

Chapter 2



Creating Creative Tension

***“Much strategy prevails over little strategy,
so those with no strategy cannot but be defeated.”
– Sun Tzu***

Thus far, emphasis has been placed on aligning the interventions in your organization and determining the present situation. The importance of an effective strategy is to completely satisfy people and customers – to ultimately become more productive and successful. We have not yet described how the main objective, the aligning force of your organization, is created. Before we do, it is necessary to differentiate the objective from a vision and mission.

Objective vs. Vision & Mission

Most organizations have vision and/or mission statements. In simplest terms, the vision defines where you want to go and the mission describes who you are and how you will achieve the vision. In our experiences, most organizations have vision and mission statements that are too long for employees to remember. This makes

them irrelevant as few in the organization understand or care what they represent.

Even in instances where organizations have shorter statements, we have found few employees that can actually recite these or understand them. A main objective more clearly represents a mission than vision as it is short, concise and emotionally engaging for employees.

The main objective drives the process. It should not be reached haphazardly. In fact, the following five characteristics are suggested for any main objective:

1. The main objective should be grounded in the reality of the organization's present situation.

Essentially, the main objective must be realistically attainable and believable. Focusing on an objective so far removed from present reality makes the entire process worthless for all involved. This relates to financial information as your objective should not include financials because this is not a “rallying cry” for employees.

Strategy In Action

The mechanical contracting firm discussed in Chapter 1 fell into a trap early. They chose to focus their objective on financials, an easy way to fall into unrealistic territory. Originally, the objective was to increase net profit by 5 percent annually over three years. This sounds modest at first; however, the more we learned, the more unrealistic it became.

First, we discovered the industry average in mechanical contracting is between 1.5 – 2 percent annual net profit growth. This ambitious organization originally planned to grow it at nearly three

times the average and try to sustain that growth every year for three consecutive years.

Second, we learned that in the history of the company, dating back to the 1920's, net profit had never increased by more than 1.7 percent annually. Now, we had proof that 5 percent was an unrealistic objective.

2. The main objective should facilitate creative tension for the organization.

The main objective should get people thinking differently, even in healthy opposition, to each other in order to create new ideas for accomplishing the objective. Simply, if the way things were previously done has not worked, a new approach is needed.

The main objective should facilitate creative tension for your organization.

Strategy In Action

“Complete satisfaction is impossible.” These were the words of the president of a global manufacturer of consumer products in the transportation industry. It was his belief that there is no such thing as complete satisfaction from a customer standpoint. The shortsightedness of his thinking is the fact that his consumer product carries a price tag of \$250,000 to \$1.5 million or more. Not to mention his competitors – who believed complete satisfaction is possible – were gaining market share.

Founded in the 1950's, this organization built a culture on customer service, not satisfaction. A culture built on customer service is not necessarily a bad thing, although if you need to provide a great deal of post-sales support, it indicates customers may not be completely satisfied. Senior leadership was going to need to change

common thinking if an objective that stirred up creative tension was going to be found.

They did change. After 50+ years of believing complete satisfaction was impossible, the president vowed to make complete satisfaction a component of the main objective. Achieving this would be the cause for creative tension throughout the organization. What happened was certainly creative.

Though their consumer products were already the highest quality in the industry, it became apparent that a new standard would need to be set. The president himself even confessed he was physically too large to use the product his firm was designing, so a third-party was outsourced to work on redesign. A Quality Control expert was hired to ensure every aspect of the product was first rate – without defects.

These are simple steps that other firms may take for granted. Regardless, for a high performing company such as this, just doing what previously worked was not good enough. It was time to shake things up, develop an objective to do that, and generate some new ideas to create tension amidst the organization's people.

3. The main objective should be the result of the integrated thinking of the team, rather than a collection of individual objectives.

Engaging a broader group in your objective discussion fosters open dialogue and additional ideas. Individuals must place the organization and main objective before their own interests.