEOs drive better results faster.

"The *VirtuoSo* simulation, provides a safe environment for risk taking, enables participants to see real-time impacts of their decisions, and offers a competitive environment that gets our people involved and committed," said Elisabeth Carpentier, VP of HR. A new wave of participants is already scheduled to attend the CLIMB program. LE

Henrik Ekelund is CEO of BTS. Visit [www.bts.com](http://www.bts.com).

**ACTION: Improve execution through simulation.**

## Effective Simulations

*Who, what, when, where and why.*



by Jonas Akerman

SUPPOSE YOU ARE BUCKLING in for a flight in a new Boeing 777. The pilot announces: "Our flight time today will be six hours at an altitude of 33,000 feet. By the way, this is the first time I've ever flown a 777. Wish me luck."

Before setting foot in the real world, pilots, military personnel, and disaster response teams use *intense simulations* to learn how to respond to challenges. Given the risks and costs, why would we place leaders and teams in situations without enabling them to *try things out*?

A *custom simulation* of an enterprise, unit or process, using real-world competitive dynamics, places leaders in a context where they step out of their normal roles and gain exposure to the big picture. Participants make decisions in a *risk-free environment*, enabling them to experience *critical interdependencies*, best practices for execution, and levers to optimize performance indicators.

**Increasingly leaders turn to simulations to build strategic alignment and execution capability when faced with:** implementing a new strategy and key performance objectives; accelerating strategy execution and innovation; improving business acumen and financial decision making; transforming sales teams into business results accelerators; developing leaders who are focused on front-line execution; implementing a culture change aligned to strategy; integrating merged companies; and modeling complex value chains for collaborative cost elimination.

Once placed in a simulation, users are soon grappling with issues and decisions that they must make now. A year gets compressed into a day or less. Competition among teams spurs engagement, invention and discovery.

**The more customized the simulation, the more experience participants can bring back to the job.** With customization, you can accelerate specific results, especially when you **leverage 10 key elements** of effective simulation: 1) *highly realistic* with points of realism targeted to drive experiential learning; 2) *dynamically competitive* with decisions and results impacted by peers' decisions in an intense, yet fun, envi-

ronment; 3) *illustrative*, not prescriptive or deterministic; focused on new ways of thinking; 4) *catalyzes discussion of critical issues* with learning coming from discussion within teams and among individuals; 5) *business-relevant feedback*, to relate the simulation experience to key strategic priorities; 6) *delivered with excellence*, including group discussion, humor, coaching and competition that make the experience interactive, intriguing, emotional, fun, and satisfying; 7) *user driven*: progress is controlled by participants and accommodates many learning and work styles; 8) *designed for a specific target audience*, level and business need; 9) *outcome focused*, so changes in mindset lead to concrete actions; and 10) *builds community*: networks are created and extended through chat rooms, threaded discussions, and issue-focused e-mail groups.

**Simulations are even more powerful in combination.** Comprehensive *simulation and experiential learning programs* combine live and online experiences. The deepest alignment, mindset shift, and capability-building occurs over time through a series of well-designed activities. Maximize impact by involving leadership and linking *engagement and skill building* to organizational goals.

**Well-designed simulations accelerate the time to value of initiatives.** A new strategy can be delivered to a global workforce and execution capability can be developed quickly, consistently, and cost-effectively. Back on the job, participants own the new strategy and share their enthusiasm and commitment.

**Use simulations to align vision, execute strategy, and accelerate to results.** In July 2008, when Paul Maritz became CEO of VMware, he realized that to ignite growth, VMware needed to lead the industry through the anticipated IT transformation. Maritz and Tod Nielsen, Co-President, Applications Platform, VMware, worked with BTS on a custom simulation that provided a high-impact, experiential program for building *alignment and execution capability*.

**Simulations drive strategic alignment, business acumen, leadership development and sales force transformation.** An *experiential learning program* cements strategic alignment and builds execution capability. Results can be measured in company alignment, team effectiveness, revenue growth, and share price.

You don't need to fly blind. You can sit back and relax, knowing your pilot honed his flight skills in simulation. LE

Jonas Akerman is President of BTS. Visit [www.bts.com](http://www.bts.com).

**ACTION: Use simulations to drive desired results.**



Work with the Leader in  
**Strategic Execution**  
△ BTS

## Learn How the Best Get Better

What keeps you up at night? Are your employees aligned with corporate strategy? How is their commitment and mindset? Have you missed mission-critical capabilities that could deliver results?

BTS, the world leader in strategic execution, enables leading corporations to change, grow and succeed. Each year we help improve more than 400 clients in 53 countries.

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