

## From Concept to Reality: Operationalizing Your Value Proposition

Fundamentally, your value proposition is a promise made to customers and the marketplace. (see *“The Value Proposition: A Look Into the Heart and Soul of Your Business,”* April 2008).

Once you have honed a value proposition that is both clear and compelling, your job as a leader is to do everything possible to constellate and organize resources in such a way that your business operations can ensure *delivery* on the promise that has been made!

It’s important to remember that so long as your value proposition remains a bold declaration that is only carried in the minds of certain functions (e.g., the executive team, marketing department, sales groups ...), it remains little more than a thought, an idea. To take on substance and impact – to become a *reality* – it has to live in the very muscle and fiber of your organization, the everyday places where people connect, engage, and get things done.

This is what we mean by “operationalizing” your value proposition – ensuring that it becomes the key *organizing principle* for how you think about, talk about, plan, and implement your business operations.

Most of you have organizations that probably do this pretty well; after all, the assessment of what you already can and do deliver should have informed the process of defining your value proposition.

The trick is to make your operations as fully rational, focused, and empowering as possible *in service* to that value proposition, thereby creating expansive potential and a distinct, unassailable competitive advantage.

### First Things First: Commitment to Change

*“Example is not the main thing in influencing others, it’s the only thing.” (Albert Schweitzer, German physician and philosopher)*

More than an intention or even an “initiative,” you must find ways to ensure the value proposition resonates with people in every function and at every level of your business. Communication and engagement strategies are important; but at the core of the effort must be leadership’s consistent, visible, and unmistakably *personal* commitment to:

- Engaging the necessary support and contribution of everyone in the organization.
- Acknowledging and working through the very real implications associated with a declarative value proposition, and ...
- Making the value proposition a consistent priority – using it as a lens through which every choice and action can be critically evaluated at all levels of the organization ... starting with your own.

Your personal commitment is critical to success. Without it, any messages about the value proposition can easily be regarded as “just more corporate noise” – a distraction to getting done “the real work” of each function. More likely than not, people will offer their nodding compliance, while actually waiting for it to fade away, and hoping it will create as little nuisance as possible in its passing ...

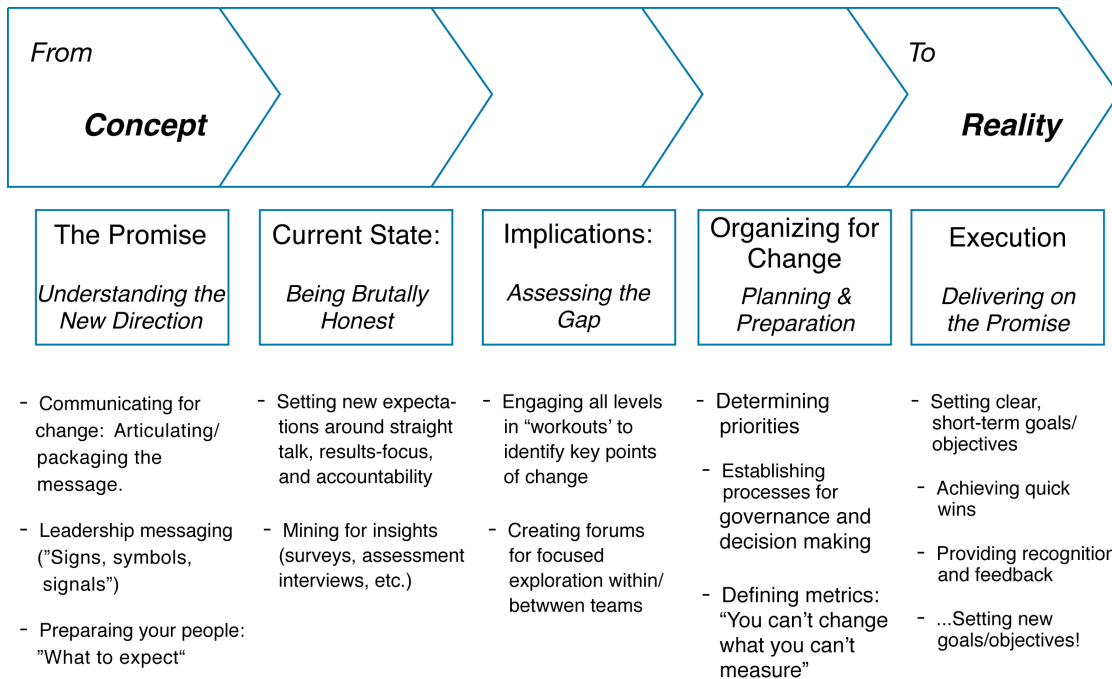
Not exactly the recipe for change!

Rather than presenting the value proposition as some new idea – declare for it as an articulation of the very heart, the very core of your business and its existing relationships with your people, clients, owners, and communities. A kind of “North Star” by which the organization will be led and managed forward. Speak of it in a way that engages people’s individual sense of purpose and meaning, aspiration and commitment.

A clear articulation of the value proposition and authentic personal commitment to it are the necessary prerequisites for meaningful change management. Once these are in place, you can begin to engage the process of translating the concepts into reality.

**Process Overview**

Below is a simple graphical overview of the change management process, highlighting key steps along the way. We will take a closer look at each step in turn.



*Model 1: Change Management Map*

## STAGE 1 – The Promise: Understanding the New Direction

*“People don’t resist change. They resist being changed!” (Peter Senge, author, expert in organizational learning)*

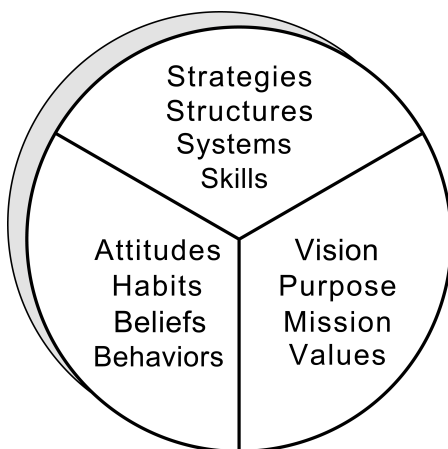
Perhaps the biggest mistake you can make at this stage is to reduce the announcement of the value proposition to an organization-wide memo, expecting that your people will naturally line up in support and commitment. At best, this will result in compliance (rather than true commitment and alignment); at worst, it effectively disenfranchises the very people whose contributions you will need to ensure its delivery.

When people hear the words *our value proposition*, they shouldn’t sigh, roll their eyes, or flinch in anticipation of the additional paperwork involved ... They should feel a sense of personal resonance, excitement, and pride – it should tie directly into their sense of purpose and possibility in the workplace.

You must consciously frame the message in terms of organizational tradition, market opportunity, and personal conviction. You need to answer, right out of the box, the three questions people will predictably ask (whether they express them out loud or not!) **Why change?** (The compelling *business case* that drove the new articulation of this value proposition). **What change?** (The *definition* of what is and what is not put “into play” with this value proposition.) **Is it real?** (The level of *commitment* – with meaningful standards and expectations – behind the declaration).

Be very mindful of how you communicate about the value proposition *from the outset*. In your words and your actions. In the various “signs, signals, and symbols” generated both intentionally and unintentionally from “the top of the house.” And at each point of transfer, as the message cascades from level to level, location to location, person to person throughout the organization.

Furthermore, it is important that you acknowledge – and prepare people for – the reality that the value proposition has implications for every aspect of your business. You will need to step back, and take a *holistic view* of the organization as a complete, interdependent system, as shown below.



Model 2: A Holistic View

Various companies at various times tend to focus on one or two “slices” of this pie. Let your people know your commitment to using the value proposition as a lens through which the organization will begin to systematically check and align all aspects of the business to assure powerful clarity and congruence.

Prepare them for the reality that, in the days, weeks, and months ahead, one question will be asked again and again in a variety of forums and formats throughout the organization:

*“What changes, if any, does delivery of our value proposition require in terms of our \_\_\_\_\_?”*

Think of this as something of an internal “product launch” – and consider that the messaging and engagement strategies should be just as thoughtfully packaged, prepared, and managed. Never assume that what you “think you are saying” is being heard as you intended – check in with people to clarify and confirm their understanding early and often.

People at **all** levels – from those who strategically plan ... to those who manage resources ... to those who interface with customers ... to those who “do the work of the work” – have valuable perspectives and insights that are necessary to the intelligent planning and implementation of change. So work to provide multiple forums (“launch” events, town halls, web chats, brown-bag lunch meetings, staff gatherings, etc.) for people to react to the message and ask clarifying questions.

It is important that you allow people establish for themselves their understanding of the rational underpinnings of the “*Why?*” and “*What?*” questions concerning upcoming changes ... as well as testing (through the demeanor, energy, presence, and responsiveness of their leaders) whether it is “*real.*”

At this stage, it is the leader’s role to:

- Convey clear, compelling, and consistent messages about the value proposition
- Demonstrate your personal commitment to all that it signifies and implies about “how work gets done around here” – at *all* levels of the organization
- Share your view of the “map forward,” acknowledging the complexity and challenges that are involved
- Ensure people have adequate opportunities to really clarify and deepen their understanding of what is being proposed
- Prepare people for the roles they will be asked to play in the vital work that needs to be done – both in *planning* and *implementing* changes
- Begin to invite and engage the entire organization’s full participation going forward

## **STAGE 2 – Current State: Being Brutally Honest**

*“He who dares not offend cannot be honest.” (Thomas Paine, American colonist, patriot, and revolutionary)*

The quality of the information available to you in **any** process directly impacts the quality of the outcomes you can achieve.

So the more eyes and minds that you have trained on this process, the better for your planning, execution, and monitoring of progress and success. And the more rigor, candor, and straight-talk you can muster, the better your chances of having timely, accurate, and relevant insights to work with at every step along the way.

You may find there are cultural habits or routines that get in the way of true inclusion, participation and straight-talk. As leader, you need to acknowledge these implicit patterns, and explicitly challenge the assumptions people may have about the safety or appropriateness of their full-on involvement.

Set for yourself and others a new, higher standard of responsibility for owning and speaking the truth in all things relevant to the business and its operations. Make it not only safe to speak up, but **expected** – part of any job’s responsibilities. And support people in learning to “de-personalize” objective assessments and critiques. Do whatever you can to help them to identify more with the aspirations and outcomes of the future than with any old allegiances or vested interests in the past.

Chances are, this will require you and your managers to lead differently. Take the time – do the work – to prepare and transform yourself and your executive team **before** attempting to impose any such expectations on others. In this way, you can each become, in every interaction, both a model and a catalyst for wider change.

The impact of incorporating the perspectives of people throughout your organization can not be over-emphasized.

It’s a good idea to start with structured interviews, surveys, or other forms of assessment to gauge the current state of the business. This provides an immediate signal to people that their perspectives and experiences are important and valued. It allows you to gather a lot of information very quickly, which can then be used to help sort and sift for key themes, distinctions, and priorities going forward.

While you should tailor your assessments according to the relevant functions and activities of each audience (whether an executive team, extended leadership group, functional departments, project team members, etc.), you should consistently check each protocol (the set of assessment questions) against the “holistic view” of Model 1 (Page 3) to be sure you cover all the bases in creating a comprehensive overview of your starting point. Ask “the real questions” that people aren’t usually invited to consider: *What’s working, what isn’t, why isn’t it? Where do you see disconnects between goals and roles, between expectations and accountabilities?*

The findings of such assessments should be synthesized in order to discern key themes and distinctions, and reported not only to leadership, but to all those who participated in the process and (as appropriate) anyone else who expresses a real interest in them. The more that your people share a common view of the current state, the easier it will be for them to be on the same page and coordinate from a place of unity and alignment.

You may find it useful, at this stage, to seek an “outsider’s perspective” in helping to design and implement an appropriately focused assessment process – one that will productively inform your approach to the remaining steps in the process. This might be someone from your Human Resources function, or it might be a consultant. In any case, you should coordinate with them closely – don’t just pass it off as an unimportant task! This information, used intelligently, will serve to help guide, shape, and enable strategic progress over time. It’s worth the investment of your leadership time and attention.

It’s important not to rush into planning without a full and accurate picture of your current state. While many leaders are accustomed to acting quickly, there is real value in taking the time – and making the investment – necessary to really educate yourself on what, exactly, you are dealing with here. As Derek Bok (professor, John F. Kennedy School of Government) once observed: “If you think education is expensive, try ignorance.”

At this stage, it is the leader’s role to:

- Set (and model) high expectations around rigor, candor and truth-telling
- Help people separate “business” from “personal” critiques; provide support, training and tools in effective feedback and coaching
- Initiate structured inquiry into the realities of the current state of the business (surveys, assessments, etc.)
- Encourage and engage people in an ongoing dialogue concerning the business: “*What is so ... So what ... Now what?*”
- Use information from inquiries and dialogues to shape and inform plans for further progress in the change management process (e.g., assure appropriate focus on specific implications)
- Demonstrate personal involvement in the assessment process as an important element of strategic change
- Continue to shape expectations and invite/engage the entire organization’s full participation going forward

### **STAGE 3 – Implications: Assessing the Gap**

*“The art of progress is to preserve order amid change and to preserve change amid order.” (Alfred North Whitehead, English mathematician and philosopher)*

Interviews, surveys, and questionnaires allow you to gather a lot of information quickly, and begin to discern key themes, issues, and opportunities concerning what changes may be necessary to translate the value proposition from promise to reality. But their focus remains at a fairly high, conceptual level, and people’s involvement is still intellectual rather than whole-hearted.

The best way to drop into the “nitty-gritty” of implications, with the full engagement of people’s heart and spirit, is to give groups of people the chance – and the *mandate* – to work together to define (from their unique perspective) some of the key points of change for the organization and their own group (function, department, location, team, etc.)

Such opportunities to directly engage with the issues will build shared understanding of the “gaps” (both strategic and tactical) between the current state and the promise of the value proposition. This not only helps to inform leadership decisions ... the process transforms people from spectators into players, instilling in them a level of ownership and commitment that can only arise from direct participation.

When you provide meaningful forums and opportunities for teams of people to gather and participate directly in a focused exploration of the “real world” implications of the value proposition, they naturally take on new levels of ownership and accountability. They are no longer just *talking* about change in the workplace – they are actively engaged in the process of experiencing and *amplifying* that change.

Ideally, the results of your assessments can be used to inform the design of high-impact working sessions. These should be structured to allow people to really dive into the challenges and opportunities that have been surfaced, and (in the process) begin to create for themselves a vested interest in first defining the key requisites of change ... and then championing meaningful and sustainable progress toward achieving that change.

The sessions should result in:

- A set of clearly defined opportunities to effect meaningful change
- Initial action plans that will ensure measurable progress against those opportunities and provide early guidance concerning contingencies and follow-up

Again, you should consider working with HR or other professionals who have experience in designing experiential working sessions to ensure outcomes that provide real traction and sustainable momentum for change. The investment in time, energy, and resource will be paid back many times over if done properly ... or can easily create confusion, frustration, and skepticism if handled poorly. Again, it is important to approach this step as a strategic priority in your long-term plan and process for change management, and apply your intentions and influence accordingly.

At this stage, it is the leader's role to:

- Demonstrate conviction in the priority and impact of people's contributions to identifying gaps and key points of change
- Assure the adequate investment of organizational energy and resource in engaging the perspectives and insights of individual and team contributors throughout the business
- Oversee the planning and delivery of meaningful work-out sessions designed to provide "real world" definition of the implications (challenges **and** opportunities) of change
- Ensure that session outcomes are appropriately communicated, and that leaders/teams are accountable for any agreements or commitments they have made
- Ensure that session outcomes are appropriately used to guide and inform the next step of the change management process.
- Continue to shape expectations and invite/engage the entire organization's full participation going forward

#### **STAGE 4 – Organizing for Change: Planning and Preparations**

*"The time managers used to spend on detailed planning and analysis needs to be used to look at structures and processes to facilitate relationships." (Margaret J. Wheatley, author and expert on organizational behavior)*

One of Peter Senge's (*The Fifth Discipline: The Art and Practice of the Learning Organization*) counter-intuitive "laws" for organizational performance states: "Go slow to go fast." The good news? By investing the necessary time, resource, and attention in the first four stages of the change management process, you have prepared yourself (and your organization) to now move quickly yet intelligently forward!

You should now have at your disposal an abundance of:

- Understanding, perspective, and insight concerning both the promise and the challenge of the new value proposition
- Collective ownership in the organizational mandate for "value-focused" change
- People's willingness to invest their best energies and efforts in creating positive change – for themselves, the business, and its customers

When you combine these resources with the personal commitment of you and your own executive team, you have what it takes to identify and establish project teams, and really set them up for success.

At this stage, it is the leader's role to:

- Determine priorities – Step back and, from your strategic perspective, synthesis and sort the outcomes of the first four stages to determine where it now makes sense to invest organizational resources.
- Assign teams/leaders – Align appropriate leadership and membership to projects at the top of your list of priorities, making explicit people's roles, authority, and accountability for creating results.

## STAGE 5 – Execution: Delivering on the Promise

*“Never confuse motion with action.” (Benjamin Franklin, American scholar, diplomat, inventor)*

If you have brought rigor and focus to the change management process, step by step, then execution is virtually a natural by-product of the process! Rather than having to worry whether people are doing the right things, or that things are being done by the right people, you (and everyone involved) will **know**.

As a leader, it is important to leverage the high levels of energy that are generated when people personally engage in a meaningful business challenge. The best way to do this? “Make the invisible visible,” by consciously being **explicit** about:

- 1) The value of people's individual and collective efforts,
- 2) The critical nature of their ongoing engagement and contribution, and
- 3) Your promises, as a leader, in support of success: *“What you can count on from me.”*

Make it a point to achieve – and publicly celebrate – clear, short-term goals/objectives – whatever quick wins are consistent with the priorities and mandates established in the last stage (Stage 4).

Even if you encounter unexpected complications or feedback, you have established the conditions and behavioral expectations by which any necessary adjustments can be made quickly, rationally, and with a high degree of alignment.

- Organizational priorities, accountabilities, and expectations are all clearly understood ...
- The details of implementation can be left to the collective genius of the people who have been empowered to deliver on their mandate ...
- Executive leaders can step away from the minutia and monitor progress against emerging strategic opportunities as well as pre-defined goals ...
- And everything is played out within the framework of the value proposition.

Ultimately, such aligned action isn't something you "do" or make happen. It simply emerges from the intelligent management of the processes of communication and engagement leading up to it! Your most important job at this stage is to maintain an environment that clearly supports the alignment you have worked so hard to promote. This means not resting on your laurels or growing comfortable with your assumptions, but keeping the organization's eyes and minds trained on all that it takes to deliver on the value proposition over time.

You can readily tell if an organization is fully aligned to its value proposition. Leaders are less "bosses" and more stewards of that proposition. They act (and **are**) answerable for such stewardship not only to their owners and boards, but to their customers and employees. And the competition is scrambling to duplicate for themselves that which you and your people have created ...

Your commitment as a leader remains important, and is demonstrated over time by your consistent and unwavering focus. People will continue to watch for evidence that "words and actions" remain aligned ... until such time as the value proposition is so deeply engrained that leaders are simply *expected* to live that alignment.

At this stage, it is the leader's role to:

- Continuously assess the degree of organizational alignment, intervening as necessary.
- Encourage progress while holding people accountable.
- Be a dependably consistent and visible witness, champion, and celebrator of people's contributions.
- "Keep your eyes on the horizon" – leveraging your strategic perspective to anticipate and plan for new opportunities, contingencies, and stretch goals in service to the value proposition.

## Leading Forward: Advocating for Change

*"Living with change need not imply insecurity but, rather, developing new forms of security." (Rosabeth Moss Kantor, professor, Harvard Business School)*

Three important points to keep in mind about change management:

- The more involvement you can create early on, the greater the chances of a properly informed, grounded, and coordinated implementation. **And** the greater the chances of sustaining people's engagement – at all levels – over time.
- The complexity of change management is **not** resolved not by trying to (over-)simplify it ... but by learning to discern the key principles and leverage points involved. Stick to the basics, keep it simple, and manage the process (whether using the model described here or some alternative map) step by step.

- Do whatever you can to help people develop and *maintain* their own sense of having a personal stake in the value proposition. This will be critical in order for you to count on their best efforts, hardest work, and commitment to overcoming obstacles. And there *will* be obstacles!
- The work of operationalizing your value proposition is never complete. There are always changes in the landscapes of your markets, competition, technologies, and product/service offerings – not to mention in the tenure and demographics of your workforce.

Over time, your leadership challenge goes well beyond mobilizing for change in response to a specific impetus (such as a new value proposition). It extends into the realm of being a life-long advocate for organizational nimbleness, in response to the real demands of a fluid and volatile business environment.

Actually, change that is strategically managed and led is a stabilizing – **not** a destabilizing – influence on your organizational system. Set within a clear strategic framework (of which the value proposition is one major component), an organization’s choices and actions should always reflect the clear organizing principles at the core of the business.



In their ground-breaking book, Built to Last: The Habits of Visionary Companies, authors James Collins and Jerry Porras made a compelling case for the power of the *yin-yang* model shown at the left. Their argument (borne out by extensive research), is that those companies most successful over time are able to see beyond the typical habits of “either/or” thinking (e.g., *Either we change ... or we remain the same...*) in order to apply the “genius of yes and also” (e.g., *We will change in some aspects ... and remain the same in others.*)

This means that the effective leader must learn to manage the organization in two distinct ways: one focused on maintaining *stability* in the core purpose, principles, and values of the business ... and another focused on promoting *dynamism* in its tactical interactions with its key markets, customers, competitors, and technologies.

When all is said and done, a well-defined value proposition is a **valuable resource** to your organization over time. It lends stability and provides a strategic framework for quickly making (and acting upon) intelligent choices and decisions, regardless of changing circumstances.

From this point forward, it is the leader’s role to:

- Make sure this valuable resource is applied with true alignment, perseverance and passion.