

# PROACTIVE OPPORTUNITY MANAGEMENT POSITION PAPER



## Unique Assumptions of the Launch or Trouble Company

Companies experience lifecycle events just like people do. They are conceived, born, go through accelerated growth spurts, reach maturity, sometimes get sick, sometimes get better, and sometimes die. Success requires real talent be present at every stage, but each phase requires a different kind of talent to reach for the optimal level of success

Birth/launch is not for the timid, nor is it for the corporate player who has spent a career in mature businesses. The entire pace of life during the launch phase of a company is accelerated to a point of action and energy that is not sustainable in a more typical corporate setting. And actions/reactions are under the glare of stress and pressures that don't exist once initial survival is not in question. But in those early phases of life, the corporation has a very different set of realities and rules:

- Time is compressed -
  - Whatever is going to happen has to happen right and fast.
  - There is more work to be done, with less immediate payoff.
  - No time for coasting but still an advanced culture needs to be developed.
  - People look for the quick fix – the newest technology buzz, a superman salesperson, and lots of activity – when in reality the quick fix will never work and it is real infrastructure that needs to be developed.
- Employees are skeptical and cynical – to the entrepreneur, the glass is half full, but to the employee it quickly becomes half empty.
  - Every closed door feels like the beginning of the end and the expectation is that when that door opens it will be with the announcement of cutbacks, layoffs or worse, closure.
  - If management is in meetings but key people are outside the closed door, panic develops...
  - There is a general fear of the unknown (into which leadership must step or there is a vacuum that can suck the entire effort back and into a failure state).

The old rules and habits will never work – new entities require new approaches, new ideas, new rules and behaviors and approaches must be implemented to attain success. There is no room for “that’s the way it has always been done.”

Proactive Opportunity Management (POM) is a reality based methodology that has been trial tested over and over again with emerging businesses and has proven to be strong roadmap to enable launch phase clients/companies to move forward with assurance in this critical stage of development. Integrating three core disciplines, the POM Playbook creates the map to drive the “change” management techniques needed in these difficult phases. Each of these core steps that make up POM have been field tested by CPath partners over an extended period. The steps – Product Purpose/Positioning, Proactive Strategic Planning and Result-Driven Implementation are not theory, software or intellectual puffery; they are a hard nose methodology that transforms the client company efforts into results.

---

## **I. Position Assessment**

The first discipline and the first step in the POM Playbook process is called Position Assessment. Today's marketplace is no longer responsive to many of the strategies that have worked in the past. There are too many companies and too much marketing noise. To rise above the high decibel level, companies starting out, or launching a new product, service or division must be very focused on clarifying their business purpose and the importance of positioning themselves and their message in this crowded "sound-bite" marketplace. In this important phase, CPath works with clients to define and refine their core position and thus their message to their targeted marketplace.

POM's unique approach to defining a product's purpose and thus its positioning is based in turning the traditional process around – focusing on the end result versus building a product or process to solve the defined problem. Naturally, most business managers assume that the crucial cognitive process is to attack the problem as defined. True positioning involves the formation and reformation of the company's assets, markets and potential USP's (Unique Selling Position). Einstein's comments about the creative problem solving process in science are in many ways similar to the POM position process.

*"The formulation of problems is often more essential than its solution, which may merely be a matter of rearrangement or experimental skill. To raise new questions, create new problems, to regard old problems from a new angle, requires creative imagination and hard work"*

Unfortunately, a corporate "position" statement is generally equated with rational, methodical, unadventurous problem solving; the unfolding of symbolic links from given premises to known and safe conclusions, expanding or reducing what went before, not realizing the very business environment they are functioning in creates many of the paradigms that prevents them from seeing the new or next solution. The CPath positioning methodology is done as objective outsiders and does not follow the known path. Rather than accepting the premises of the structured problem, it creatively reformats a new problematic configuration instead of striving to reach a known solution. Often, the efforts of SalesSpring team will position or reposition the client company to reach goals considered inconceivable or not achievable. While not a SalesSpring exercise, but nevertheless an excellent example of creative repositioning is the amazing success of the Swatch Watch Company. Rather than fight the Japanese on a commodity level with low priced quartz watches, Swatch positioned their timepieces to become low price, collectable fashion accessories. This created a whole new marketplace with Swatch in the leadership (and some would say generic) role and a large successful company.

Once you are able to define the purpose of the organization and correctly position the offering, the opportunity or opportunities start to reveal themselves. At that point, the potential and possibilities need to be organized into a strategic plan with a clear message.

## **II. Proactive Strategic Planning**

Once an organization has a clear grasp of its position and its clear message to the marketplace it is highly motivated to alter the context embedding the company. This in

turn helps create a shift in the organization's ability to stay "focused" on the powerful new vision of the future. Or as the old saying goes "if you don't stand for something, you will fall for anything". The POM proactive strategic planning step serves to maximize and leverage the opportunity. This execution requires patience, flexibility, and a huge dose of common sense tempered by past experiences. Many consulting organizations are quite capable of providing a strategic plan to execute an idea to the company; unfortunately, many of their underlying assumptions (based on their lack of reality based experience) are flawed at the core. The sun doesn't shine every day, all employees don't show up on time and the intellectual hypotheses proposed in their white papers may produce activity but rarely actual results.

While Proactive Strategic Planning embraces many of the traditional methods of constructing a go-to-market plan, it also incorporates five unique steps that are required in a startup or turnaround mode.

- 1. Assemble the "movers and shakers" and critical people to develop the plan:** Proactive Strategic Planning should never be left to just the top managers. They are usually a tight, self-validating fraternity. Reality planning takes place when the employees that "makes things happen" and are part of the informal opinion network are also involved. The goal is to create a flywheel effect, where enough key players engage to create the necessary momentum to move the new plan forward.
- 2. Full disclosure to all:** There is an unspoken code of silence in most organizations that conceals the full extent of the organization's competitive weaknesses. But a threat that everyone perceives and no one talks about is far more debilitating to an organization than a threat that has been clearly revealed. Business organizations, like people, tend to be at least as sick as their secrets.
- 3. Create an overwhelming sense of urgency:** A company must confront its most life threatening problems quickly, summoning the courage to master Proactive Strategic Planning and get on with it. Generally, the only other option is failure. The book of 5 Rings, a guide for Japanese Samurai written four centuries ago, prescribes the practice of visualizing death in battle as vividly as possible before the actual battle. Having experienced "death" beforehand, there is not a lot left to fear, and the warrior fights with complete abandon. Nike, supplier of footwear to the masses, best sums it up with their slogan - JUST DO IT (...don't wait). Interesting isn't it, that confronting the possible, it becomes less probable.
- 4. Manage contention:** Most organizations, large and small, suppress contention. Most managers, among others, cannot stand to be confronted because they assume they should be "in charge". Too much control kills invention, learning, and most of all commitment. Conflict jump-starts the creative process. That is why getting the "movers and shakers" of the client company together early and often is so important. When you extend participation to those who are really accountable for resources or who hold entrenched positions, or who have been burned by past change attempts, you guarantee conflicts. As the company faces and handles difficult changing issues, there is a shift to a more manageable and productive debate. Participants learn to disagree without being disagreeable.
- 5. Just do one thing well - first!:** There is no question that a machine gun can hit a great deal of objects, however they are loud, expensive and take a great deal of skill. Companies in a launch/trouble mode need to be focused, using a high-powered rifle approach to do one thing first and do it well. Business is not a contact

sport – it's all out war! Military strategists the world over will all tell you basically the same thing; don't attack the more powerful enemy head on – pick your flank (niche or specialty), shoot for surprise...capture the hallowed ground.....and then, and only then, call for air support.

### **III. Result-Driven Implementation**

The final integrated POM discipline is based on ultimate reality. After carefully defining the client company's Position and creating a Proactive Strategic Plan, CPath manages the process to reach the target goals and results. This step, called Results-Driven Implementation, focuses on achieving specific, measurable (with numbers, not words) improvements in a defined period of time.

Go to the business section of your local bookstore and you will see hundreds of books that provide managerial methods that suggest that they will fix turnaround or expand the business enterprise. Most are centered around action or activity-centered programs like TQM (total quality management), statistical process control, Spin, seven-step, six sigma, swimming with the sharks and even "management by wandering around".

Management initiating these programs and methodologies falsely assumes that one day these planned activities will produce results. Unfortunately, because generally there is no explicit connection between action and outcome, bottom line results seldom materialize. At the core of these programs, which I call "activity-centric", is fundamentally flawed logic that confuses ends with means, processes with outcomes or action with results. Support, implementation and the allocation of the resources necessitated by these activity-centric programs are very costly, and eat up the one element that a launch/trouble company doesn't have – time.

While both activity-centric and results driven programs aim to strengthen fundamental corporate competitive capabilities, their approaches, especially when dealing with launch/trouble companies, differ dramatically. Activity-centric programs rely on broad based policies; indoctrinating management and staff into the mystique and vocabulary of the program, and by their very nature are more concerned with time consuming preparations than with measurable gain. Results-driven Implementation on the other hand relies on incremental results to build proof, then building on what works and discarding what doesn't. Smart entrepreneurs don't advance funds until they believe in the outcome. As a result, successes come quickly and managers can build their skills and gain support of their employees for the future changes and challenges of the organization after the CPath team departs.

### **IV. Why POM Produces Results**

The most general lesson to be learned using the POM Playbook as the map for effecting change is, while each step is interrelated, they must be performed in the stated order. Skipping steps creates only the illusion of speed and actually takes more time because you always have to go back.

Defining the Product Position in the first step clarifies the client company vision and thus the direction in which an organization needs to move. Without a clear vision, the necessary transformation effect often dissolves into a list of confusing and incompatible projects that will take the organization in the wrong direction or cause it to fail. The enormous benefit of the Product Purpose/Positioning step is the vision effect – everyone understands the goal and starts (hopefully proactively) working toward it. A useful rule

of thumb – if you can't explain the vision to someone in five minutes or less and get a reaction that signifies both understanding and interest – you need to return to step one.

While taking into consideration the traditional points of strategic planning – buyers, suppliers, USP's, cost positions, new entrants, etc., made famous by Michael Porter, POM's proactive planning takes into account the unique landscape of companies in a launch or turnaround mode. In both situations, time is compressed, capital funding is difficult, and the outcome is uncertain. The major benefit of this important second step is how POM turns these difficulties around into positive motivation and uses them to help the company.

**And finally to implement the change and produce the results:** Ship the bananas, sell the software, sign up the client and get the check; Result-Driven Implementation. Real and lasting “change” takes time, something our client companies generally don't have, but even more so in this environment, you need to create short-term goals to meet and celebrate. Most employees won't go on the long march unless they see compelling evidence within 12 to 15 days that their walk is producing something close to expected results. Without short-term wins, too many people give up or actively join the ranks of those employees who resist change. Results Driven Implementation produces confidence, team spirit and results.....and then it starts all over again.

**While the actions and benefits of POM won't necessarily guarantee results, they do create an environment and a mindset that expects results!**