



Strategic Planning

Execution: The DNA of a Great Strategy

by **Mike Felmlee**
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In April, we learned most companies realize only about 60% of their strategic potential because of defects and breakdowns in planning and execution. We concluded the ability to execute is really the DNA of a great strategy and, without it, nothing really matters.

This is the first of a 3-part series (or "science experiments") to explore the execution DNA of three clients who execute their strategies really well.

Science Experiment #1: The 4 Disciplines of Execution® (4DX), based on FranklinCovey's new best-selling book.

We had the privilege of working with Chris McChesney, Les Kaschner, and Elaine Schulz of FranklinCovey as they introduced and helped to implement the 4DX methodology with one of our clients. Nash Finch Company has achieved remarkable results over the past year using the 4DX process and instilling it in their corporate DNA.

4DX is a proven set of practices to achieve superb results. It represents a new way of thinking and working in today's fast-paced, competitive environment.

The 4 Disciplines are:

1. Focus on the Wildly Important:

There will always be more good ideas than you and your team has the capacity to execute. You need to go against your basic instincts as a leader, and focus on "less" so your team can achieve "more." Select a Wildly Important Goal (WIG) and make it clear that this is the goal that matters most.

2. Act on Lead Measures:

Avoid the trap of focusing on historical (lag) measures. Focus on lead measures that are both predictable of achieving your goal, and can be influenced by you and your team. Frame them as: "From X to Y by When?"

3. Keep a Compelling Scoreboard: If you narrowed the focus in Discipline 1, and determined lead measures that will keep you on course in Discipline 2, you have the elements of a winning game. The next step is to capture that game on a simple but compelling scoreboard.

4. Create a Cadence of Accountability:

If you don't hold each other accountable, the goal will disintegrate. Set up meetings on a regular basis to hold each other accountable.

We asked Alec Covington, President and CEO of Nash Finch Company, what he thought about the 4DX process and the impact it's had on his organization.

- **It's a great framework:** The 4DX process has provided a way to move our strategic agenda forward. It's also become part of the DNA of our culture. I love it when I hear our people challenging each other by asking, "What's the X to Y by When?"
- **It helps you identify future leaders:** This is a great opportunity to identify, promote, and retain future leaders for your company. It's easy to tell which ones are on board, and helps identify who's not.
- **Scoreboards don't have to be pretty:** Don't be caught up in the format of your scoreboards. What matters is that it's understood by those who need to see it every day.
- **It helps you celebrate the right things:** While the senior leaders found the tool, owned up to the fact things were not working, and found a process that would help; it's really the leaders and teams down in the organization that embraced the 4DX tool, and delivered remarkable results.

Please call or email us if you would like to learn more about *The 4 Disciplines of Execution®*.

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Raceway Park
on July 29!



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Big Brothers Big Sisters Night at Raceway Park, July 29, 6-9 p.m.

The Prouty Project Presents:

ISSUE
3
2012

Four Great Articles: We hope you are stretched and inspired as you read about Prouty Red Teams, Return on Inspiration, Execution, and our STRETCH 2012 experience in the Galapagos Islands—thank you Grayce for leading a spectacular expedition!

STRETCH Expedition 2013: Please protect your calendars, June 23-29, 2013; we'll be heading to the British Virgin Islands for a week of "high adventure" sailing. Peter Bailey will be leading this STRETCH; stay tuned for more details in our October 1, 2012 newsletter.

Big Brothers Big Sisters Night at NASCAR Raceway Park: Please join us and our very own Mike Felmlee, Chair of the Board for Big Brothers Big Sisters, **Sunday, July 29, 6-9 p.m.** as we support a great cause. A special thanks to Raceway Park for all your help and generosity in planning this special event. Your \$50 donation (check payable to Big Brothers Big Sisters) will

provide admission, as well as food and drink, for your family and one "big" and one "little."

Interested? Please e-mail jayna.wallace@proutyproject.com with names of attendees. Everyone is welcome!

The 14er: As this newsletter goes to print, 29 of us—ages 10-70 years old—are climbing to the top of a 14,300-foot peak in Colorado, Quandary Peak. Led by Erik Weißenmayer and Skyler Williams, please check out our photos at www.facebook.com/ProutyProject in the next few days. All proceeds to No Barriers USA.

Here's to a wonderful 3rd quarter. Ladies and Gentlemen, start your engines. Hope you can join us July 29.

Keep stretching,

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"C" NOTE QUOTE:

"The real act of discovery consists not in finding new lands but seeing with new eyes."

Know the quote?

If you know who said this quote, Please send an email to: briana.cain@proutyproject.com or call 952.942.2922 by **Friday, July 27** 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.

Last issue's "C" Note Quote winner is...

Jessica Kramlinger Altmann, Green Law Office, P.A., Golden Valley, MN.

Jessica knew that A.G. Lafley, the former Chairman of the Board, President, and Chief Executive Officer of Procter & Gamble, said the following:

"I spoke up. I realized that you can make a difference if you speak up and set your mind on changing things."

Congratulations Jessica! Jessica is the proud mother of a 7-month-old daughter, Violet Vivian Altmann (pictured). Jessica says, "I plan to use the gift card to purchase specialty art markers and drawing paper to create an illustrated book for Violet."



Jessica Kramlinger Altmann



Board & Team Development

The Value of Fresh Eyes

by **Grayce Belvedere Young**
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Recently, we provided two clients, Hollywood Fashion Secrets and Bepex, with a “Red Team” experience which convenes external seasoned business leaders for a few hours of dialogue, questions, insights, words of wisdom, and deep learning for all involved.



Hollywood Fashion Secrets is an 11-year-old company credited for creating an entirely new retail category called Fashion Solutions. They are the go-to experts for preventing wardrobe malfunctions for women and men. They were seeking feedback on their growth plans, and ways to increase their customer base.

Jane Dailey, Fashion Fairy Godmother, shared this: “We love the model. Some of the brightest business folks convene and focus exclusively on your business for several hours; how cool is that? The exchange was rich, the points of view diverse, and the advice was thought provoking and affirming. We left energized, focused, and much better connected. We continue to use the team’s feedback to guide everyday decisions.”

Helen Kurtz – Marketing Director, Baking, from General Mills described her experience, “It was great to be a part of such an energizing exercise. Our group immersed in the business model, then debated and drew on our unique and wide experiences to share our thoughts with Jane and Matt. One of the ‘a-ha’s’ we were able to deliver to Jane was how compelling her story was, and how she could amplify her presence in the digital world to become an even more powerful figurehead.”

Jim Stoffel – COO and CFO of Caldrea offered his perspective, “The ‘Red Team’ experience was amazing for a variety of reasons. First, it gave me a chance to step away from my daily activities, and focus on the strategic challenges of another organization. I was able to spend some Quad II (strategic thinking) time and walk away with a greater dedication to this mindset back at my organization. Second, the ‘Red Team’ was an assembly of leaders

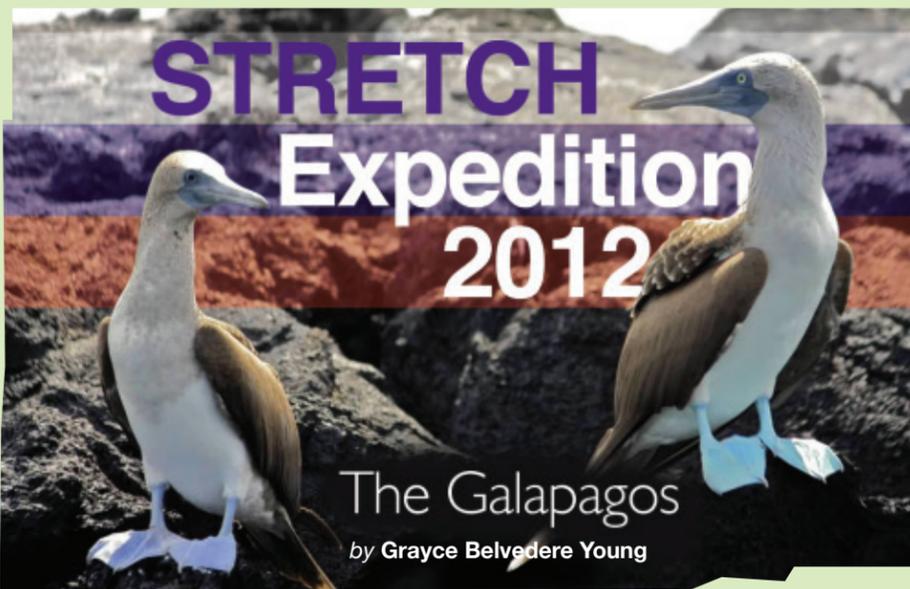
from a variety of marketing, organizational, and operational perspectives, which further enriches your insights beyond your core discipline. Lastly, it provided an opportunity to network, and interact with some great cross-functional thought leaders.”

Bepex is a leader in materials processing technology for the food and chemical industries. After purchasing the company in 2004, and achieving a stable, positive cash flow position, Bepex felt that they were at an inflection point in their organizational development. They created a strategic plan and were interested in receiving input on specific global expansion ideas and evolving some internal management structures.

Ralph Imholte, President and CEO, Bepex – “The ‘Red Team’ concept was one of the reasons that we decided to use the Prouty Project for our strategic planning process. It was clear from the opening introductions that our ‘Red Team’ was prepared and focused on giving feedback on our plan. I thought their individual insights were extremely valuable and would recommend that this concept be included in all strategic planning processes.”



Scott Jagodzinski – CEO, Media Solutions, shared his thoughts. “I had the opportunity to more deeply understand a different company and industry. With the other thought leaders and the executive team from Bepex, we were able to dig into a number of their strategic opportunities and operational challenges. The interesting note for me was that I heard a number of comments that apply to opportunities for my own business.”



“What type of impact do you think you’ll really be able to make during your week of service?” asked the senior official at the U.S. Embassy in Quito, Ecuador on the day the Prouty 2012 Galapagos STRETCH team members met with them to learn about U.S. aid in Ecuador. It took all of us a bit back and we answered respectfully and thoughtfully. We are not here to save the world; we are not that naïve. We are here to make our small contribution in collaboration with the volunteers before us and the volunteers after us.

In April, 20 adventure-seekers joined Prouty’s first environmental service trip to the Galapagos Islands. Located 600 miles west of Ecuador in the Pacific Ocean, the Galapagos Islands are famous for their unique marine and bird life – the giant tortoises, marine and land iguanas, blue-footed boobies, penguins on the equator, the endemic finch species, and much more. Charles Darwin collected species and observed the landscape, which led to the scientific theory of environmental adaptation/survival of the fittest, over millions of years of evolution. Darwin visited the islands in 1835 where he spent about five weeks collecting plants, animals, and birds to study.

Our trip was entirely different. We were there to help restore the environment from the unwitting havoc humans have brought to the islands. Early settlers to the islands brought non-native animals (goats, cats, cows) and non-native plants (wild blackberry). Without the delicate balance of natural predators the introduced plants, birds, insects, and animals have become incredibly problematic to the native plants and wildlife. Think Milfoil in our Minnesota lakes or Kudzu in the southeastern U.S.

Our assignment, in partnership with an Ecuadorian NGO, Jatun Sacha, and UBELONG from

Washington D.C., was to plant native plants in a reserve, prepare coffee plants for planting, machete-chopping to remove invasive plants/weeds, and deepen our understanding of how the big and small decisions we each make impacts our communities locally, nationally, and internationally. With full protection from mosquitos and the intense sun on the equator, we armed ourselves every morning for a full day of weight-reducing, arm-strengthening work (an added bonus).

Most of the work shifts were challenging, sweaty, and dirty, yet the camaraderie, good humor, and philosophical discussions among the STRETCH team members defied the intensity of the experience. We are still hard pressed to decide if the machete-chopping or the hoeing to the bare soil was more challenging. The plant nursery was a welcome respite.

Incredulous is the look we typically receive from others when we describe our experience. And our response is – it was an incredible experience! I learned about keeping good humor in the face of sunburn and dripping sweat. I remembered to encourage the others on my machete-chopping crew. I learned when to call it a day when we were clearly tired and accident risks rise. And I saw first-hand what a group of committed people can do to make a modest impact as part of a larger, concerted effort of change.



Organization Development

The Nature of Leadership and ROI (Return on Inspiration)

by **Peter Bailey**
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For the past 25 years, we have incorporated experiential activities and interaction with nature into the strategic planning, leadership team, and board development work we do. Whether it is through ropes courses, search and rescue simulations, equine-assisted facilitation or our annual STRETCH Expedition, we have long felt that interaction with the natural world provides a fundamental laboratory for learning corporate leadership.

This past year we helped Oak Ridge Conference Center construct a gorgeous walking labyrinth on a hilltop meadow, and we frequently use it with our corporate clients.

“The more high-tech we become, the more nature we need.” – Richard Louv, the author of “The Nature Principle”

We are natural creatures. The more we divorce ourselves from our natural world, the less in touch we become with our true natures as intuitive, associating beings. If we lose our ability to intuit and to associate, then we are limiting our ability to make good decisions. If we do not make good decisions, then we are not serving our families, companies, and communities well. It is curious and significant that during the 2004 tsunami, the Andaman Islanders in the very epicenter of the undersea earthquake were the only people to survive the tidal waves, due to their “knowing” and reading of the signs in nature. I believe we can still develop the skills to learn important lessons like these from the natural world, and from those who live closer to it.

I like to call what we do “Purposeful Adventure,” which gives our participants the chance to get outside, and problem solve. Whether they are problem solving on boats on Lake Minnetonka, searching for natural clues in the woods, or communicating with horses in an open pasture, we immerse our clients into deeper direct contact with the natural world.

While many of our pioneering ancestors had the ability to fix their wagons, water

pumps, and fences with whatever materials they had on hand, we have lost our pioneering spirit, and seem to prefer to buy something new than fix something old. I see a significant generational shift from people who have spent a good deal of time outside to younger generations, whom, Richard Louv declares, may lose touch with the natural world.

Every year we create new experiences for leadership development programs such as working with horses, connecting with people on the margins of society, or solving problems in challenging natural environments. We invite people just like you to join us on our annual STRETCH

Expeditions where we deliver compelling service, or take on a physical challenge somewhere in the natural world.

Too often, we find that the last vestiges of the Industrial Revolution keep us shackled to business concepts like “ROI” or “return on investment.” This narrow draconian



measurement for cost/benefit analysis misses much of what can be gained through experiential learning. However, I am hopeful that more people will see “ROI” as an acronym for a more important investment: **“Return on Inspiration”** and will seek to incorporate more learning in the natural environment as a means to re-inspire, re-invigorate, and re-vitalize our work force.