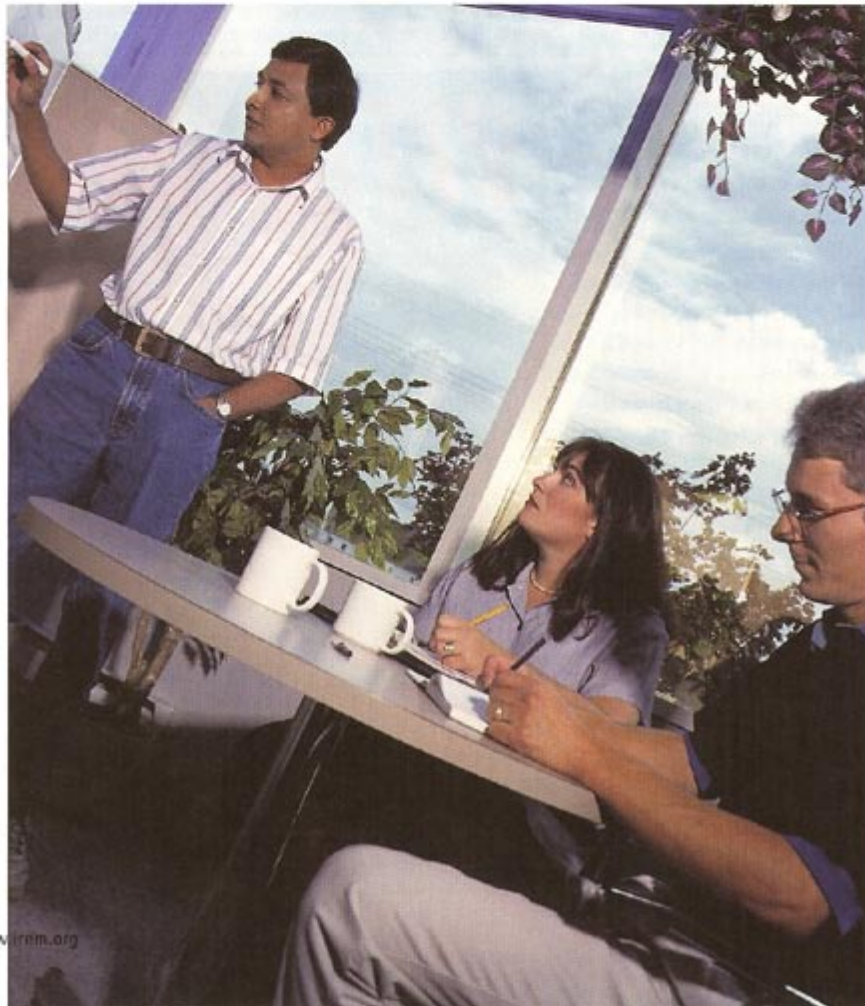


feature

Plan for **RESULTS**

A case study in strategic planning illustrates a model to mobilize the entire organization for success

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ost of us want a sound corporate strategy, clarified values and vision—all the management gurus tell us it's important, right? Fundamentally, it is adding value for clients that pays the bills, allows us to take that trip to Sun Valley and grows the firm. That seems to happen much more consistently when everyone on our team is headed in the same direction. The following is a strategic planning process we designed to get and keep the entire firm moving in the right direction. We blended a pragmatic process out of our respective experiences, readings and conversations with organizational development professionals. The results have been terrific and as we go through it again this year, it seemed a good time to review and share the process.

Our objective was to convey the vision for the future of our company and proactively lead a dynamic and diverse group of people. As a firm grows it becomes more challenging to ensure people are acting out of a common vision and direction. Growth tends to mandate more time will be spent on "tasks." Making time to look forward and create a path for growth can be difficult—yet it becomes increasingly important as the span from president to groundskeeper widens. The process must produce measurable results to be meaningful, not just a "feel good" exercise.

We designed a four-part process and engaged everyone in the firm by "tiering" the participation of each person at an appropriate point.

round ONE

Starting at a "big picture" level with a core group of senior staff (about eight), we established *what* we wanted to accomplish within the next 24 months. This group was handpicked to encompass senior people and "broad thinkers," being careful to include smart individuals who might add contrarian views. This was an effort to avoid a "preaching to the choir" discussion. This "30,000-ft." group worked to clarify underlying values, themes and top-level, measurable goals.

We were pleasantly reassured the values were very aligned at this level. Organically, the fundamentals had rooted well with the senior team through close working relationships, operating together on a day-to-day basis over several years. Exploring concepts like "yes and how"

versus "no and why," and developing "what if" scenarios were validated as time well spent if they added value. From this first meeting, we distilled a list of values to be instilled and embraced company-wide.

The core group brainstormed future goals and areas on which we wanted to focus, and identified themes to capture similar sub-ideas. One of our big challenges was to keep thinking at a high-altitude or "big picture" level. As property managers, we're often successful by paying attention to detail, not to the "what ifs" or long-term strategies. With valuable guidance from an organizational consultant, we were able to draw out people's big picture ideas for the firm, their teams and our clients. We narrowed these to a list of a few high-level, broad goals that would create the most positive change for our company and our clients: education and training; internal and external communications; measurement and accountability. For goals to be meaningful we wanted them both measurable and achievable.

round TWO

In "Round Two," we brought the "30,000-ft." level summaries of values, goals and themes to the next group of people—our "implementers." This group was still less than 15 people. We expected participants to fill in detail and leave their "fingerprints" on the foundation of the core values and goals established in Round One. Participants included our next level of managers—those responsible for the day-to-day implementation of our training programs, management and accounting systems and a few handpicked "go-to" people. They brainstormed ideas of *how* the goals could best be accomplished and what systems needed to be improved or implemented to be successful company-wide.

One critical element that Round Two included was accountability. Measurable targets were crafted. Specifics of educational goals, measurable communication elements and a global goal of net operating income (NOI) increases for each building across the portfolio were defined. In addition, NOI goals for our firm were established. This approach elicited both ownership and accountability. It required participation and involvement

and clearly defined how the group was an integral part of the plan. It also required that they develop the benchmarks by which they would be measured and held accountable.

An important result of this exercise was identifying some imbalances that existed between responsibility and authority. We discovered we were often holding people accountable for areas or numbers they had limited authority to address. We used a simple formula: Accountability = Responsibility + Authority. This generated a lot of discussion that was very productive and enlightening. Clarifying inconsistencies allowed us to establish where we needed to make adjustments to encourage real buy-in from the on-site people. They were excited about having more latitude to make decisions and take action, ultimately empowering them and making them more accountable.

round **THREE**

Round Three was about *who* we needed to engage and *why* they were the keys to our success. It involved a larger group that included all of our team managers, both on- and off-site, and the participants from Rounds One and Two. Round Three was very interactive, soliciting input, synthesizing and wordsmithing to get documented agreement as to *who* was going to do *what*, and *how* it was to be done. We firmed up reasonable benchmarks by which we could measure progress, success and completion. Intermediate milestones were identified to ensure longer running projects or continuous processes would have points at which the teams could celebrate or acknowledge problems and make adjustments if necessary. We emphasized clarification of *who*, *what*, *when*, *how* and *why*—a clear road map for delivering results.

round **FOUR**

In the final round, we were taking the work that had been done and sharing it with the rest of the organization. Everyone was included. We held small team meetings led by the team managers with at least one of the participants from Round One present at each meeting. A review of the process and outcomes was presented, and participants were expected to give feedback about how they would

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reflect the vision and help in meeting the goals. It was especially important for those too-often marginalized people—janitors, landscapers, maintenance workers, leasing agents—to understand their importance in the success of the properties and, thereby, the company overall. Each of the values and goals, from the top level down, were tied into how their work and interaction with tenants impacts the bottom line. They were acknowledged for their influence on current and prospective residents through both the quality of their work and, often more importantly, their personal politeness and responsiveness.

measures of **SUCCESS**

The financial goals were the easiest to monitor. Variance reports are clear reminders of where we are versus where we agreed we'd be during budget meetings with owners. Other goals around levels of service, market surveys of our properties' appeal and satisfaction with our communications (both internal and external) are all works in progress. In many cases, simply the fact we've declared something a priority has positively shifted actions—an extra call to the owner or asset manager here and there, a bit more detailed follow-up via e-mail. This is hard to measure directly, but when the clients are asked, they comment positively.

The time involved has been significant. Were the results? Feedback from our clients has been very positive. Our assessment is that it was well worth the investment and we will do it again this year, having learned from what worked and what didn't. Leading proactively and making the success of our clients and future of our firm an active conversation has moved many "good ideas" from talk to action. This has made the organization even more robust and created greater consistency of purpose and direction across the organization. □

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