

the
**PROUTY
PROJECT**

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Read'n Route To: _____

Return To: _____

"C" NOTE QUOTE:

"I live by a code that I was taught very early in my career, that it's the company first, the employees second, and you're last... if that code gets inverted, it's not a good thing."

● **If you know who said this quote,** please call 952.942.2922 or send an e-mail to beth.peterson@proutyproject.com with your answer by **Friday, July 31** – one guess per individual. If we have more than one correct answer, we throw those names into a hat and draw the winner of a \$100 gift card.

And last issue's winner is...Kathleen Majkozak, Foster Klima, Minneapolis, MN.



Kathleen knew that **Oprah Winfrey** said the following: *"Lots of people want to ride with you in the limo, but what you want is someone who will take the bus with you when the limo breaks down."*

Congratulations Kathleen! Kathleen plans to give her \$100 gift card to her daughter and son-in-law as a housewarming gift.

Entrepreneurial Dream Retreats

We have been doing some exciting work over the past year with a number of very successful entrepreneurs to help them craft **the next 20 years** of their lives.

Define it, design it.

We are also working with John Ficken (executive coach and psychologist, Quotidian) and Greg Hayes (personal trainer, Life Time Fitness) to integrate their teams and talents into the "dreaming" process.

If you, your management team, or your board, is interested in "ratcheting up" the dreaming process, please give us a yell.

What's new on www.proutyproject.com?

How do people in your organization think you are managing the business in this recession? Check out our nine question assessment located on the homepage and have the whole team complete it. Also, see the bigger goals, bolder strategies, and better collaboration created for four of our featured clients in our new client case study section.

Have a rejuvenating 4th of July break,

jeff.prouty@proutyproject.com



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● STRATEGIC PLANNING

PRESIDENT PROFILE: KIM NELSON

Interview by Jeff Prouty



We recently caught up with Kim Nelson, President of the Snacks Division of General Mills. Kim was promoted to President of Snacks in May 2005, a \$1.2 billion segment of the \$15 billion General Mills business.

We've had the pleasure of working with Kim over the past 10 years, so I knew that she had grown up in Hawaii. I didn't know, however, that she graduated from the same high school as Barack Obama, just one year later.

Enjoy the excerpts from our lively conversation:

Given that you grew up with President Obama, did you go to any of the Inaugural Balls?

Yes, I went to the Midwest Ball. It's an extraordinary time for our country. America has done something truly historic. The election of President Obama has captured the world's collective imagination and re-energized our nation. Barack's election – we called him Barry in high school – has caused us all to challenge our beliefs about the capacity we all have to effect change.

You are a founding member of the Black Champions Network and the Women in Marketing Network at General Mills. What words of wisdom would you offer recent college graduates as they start their careers?

- 1 Follow your passions. Let your interests lead you.
- 2 Develop yourself. Take the stretch assignments, they make careers.
- 3 Actively seek out a couple mentors. You **will** need help along the way. Your mentors will see talents in you that you may not see.

You've been with General Mills since 1988. In hindsight, is there one thing you would like to have known on your first day at work?

How important it is to take risks. I discovered along the way to put the "bullseye" on my back. I'd encourage recent grads to take some personal risk.

I know you love General Mills, but is there a "dream job" out there?

I journal all the time, and I think it would be fun to be a travel writer. Africa, the Middle East, and Asia would be places I'd explore as part of the fantasy job.

Do you have a favorite quote that has special meaning?

I like the quote from Arthur Ashe, the tennis great: *"Start where you are, use what you have, do what you can."* This quote speaks to the power we **all** have to drive change. Don't worry, just start.

What about your legacy as a leader?

I'd love to be thought of as someone who created positive change wherever I went. I have a particular passion around African-American youth. I'd like to make a difference in their abilities to be successful.

jeff.prouty@proutyproject.com

Let's shift gears for a bit. Given the turbulence in the business world today, how do you stay abreast of what's going on?

I love the Internet! I usually spend some time in the morning running through my favorite news websites to see what's going on. I also find it helpful to spend time with our sales organization and our customers, and also to keep a close eye on how consumer attitudes are changing as they negotiate this recessionary environment. It's interesting, consumers are struggling to make ends meet, but there is also a quiet satisfaction we are starting to see emerge, from making smart shopping decisions, to clipping coupons and cooking instead of eating out all of the time.

What steps do you take to maintain a positive work environment in a less than optimal economy?

I think it's important to maintain perspective when the ground shifts beneath you. The economy will recover. This too shall pass. It's important to celebrate the things we are doing well and stay focused on what is within our control.

How do you stay focused on the goals you are trying to achieve, both personally and professionally?

On the personal front, I'm militant about carving out my home time. With a husband and two kids (ages 7 and 9), I avoid working on weekends. I may check e-mails on a Sunday evening, or work a late night once or twice a month, but by and large, I tend to keep work contained to the work week.

On the business front, I work off of objectives, and review progress against them constantly. They are "front and center" in my office, directly above my desk.

Any closing words of wisdom for our readers?

My grandmother just passed away in June 2008 at the age of 100. Before she passed away, my husband asked her about the secret to living such a long and happy life.

Her advice: *"Don't worry."*

She was able to keep it all in perspective. Education, honesty, valuing family, doing things properly, and lots of laughter.

That's good advice for all of us today.

Thanks, Kim, for your thoughts. Your high school in Hawaii unleashed the talents of at least TWO very inspiring people.

● ORGANIZATIONAL PERFORMANCE

JUMPING THE FENCE



Article by
Peter Bailey

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The shifting economy of 2009 is challenging all of us to look into the crystal ball and somehow come up with a new way to manage our businesses and our lives. What is needed is a whole new way of looking at what we have always looked at... We need to turn the proverbial "Etch-A-Sketch" upside down, shake it, and start again with a clean screen.

For some people, creating something new is an exciting proposition, one which fires them up and makes them want to come to work on Monday morning. For others, the idea of "brainstorming" new, go-to-market plans, new networking opportunities, and new staffing plans is frightening and may entirely freeze them.

At the Prouty Project, we have helped people **S-T-R-E-T-C-H** outside their creative comfort zones for over twenty years. We want to share some of the ways we can help you think and act differently with better creative results for your personal and professional lives.

In his book, "The Medici Effect," Frans Johansson highlights an important skill of creative thinking which he calls reducing "associative barriers." This is the capacity to break out of familiar patterns of grouping concepts and thoughts in our minds based on past experiences.

For example, if someone were to say the word "baseball" to you, what comes to mind?

If you said: "ballpark, baseball mitt, Louisville Slugger, summer, Minnesota Twins, Yankees, or stadium," then you would have a fairly high associative barrier. This means that your associations are all within a closely linked range of experiences to the concepts around the word "baseball."

If you said: "Cracker Jack, hotdogs, apple pie, Chevrolet, Field of Dreams, Yogi Berra, or your father's cologne – Old Spice (which he used to wear when you sat next to him at baseball games)," then you would be displaying middle range associative barriers. This means that your associations are starting to link to more intuitive leaps and getting into tastes, impressions, television commercial jingles, movies, etc.

And if you said: "Cricket, wood lathe, Frisbee, Haitian poverty, Hemingway's *Old Man and the Sea*," then you would be demonstrating much lower associative barriers. This means that the word "baseball" has some triggers to the word and the game, but mostly you are able to "jump the fence" and make connections to other things way outside the typical pool of associated ideas.

Frans Johansson suggests that to be truly innovative we need to have much lower associative barriers and allow ourselves to "jump the fence" to make more creative connections. Here are four

techniques Johansson suggests, with quotes from his book, that we can do to lower our associative barriers:

1. Expose yourself to a range of cultures:

"Through diverse cultural backgrounds and experiences, one can more easily escape imposed viewpoints. A person who has been exposed to multiple cultures is not wedded to a particular point of view. Simply by being aware that there are multiple ways of approaching a problem, he or she will more likely view any situation from multiple perspectives."

2. Learn differently:

"We must employ tactics that allow us to learn as many things as possible without getting stuck in a particular way of thinking about those things. The whole idea behind a broad education, one that covers several fields, is that it can help us to break out of the associative boundaries that expertise builds. All this suggests that it makes sense to spend significant amounts of time reading and drawing, learning and experimenting, without guidance from instructors, peers, and experts."

3. Reverse assumptions:

"Forcing a breakdown of associative barriers means directing the mind to take unusual paths while thinking about a situation, issue, or problem. By reversing assumptions the mind is encouraged to view a situation from a completely different perspective."

4. Try on different perspectives:

"You can view a situation from any number of perspectives. So why always choose the one that comes easiest? By forcing yourself to view a project differently, you can break down associative barriers between fields and uncover unexpected opportunities."

There is no time like the present to shake ourselves from the confines of our limited perspectives and look for new ways to approach our lives and our businesses in these changing times.

SEE YOU OUT THERE...JUMPING THE FENCES!

● BOARD DEVELOPMENT

HOW RISK MANAGEMENT CAN DIFFERENTIATE YOUR SUCCESS ON STRATEGIC PLANS



Interview by
Mike Felmlee



Bill Bojan will be presenting at our July 7, 2009 *Journalists' Session* on "Restoring Broken Trust through Next Generation Governance." His work in enterprise risk management for a Fortune 25 company was profiled by the Corporate Executive Board, an organization which identifies best practices and provides executive guidance and insights to the world's best organizations. Bill founded Integrated Governance Solutions (IGS) in 2008.

I had an opportunity to interview Bill Bojan, our newest Prouty Partner, about his new company and describe why the topic of Risk Management is quickly moving to the front burner in many of our strategic planning processes today. Enjoy his responses:

You picked a challenging time to start a company. What is your mission?

We wanted to be part of the solution to a fast-growing problem. The governance environments in many companies are simply not equipped or effective in adequately dealing with today's business complexities – including risk management. This limitation has led to broken trust, and we see the harmful effects of broken trust everywhere in our economy. The mission of IGS is to "create, restore, and maintain organizational trust."

We hear the term risk management used frequently. What does it really mean – in simple terms?

On an enterprise level, risk management can be complex, so it's a common question. Basically, organizations need to ask themselves whether they effectively identify, assess, and manage the risks which can threaten their execution and success.

How does risk management fit into strategic planning?

Effective strategic planning really cannot happen without considerations of risk. Certainly, intelligent risk-taking is one way dynamic organizations grow. International expansion, adding new business lines, and technology platform changes are just a few examples of change events which involve risk.

Just how much risk should an entity incorporate into their plans?

I don't think it's a question of how much. Rather, organizations should be prudent in pursuing opportunities that are consistent with the risk appetite and tolerances established with their owners or board of directors. The key is identifying and managing the risks to the achievement of the business plan. There must be a link to tactical business planning and periodic performance management reporting. Finally, owners and boards of directors need to understand risk and their responsibility for risk management oversight.

How do you see the board of directors' involvement in planning and risk management?

An effective governance system involves both the board and management in pursuing sustainable, long-term strategies so the inevitable hiccups don't derail their plans. Many directors with whom I have spoken are concerned – and rightly so – about increasing expectations and accountability for risk management and related breakdowns.

We know strategic plans sometimes fail. How can risk management mitigate those failures?

Assuming the strategic plan was not flawed in the first place, organizations can prevent problems or minimize their impact by quickly identifying risk issues and their potential impact. We have identified certain objectives which must eventually be incorporated into an effective risk management model. A few examples include:

- Aligning expectations throughout the enterprise
- Engaging business units and process owners
- Demonstrating tangible value from good risk management
- Collaborating to consider risk interdependencies and portfolio concentrations
- Integrating risk management with business planning and performance management

How does an organization make sure they are staying on top of critical issues?

We suggest monitoring systems which are aligned and integrated (i.e., across ethics, social responsibility, risk management, and audit/compliance). When information is kept in silos, there's a greater chance that significant risks may exist and go unreported. These risks could impact interdependent business units or functions. Monitoring needs broad transparency, but at a manageable level of detail.

Thank you, Bill, for your insights and perspectives on risk management. If you would like to contact Bill or his team, please give me a call at 952.942.2922 or e-mail me at mike.felmlee@proutyproject.com.

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Bigger Goals • Bolder Strategies • Better Collaboration

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