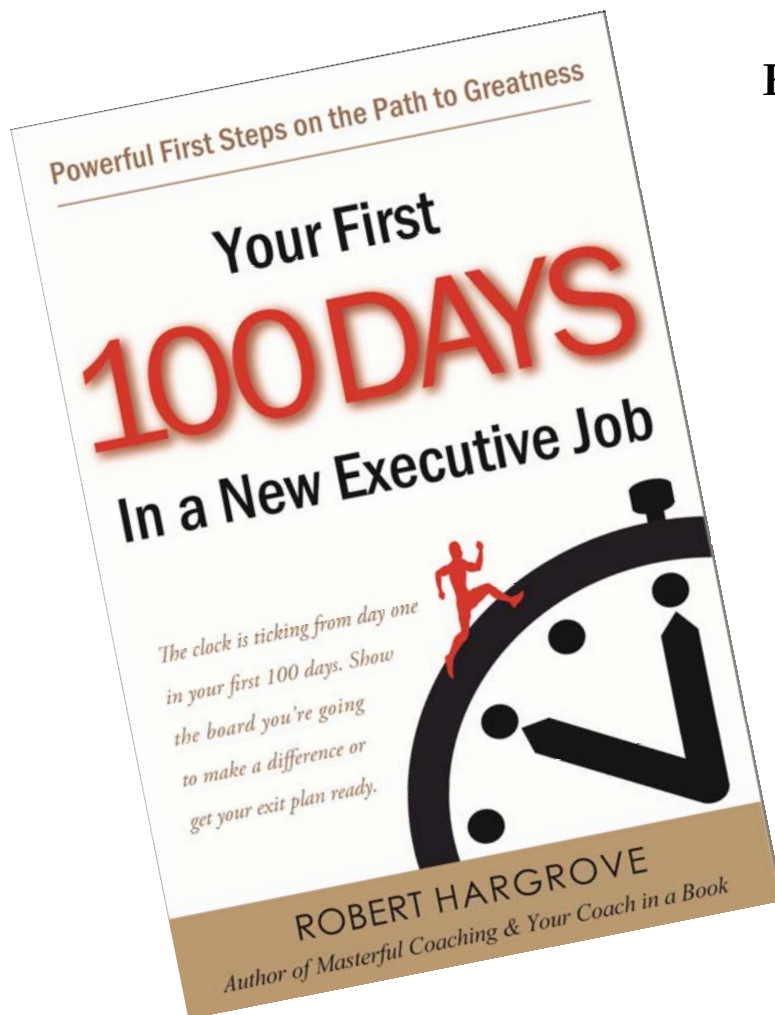


Chapter 8

Launch Some Catalytic Breakthrough Projects *Go For Results Now!*

Latest book from
Robert Hargrove, available
in early April 2011



LAUNCH 90-DAY CATALYTIC BREAKTHROUGH PROJECTS

Build Confidence and Credibility Through Quick Wins

Every year thousands of managers make transitions into new jobs. The actions that they and other new leaders take during their first few months have a big impact on their success or failure. From 1999 to 2006, the average tenure of departing chief executive officers in the United States dropped from about 10 years to about 8 years. Although some CEOs stay over three years, a lot of them find that their duty in the corner office is surprisingly short. In 2006, for instance, about forty percent of CEOs who lost jobs had lasted an average of just 1.8 years, according to a study by the outplacement firm Challenger, Gray & Christmas. Survival for the lower half of this group was only eight months.

They were ushered out the door because they appeared unable to improve the business's performance. Nobody these days gets much time to show what he or she can do. So within the first 100 days at most, incoming CEOs and general managers must zero in on ways to increase market share, overtake competitors, and impact profitability—whatever the key tasks may be. However, they can't map out specific objectives and initiatives until they know where they are starting from which is why the due diligence period is so important.

It's important to note that executive transitions are also times when organizations can be transformed, in part because everybody is expecting a big change. However, the first 100 days is the time when new leaders are also most vulnerable, because they lack detailed knowledge of the new role and haven't established new working relationships. So what does it take to make a successful transition?

In the Harvard Business Review I came across a study done a few years ago that provided some crucial insight to this question. The study was done in cooperation with the Corporate Executive Board's Learning and Development Roundtable—a group of executives, mainly from large firms responsible for cultivating leadership talent—who sponsored the research project to find out the key to successful executive transitions. The idea was to search for clues as to what distinguished the executives who were succeeding in their new jobs from those who were struggling.

One attribute stood out among the high-performing new leaders: a strong focus on results. In fact, most had figured out how to gain an early success or “quick win” – a new and visible contribution to the most important goals and objectives of the business made within the first few months of their taking the job. Those who had achieved a quick win scored on average nearly 20 percent higher than those who hadn’t.

This was an interesting finding, underlining the importance of newly promoted executives’ need to put points on the board fast. A quick win is a strong form of reassurance: a) to the executive’s bosses, who want to believe they have made the right promotion decision, b) to colleagues on the leadership team seeking to judge whether a real player has joined their ranks, and c) to direct reports deciding whether to place confidence in their new boss.

PITFALLS FOR LEADERS IN A NEW JOB

The study also pointed out some interesting things about leaders who struggled in their new jobs, which may be instructive to you.

1) Getting bogged down in their vision by making elaborate plans and preparations.

An Impossible Future can sound good on paper, but people can easily get bogged down in the discouraging complexity of trying to mount a big change initiative in an organization that may not be ready for it.

2) Putting too much attention on pie-in-the-sky goals, not enough on doing their day job.

I have found that coaching new executives is about helping them maintain a delicate balance between stepping out onto the limb on an Impossible Future and making sure they deliver on the basics that everyone expects.

3) Focusing too much on criticism from bosses and colleagues.

New executives may be hired with a going-in mandate that represents change, but then meet criticism when they actually pursue it. Instead of seeking a path forward, they often lash out, head for the bunkers, or obsess about criticism.

4) Jumping to conclusions. New executives in a role, like Head of Marketing or Head of Engineering, often come with old preconceptions from previous assignments about how to be successful that may cause them to jump to conclusions about fundamental causes and solutions. These preconceptions can cause them to filter out contrary information or prevent them from really listening to their team. They may also be prone to lecture their team with their views rather than draw people out for input on the real situation.

5) Getting down in the weeds. Imagine the insecurity a person might feel in becoming President of the United States (or president of a large corporation) and finding themselves in a far more complex job than they had imagined. Some chief executives, like United States President Jimmy Carter, tried to deal with this insecurity by focusing too much on details. The same thing happens to many executives in a big new assignment.

Clearly one of the antidotes to many of the leadership ills mentioned above is to focus on catalytic breakthrough projects or quick wins.

Setting Up a Catalytic Breakthrough Project:

- 1) Cuts down on overly elaborate planning and preparations
- 2) Creates a focus on breakthrough goals that are neither too big nor too small
- 3) Prevents jumping to conclusions by engaging the views and perspectives of the team
- 4) Determines what can be done with existing resources and authority
- 5) Creates a path forward that will help to get buy-in.

CATALYTIC BREAKTHROUGH PROJECTS TO SPEARHEAD A BREAKTHROUGH

As my coaching work is about helping executives realize an Impossible Future, I often find myself helping executives jump start their goals with something I have called a 90-day catalytic breakthrough project. The idea here is to launch a small, high-leverage project to spearhead a breakthrough that, if successful, will in turn create the opening for a larger breakthrough.

For example, I met a young executive in Shanghai from Zara, the Spanish high fashion retail chain, who was tasked with business development in emerging markets in twelve countries. One 90-day catalytic breakthrough project was to get close to the market in one country, and understand customers' habits, tastes, and price points. A second was to open one store in one country that showed immediate signs of being a smashing success.

It is important to connect the catalytic breakthrough project to an Impossible Future, with the idea of getting some points up on the scoreboard quickly. For example, an oil refinery manager we coached decided to go for a quick win that involved three lost profit opportunities in their oil refinery, having to do with a) speeding up shutdown time for annual repairs, b) increasing energy utilization in running the refinery, and c) less wait time at fueling stations for customers with trucks.

I also coached his boss on a catalytic breakthrough project, which had to do with training eighteen managers to become Six Sigma Blackbelts tied into launching a quality revolution in the company. Each Blackbelt had to teach others to start Six Sigma projects that would eliminate lost profit opportunities. This was the first time a Six Sigma program (a process closely associated with General Electric) had been tried in the oil industry. This catalytic breakthrough project was a small breakthrough that led to a much larger breakthrough. It directly resulted in training many more Black Belts, initiating hundreds of Six Sigma projects, and savings of billions of dollars.

WHAT IS A CATALYTIC BREAKTHROUGH PROJECT?

I use the catalytic breakthrough projects in my coaching work, as mentioned above, to help clients jump start their Impossible Future rather than get bogged down by the elaborate planning and preparations or get caught in the discouraging complexity of trying to bring about major change in an organization. There is also the issue that, in addition to the Impossible Future, my clients usually have a lot on their plates already with their day job and may find it difficult to find the time to make a D-Day type assault on the beachheads that would make their vision a reality. As Tony Jimenez from Chevron Texaco once suggested to me, the Impossible Future is like a big ball of twine that is all tangled up. All you need to unravel is a place to start, and the catalytic breakthrough project gives you a great way to do that.

What do we mean by “Catalytic”?

The definition of catalytic in chemistry is “a substance, usually used in small amounts relative to the reactants, that modifies and increases the rate of a reaction without being consumed in the process.” In the context we are using it, catalytic means that it is a small project relative to the Impossible Future that, if achieved, modifies the possibility of actually reaching the Impossible Future, while adding power and velocity to the process.

For example, in the decade leading up to the American rebellion from the British empire, there was a lot of talk about big ideas like democracy, freedom from tyranny, human rights and so on. Yet for the most part it remained talk (hot air) and didn’t gain enough force to actually make anything happen.

An inspired individual named Thomas Paine offered up his own version of a catalytic breakthrough project when he published his pamphlet “Common Sense,” by far the most influential tract of the American Revolution. Paine’s political pamphlet brought the rising revolutionary sentiment into sharp focus by placing blame for the suffering of the colonies directly on the reigning British monarch, George III. First and foremost, Common Sense advocated an immediate declaration of independence, postulating a special moral obligation of America to the rest of the world. Not long after publication, the spirit of Paine’s argument found resonance in the American Declaration of Independence and led to the war for independence, as well as the USA Constitution that was to shape, limit, and define the American nation.

Throughout history, you will see many examples where catalytic breakthrough projects have helped or would have helped realize an Impossible Future, had they been used by new leaders in their first hundred days. For example, Franklin Delano Roosevelt (FDR) launched a blizzard of catalytic “make work” programs like the Civilian Conservation Core (CCC) designed to get America out of the Great Depression. These programs were short-lived, but they paved the way for what FDR called an Economic Bill of Rights for All Americans, which led to long-term programs social security, unemployment compensation, and Medicare. FDR recognized the need for a universal health care bill, but stopped short of pushing for it, as he thought the country didn’t have the political or economic will to make it happen.

Interestingly enough, Bill Clinton tried to push a big healthcare bill through in his first hundred days and later President Barack Obama followed suit during the early days of his Presidency. Had President Clinton initiated a catalytic breakthrough project rather than trying to push his healthcare bill through as a complete package, he might have succeeded. Newt Gingrich, Speaker of the House at that time, said after the bill failed, that if Hillary Clinton, who was in charge of this bill, had brought twenty percent of the bill through that first year, they would have passed it and she would have gained some momentum. The next year she could have brought another twenty percent and they would have passed that and the momentum would have increased. And the third year, twenty more.

What do we mean by “Breakthrough”?

The word “breakthrough” is defined in the dictionary in four ways, and each is relevant to us here:

1. A productive insight
2. Making an important discovery
3. A penetration of a barrier that has prevented progress
4. An extraordinary result

If you think of people like Thomas Edison in his lab working on the invention of the light bulb, Henry Ford working on the first assembly line, or Watson and Crick working on the first DNA double helix model, each of the four elements of the above definition of a breakthrough would apply. However, there is perhaps one missing element to this definition, and that is that most breakthroughs are not discovered while sitting under a tree, like Isaac Newton dreaming about the law of gravity. Most often, they are discovered in the process of taking action in the context of a live project aimed at an extraordinary result.

A catalytic breakthrough project needs to be aimed at a small but extraordinary and tangible result that, if achieved, will create the opening for an even greater result. Steve Jobs had a dream of changing the world with the personal computer and started a breakthrough project in his garage that involved an extraordinary and tangible result – building the first Apple personal computer. This project was catalytic in that, before this time, com-

puters were either big heavy pieces of equipment that usually filled special air-conditioned rooms in large corporations, or a mini-computer kit that the consumer had to put together, or a portable computer made by IBM with a price tag of \$10,000 that only business or educational institutions could afford.

Another example is Bill Gates, who had a vision of creating a great company that would come to fame by controlling the software inside the computers. His catalytic breakthrough project was aimed at an extraordinary result – that of selling IBM executives (the company that was at that time the colossus of the computer business) on adopting Microsoft operating system rather than going with their own in-house operating system. At the time he made his proposal, the early version of Microsoft's operating system was more or less a work in progress, far from a finished product. As soon as Gates closed the deal with IBM, he had to start another 90-day catalytic breakthrough project with a small team to actually build the software. Today, Microsoft is a company that has a market cap something like a 1000 times great than IBM.

KEY CRITERIA FOR CATALYTIC BREAKTHROUGH PROJECTS

Each of these conditions is very important and must not be overlooked in formulating a catalytic breakthrough project.

1. It jump starts your Impossible Future. The idea is to bypass elaborate planning and preparations or getting discouraged by the complexity of the situation by mounting a small project and going for a result now.

2. It is a small, high-leverage project that is aimed at spearheading a breakthrough result that will create the opening for a larger breakthrough. The idea is to mount a small breakthrough project aimed at an extraordinary and tangible result that, if achieved, will create an opening for a higher order of results. Even catalytic breakthrough projects with limited results often lead to powerful insights and important discoveries, or they help penetrate barriers.

3. It is aimed at a focused goal that can only be achieved with imaginative thinking and innovative action. Catalytic breakthrough projects are aimed at an extraordinary result that has the potential to change everything, not just to lead to continuous improvement. For example, I worked with a company that came up with a new carbon fiber technology. One of the first steps was to build a pilot plant that showed it could be manufactured en masse.

4. It is inclusive: Who wants to play? One of the things you want to establish in your first hundred days is that you are not a dead hero, but a team player. A catalytic breakthrough project is a good way to get colleagues and direct reports involved.

5. It is a dream with a deadline! It can be accomplished in under 90 days. It's been pointed out by Robert Schaeffer author of "The Breakthrough Strategy" that teams come together around a project when there are razor sharp goals and success is near and clear.

Examples of Catalytic Breakthrough Projects

- Phase 1 of a big project that's a great first step
- Pilot plants or pilot anything before scaling up
- Experimenting with a new (material) method like Six Sigma in one department
- Collaborating with customers on a product with game-changing potential
- Designing a micro website in advance of the product
- Creating a YouTube video to make your idea go viral
- Entering an emerging market through one retail store
- Giving your top ten high-potential leaders a transformational assignment
- Outsourcing one department—for example the transactional area of the HR department
- Using one recycled "green material" in your manufacturing process

Three Notes of Caution

I have seen some coaches and coachees who have struggled with taking their Impossible Future and formulating a catalytic breakthrough project. So pay attention to the following:

- The goals of the catalytic breakthrough projects must not be too big, or too small
- The project must be framed to achieve a result that will take you to a different place, not just geared toward continuous improvement.
- You need to personally get involved vs. delegate the catalytic breakthrough projects to your team

Target Some Catalytic Breakthrough Projects

Identify one to three quick wins and score each on a scale of 1 to 20 according to the following criteria:

- **Connection to business results:** Is the quick-win targeted to meaningful business outcomes with a clear connection to revenue or cost reduction? If successful, will it attract the attention of managers two levels above?
- **Cost and feasibility:** Can this quick-win be achieved with existing resources and authority, and not distract the team too much from its daily job?
- **Opportunity to engage:** Will this quick-win give me the opportunity to engage with bosses and colleagues at other levels of the organization? Will it give me the opportunity to coach, guide, and seek input from direct reports?
- **Learning opportunity:** Will pursuing this quick-win give me an opportunity to learn? Will it allow me to learn about the aspirations, motivations, strengths and weaknesses of my team?
- **Shared credit:** Will key members of the team be able to see their fingerprints on the quick win? Will they get credit? Is there plenty of opportunity for them to play?

SUMMARY

- Energize people and get them focused on cracking important business problems in ways that will have an immediate and dramatic impact by the end of the 100 days.
- Look at your Impossible Future and your day job and find a place where you can do a 90-day (30 or 60 day) catalytic breakthrough project that will spearhead a breakthrough.
- Don't get bogged down in elaborate planning and preparation, but do identify a high opportunity area (and only one) where early wins are probable: marketing, new product development, sales, costs.
- The idea is to find a place that, if you succeed, it brings you to a different place and you see new openings for a larger breakthrough.
- Go where there is existing readiness and where you have the authority, resources and support to make something quickly happen.
- Focus on not just the "what," but "how" quick wins are achieved. Beyond tangible results, pilot projects should create new ways of people on the team thinking and interacting together with the new leader's vision of how the organization should work.

About the Author

Robert Hargrove is a world-renowned, revolutionary thought leader in the field of talent development and coaching. His motto is *Better Leaders, Better World* and he believes that coaching leaders to achieve an Impossible Future is the fastest, most powerful way to achieve both.

Hargrove is the founder of Masterful Coaching and served as a Director of the Harvard Leadership Research Project. He has been awarded for Distinguished Public Service by the United States Government for his coaching work with political leaders.

Hargrove has also played a pivotal and highly instrumental role in rebranding campaigns in companies like Adidas, Philips Electronics, Estee Lauder, and the National Hockey League.

Hargrove's coaching approach is one of the only methods which delivers real ROI. According to one client, "We pretty much stuck with the Masterful Coaching approach and it made the company hundreds of millions of dollars."

Hargrove is the author of best selling business book *Masterful Coaching* and many other books on leadership, coaching and collaboration.

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