

Interview: Brent Peterson

Initial Steps

Interviewer: I'd like to welcome, Brent Peterson, co-founder and owner of The Work Itself Group and co-author of the book *Fake Work*. Thank you for accepting our invitation for this interview Brent.

B. Peterson: Well, thank you for inviting me, I really enjoy talking about strategy and particularly how people in organizations relate to the strategy.

Interviewer: Great, well we appreciate your professional perspective, specifically regarding the preparing for and undertaking of a strategic audit to improve a company's performance. One of the first questions that come to mind is:

When an organization is preparing to undertake a strategic audit to enhance the company's performance, what do you recommend as the initial steps?

B. Peterson: **I usually recommend that they do a review of current status of strategy and performance.** That is, what is the organization currently trying to achieve? Most organizations I work with have a strategic plan in place before I ever meet with them. In the plan, they attempt to state how to achieve enhanced performance. To begin without understanding where the organization is, is a mistake many consultants make. It is crucial to understand current strategy with its associated strategic goals.

What I generally find is one of the following:

- The organization has an acceptable strategy and is performing very well.
- The organization has an acceptable strategy but is not performing well in spite of the strategy.
- The organization does not have an acceptable strategy and is performing well anyway.
- The organization does not have an acceptable strategy and is not performing well.

Understanding how the organization is performing in relation to its strategy is where I begin. All four of these general findings lead to a need for higher performance levels. Even the organization that is performing well with a super strategy can always get better.

Generally, about sixty percent of the organizations I work with have a good strategy but only about twenty percent of all organizations are performing their best and achieving their strategic goals.

This leads to a big problem.

My experience leads me to believe that developing a great strategy is not the big problem. The big problem is aligning each employee in the organization to understand the strategy and make it part of their daily work. If this does not occur, the strategy does not work and the organization does not effectively execute.

I use the following steps to complete the current status review:

- Review all the strategy documents in the organization.
- Interview the entire executive team.

- And I randomly have many employees throughout the organization complete my *organizational strategy audit* (which is called *the fake work audit*). All work being done in an organization that is not strategically related, we call “fake work.”

After the current strategy and performance review is complete, I generally go through the steps outlined in your course to help develop the strategic plan.

Approach

Interviewer: And how have you approached this in your current or prior organizations?

B. Peterson: Following are two examples of how I approach this:

The first example is a **large international high tech company** based in Texas.

This company had paid millions of dollars to develop an excellent strategic plan. However, their performance was very mediocre based on their strategic goals. They had a great strategy that was not working. We helped them understand that their strategy was great, but they needed to get their worldwide workforce aligned with the strategy. Over ninety percent of the employees who completed our audit could not list a single strategic goal of the organization. The goals were simply not translated to the employees as something important for them to worry about. If you don't know the strategic goals how could you perform them? We spent most of our time with this company teaching the leaders how to get alignment and execution. We spent much our time teaching communication skills and team alignment processes to help get alignment and then execution. This organization made about a fifteen percent improvement in their strategic goals by simply helping employees understand the goals and then align their daily work to the strategic goals.

The gigantic problem here was **aligning workers with the strategy**.

Another example is an **international division of a music television organization**.

This organization had absolutely no strategic plan. They could not figure out why their programming was so poor in the Far East. People were not watching their programs. Their programs were US-based with people acting immorally based on the Far East culture. Body piercings and tattoos were not acceptable in this culture. There was no strategy regarding what the programming should be in the Far East. Not one employee knew what to do regarding programming. Without strategy, all programming seemed to offend viewers. We helped the company develop a strategic plan and then helped them implement their plan and got all employees aligned with the strategy. With new, strategically based programming, viewership increased by about fifty percent.

After the strategy was set, **aligning the employees with the strategy was crucial**.

Challenges

Interviewer: What do you find are the biggest challenges? And how have you overcome these?

B. Peterson: Helping organizational leadership understand that creating strategy is simple compared to getting employees aligned and executing the strategy.

Leaders in organizations don't know how to implement their strategic plan. They print the organization's strategic goals on the back of name badges, they place the strategic goals in large atriums in the entrance to the workplace, and they e-mail all employees the strategic goals. They even instruct all managers that they should review the strategic goals with their work teams. However, for a variety of reasons, employees claim they have never seen the strategic goals and they do not know what is really expected of them. They don't know what

to do.

We overcome this challenge using a team process called *The Work Itself*. This process helps each team member know the strategic goals, understand what they can do to execute the goals, and how they can continually follow-up to keep themselves and their coworkers focused on the strategic goals.

Work Itself

Interviewer: Brent, how do you guide the process to achieve the best possible results?

B. Peterson: We use a team process called *The Work Itself*. This process helps get all workers involved with executing the strategic plan. We have discovered that managers can't align employees for execution. Managers must use a process that allows individuals working with their work teams to align themselves with the work.

The Work Itself provides a straightforward and practical approach for accomplishing the most ambitious strategic goals. This proven process has helped thousands of people align their teams to execute organizational strategy. The Work Itself helps:

- All workers, all members of an organizational team, significantly increase the value of their contribution by increasing real work and reducing fake work.
- *The Work Itself* helps by working with teams and aligning each team member with a unified strategic focus. It helps each employee discover new ways to add value to the organization and to be proud of and satisfied with what they do.

Advice

Interviewer: What advice would you have for companies when undertaking a strategic audit?

B. Peterson: Don't give up on your organization's strategy. Most audits will point out you are having difficulty. Determine how best to get your workers aligned with and executing the current strategy before trying to develop a completely new strategy.

Remember how the SAE model works: **Strategy** then **alignment** then **execution**.

To Create **Strategic Focus** or **Strategy**:

Strategy is the art of defining tactics the organization is going to use to complete, differentiate, create values, and drive growth. Strategy is the foundation for which business value is built.

Align: Align teams to drive strategy

Alignment starts with leadership, but must be owned by individuals at the work level. People must align their individual tasks through the lens of their team. Alignment is the challenging task of identifying the ways which hundreds of employees will come together through projects and tasks to execute strategies.

And finally, **Execute:** Execute work that links to strategy

Execution is the culmination of strategy being translated to the expected business outcomes. This is the ultimate goal for strategy in the first place. Simply it means carrying out desired and critical work.

4E Model

Interviewer: How have you ensured that the strategic audit leads to a plan that is executable and will achieve the results?

B. Peterson: Our research indicates that the only way to make certain strategy is executed is to continually follow-up with employees. From our research, we have developed a model called *the 4E learning and change model*.

This model illustrates how *organizational change* is the result of understanding how people learn. Think of it in four stages:

- **The Excite Stage** which contributes twenty-five percent to the total learning impact
- **The Experience Stage** which also contributes twenty-five percent to the total learning impact
- **The Execute Stage** which contributes fifty percent to the total learning impact
- And **The Evaluation Stage** which contributes in all of the other stages.

This model illustrates that the first two Es, excite and experience, help teach the strategy and its goals. However, of equal importance is the third E, execute. The E of execute is about follow-up. Don't expect to get execution on any strategy without a strong follow-up strategy.

Interviewer: These are all excellent points about strategic audits, Brent. Thank you again for your time today.

B. Peterson: Well, thank you for inviting me, I enjoy doing these types of interviews and I enjoyed being with you.

Interviewer: Thank you!