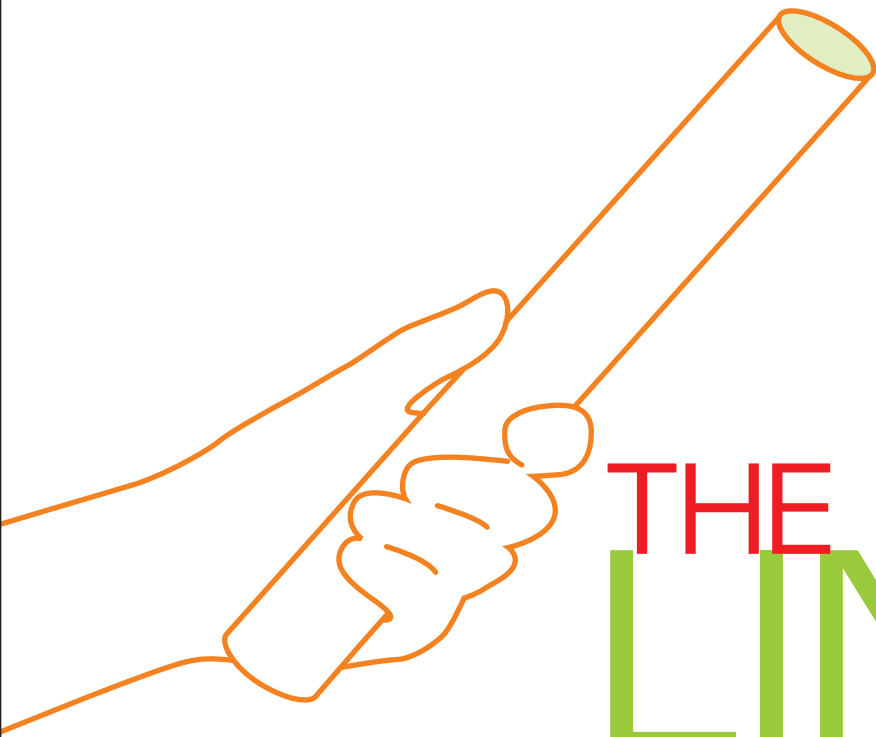


THE MISSING LINK



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The Idea - Action Gap

Take a mid-sized SME (Small/medium enterprise), with offices around the Asian region. The company is in a bad way, and change is imperative. Senior officers of the company have spent many months discussing a new strategy for the organization.

Now the strategy is decided, and the company direction is clear. To survive the company must act on the strategy. To stay the same spells death - not immediate, maybe, but inexorable.

Yet, despite the best of intentions, there is no action. It's business as usual. The same daily routine. Crises and fire fighting. Time spent doing the same old things, even though the strategy calls for new actions that must take place if it is to be rolled out successfully.

It's like the driver of a car that is out of control, heading towards a tree on the side of the road. The driver knows that he has to change direction, but somehow just can't draw his eyes away from the tree. Because, that's all

it requires to pull away from the inevitable crash. And still the change never comes.

The above company scenario is not uncommon. We have seen similar situations played out time and time again in the course of our work in Asia. And the same thing is repeated in companies and organizations around the world. Company after company with a great business idea or a great strategy, but no action. For some reason, there is a disconnect between what organizations know they should do, and what they actually do. A disconnect between ideas and action.

So, what causes this malaise that afflicts almost every organization in the world? A major reason is precedent - doing things the way they have always been done, just because "that's how it has always been done around here". A statement with no inherent logical validity, but one that is highly effective in blocking change because it signals the presence of a sacred cow. Most people,



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leaders included, tend to be very cautious when dealing with sacred cows and precedents.

The power of precedent comes from the fact that humans don't like to think about things very much, preferring to rely on old patterns.

After-all, it would be very irritating to have to reinvent the wheel every day for everything that we do.

Vested interest is the other reason. Within any organization, there are certain individuals who benefit personally from the status quo, and who will find ways to block change if that change is likely to affect their privileged position. It's just human nature.

There are other reasons for this idea-action gap. For instance, many in leadership positions have the (unspoken) belief that, just because they have said something should happen, it will. Anyone with experience in leadership and management knows that this is not the case.

This situation comes about for many reasons, not least of which is the fact that organizations tend to reward fancy talk (which happens relatively quickly) rather than effective action (which takes time to unfold). Also, many organizations try to develop complex and fancy strategies to beat their competition, forgetting that the key to success is not to be found in abstract beauty, but rather in effective action. Effective action requires

simplicity, not complexity.

There are other factors operating as well. Often, fear in an organization prevents individuals from acting in a way that supports the organization as a whole. Or the fear (both real and imagined) prevents authentic communication. In this case, strategies that have been decided upon are actually inappropriate because they have been

developed based on inaccurate information. In such a situation no-one really feels comfortable acting on the strategy that has been decided, because deep down

they know it is wrong.

So, how can good ideas be turned into action in an organization? Remember that the issue is not about how to come up with a direction or a strategy, but how to ensure that a strategy gets implemented.

It depends to some extent on the actual situation that is present in a company. If there is a high level of fear, this must be reduced. In such a situation, it is the role of leadership to create a safe environment where authentic communication is possible.

There needs to be clear communication of objectives, measurement of how well the company is progressing towards those objectives, and follow-up actions with timelines. Communication should not just be one way, however. Feedback

“So, how can good ideas be turned into action in an organization?”



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mechanisms must be put in place to ensure that people in the organization understand what is required of them. Participative decision processes can contribute to action taking place, as long as appropriate mechanisms are put in place to ensure follow up.

Where people don't have the necessary knowledge or skills training should be provided, and people should be supported in making personal changes.

If there is active or passive sabotage of a company's new direction strict action needs to be taken. In these cases bridges need to be burned, and critical changes forced through. Once a critical strategic change has been identified, action to meet the strategy can be encouraged by establishing barriers to prevent people falling back into old patterns.

The biggest key, of course, is consistency. Essentially, leadership must stick with a direction long enough to generate results. This can really only happen when there is a deep understanding of the system dynamics operating in an organization.

Too many companies fail to act simply because the natural delays in the business system lead to a change in strategy just before results are generated. Often, when results don't appear in 3 to 6 months companies believe they must totally change their strategy. Unfortunately, more often than not this tends to create confusion and additional work without generating useful results. It is a bit like turning up the hot water in a shower a second before the temperature changes as a consequence of the first twist on the tap many seconds before. In both cases, people tend to get burned.

As with any problem that is deeply rooted, of course, the first step is simply to recognize that there is a problem leading to a gap between the ideas that are generated in an organization, and the implementation of those ideas. Once the problem is recognized, you keep thinking about it until such time as it gets seriously addressed. ●

