How to transform your organisation even when things appear to be running smoothly

Kiarie runs a successful consulting business. His clients include parastatals, government ministries, NGOs and large companies listed on the Nairobi Securities Exchange. Each client demands a cutting-edge unique consultative solution for his or her firm.

Following last week’s Business Talk article on logical steps to fix companies, business owners like Kiarie now need to understand how to improve their company even if nothing appears overtly wrong. Organisational leaders should desire efficiency and performance improvements not only when something goes poorly, but also to enhance earnings and impact.

So, in honour of the successful launch earlier this week on Wednesday of Kenya’s very own Institute of Organisational Development Practitioners, Business Talk delves into models for how business leaders and change makers may implement meaningful transformation within their respective firms.

Many researchers and practitioners prefer the Positive Model. The key difference between the Positive Model and the Action Research Model written about last week is that the former does not base on the presumption of a deficit. Therefore, improving a firm just for the sake of improving would involve you to first initiate an inquiry.

When initiating the inquiry, be clear in what you hope to accomplish by the end of the process. Too often, business owners do not share broader goals with their teams. Specificity with the goals in the front end helps your whole team know what to expect and what type of inquiry to operate.

Second, inquire into best practices. Invest in some ethical competitive intelligence. What margins do other businesses in your sector enjoy? What value propositions do your competitors satisfy with clients? How do substitute products and services deliver and utilise channels compared to your firm? Once you understand the big picture of best practices externally in the market, then open the bonnet of your firm and compare your inner workings with those of competitors and perhaps global or regional benchmarks. You may have to conduct many interviews in the industry to glean local and regional best practices.

Narrow down your possible questions to answer: could you operate with less field constraints imposed on your sales staff? Do other firms give credit officers more autonomy? What types of bonus structures work best for your staff in your industry? Does your IT platform allow for expansion like other platforms could? Do all your employees know your strategy and is it realistic?

Third, once you determine best practices in your field, take all the data points and discover themes of how best practices would operate versus how you do and desire to operate. Do your staff lack organisational commitment compared to others in the industry? Conversely, does your staff hold more satisfaction than other firms and therefore you should be capable of performing even better than you are currently. Does your IT or success measurement systems crash too often?

Find meaningful evidentiary-based trends. Fourth, envision a preferred future state for your firm. Perhaps your future state involves you responding the fastest to customer orders like Amirian. Alternatively, as a service business, you may strive like Kijiji Entertainment to provide the most creative and unique content or the friendliest staff like Standard Chartered. These external states all have internal workings that help you get there. What future state of your internal processes, procedures, and staffing must exist at your firm?

Fifth, how do you reach that preferred future state? You must design and deliver ways to create that future. What specific actions do you need? Perhaps you must implement sweeping and meaningful staff opinion surveys like CIC Stanbic or Free The Children. Let your staff know your goals, for too often business owners do not share broader targets and plans with their teams.

You may desire to pay staff the highest in your respective industry like Safaricom as a way to achieve your external state. You might require more autonomy for employees like Google Africa. A concrete step to become more like Google would include the modification of job descriptions.

Then, as a leader, you must model that preferred future state to all your employees. Live out the goal in all your observable actions. Let your staff know your goals. Researchers Kouzes and Posner determined that envisioning a shared organisational future with your staff creates large improvements in staff morale.

Many managers fall into a trap of desiring improvements but they utilise planned change as a method of firing. While you may retain unproductive staff among your ranks, often the act of mass terminations creates a crisis of confidence among remaining staff and your improved performance that you so desperately hope to achieve actually deteriorates to worse than it existed before the firings. So, act carefully, study the situation, follow all five steps and scrutinise whether incremental subtle changes over time will suffice or must you take drastic fundamental alterations and operation shifts that lead to quantum changes.

Hope for continuous organisational improvement like Kiarie? Share your experiences at #KenyaEconomics on Twitter.

Prof Scott serves as the Director of the New Economy Venture Accelerator (NEVA) at USIU’s Chandaria School of Business and Colorado State University; www.ScottProfessor.com, and may be reached on: info@scottprofessor.com or follow on Twitter: @ScottProfessor.

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