

RIGHT ACTION SYSTEMS

The RIGHT people doing the RIGHT things at the RIGHT time
for the RIGHT reasons achieving the RIGHT results



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Today we transact business in a new reality! Historically there has been nothing as constant as change, but now we operate in an era of hyper-change coupled with the acceleration of the information/computing age. We must prepare our businesses to adapt and take advantage of the transformational universe in which we seek to grow and create shareowner wealth.

Do you have the ***right people*** doing the ***right things*** at the ***right time*** for the ***right reason*** to achieve the ***right results***? Could you benefit from improving any of these business drivers?

The 20/80

More than ever before, we believe that aligning and focusing your best people on what is most important to your business will improve your results. That's almost impossible to argue with. The question is "how?"

We have developed a simple way for you to think holistically about your business planning process and your continuous improvement initiatives. This methodology helps you increase your focus on "what" your business should be doing and allow your associates to increase their focus on "how" the "what" should be accomplished. We start with the financial levers and drivers of your business and incorporate the direction and measurement that you use to insure impactful execution. Then we use the Right Action System to meld business strategy and needed human capabilities, insuring that your people are focused on the behavior that results in distinctive enterprise results. Over the last two decades we have experienced business growth like never before. As a result, stakeholders have come to expect unsustainable financial performance.

In fact, during the 90's and early 2000's company valuations were basically 100% contingent upon financial performance. Because of this constant pressure to perform (from owners, partners or the investment community), most organizations found themselves in a transactional mode. Executives were forced to pay attention to short term performance requirements; for example, how many sales calls, how many closures, how much revenue per closure, and the effect on NOPAT, EBITDA, Positive Cash Flow etc.

These short-term measures and activities are important, but during the dot com era, when investor's yearned for high returns at internet speed from ideas with little infrastructure or substance, an awakening occurred. The bubble burst Sustainable economic profit growth is not just short term financial gain and a great exit strategy while abdicating the construction of the infrastructure needed to deliver sustainable business results. It is now apparent to analysts and investors alike that long-term viability is dependent upon a combination of financials, a company's products and services, strategy,

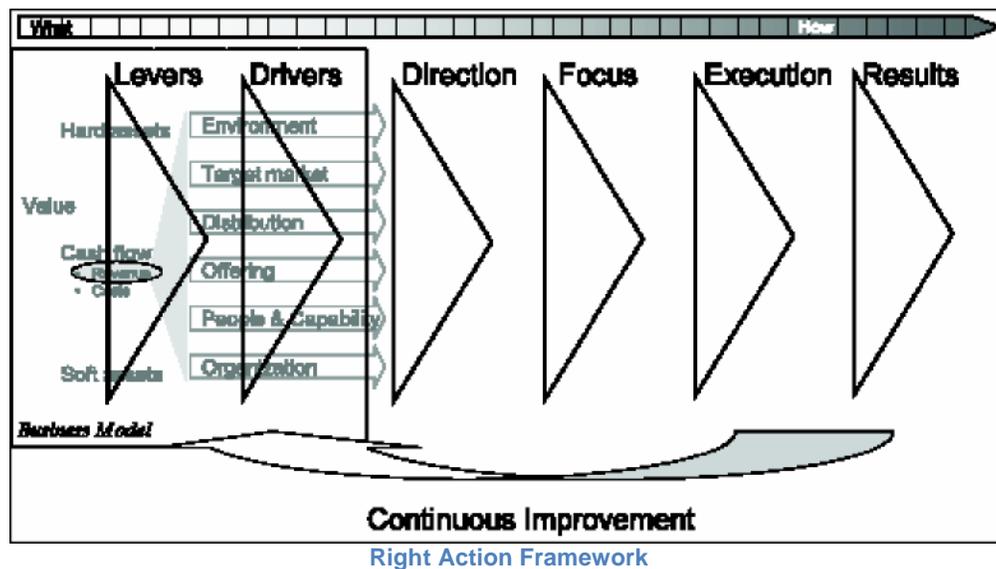
and especially people. So today, it is safe to say the entity valuations are based on financial performance (70%) as well as products, strategy and people (30%).

There are many styles of management that can benefit from a structured and integrated planning approach. We believe you should be thoughtful about your role in developing your organizational strategy. Are you focused on “what” you need to do, or are you permanently stuck in the “how”?

Our Right Action System framework allows you to articulate your strategic direction. This framework provides a comprehensive model of your business and a common language for your organization.

What is it?

We have combined key elements of strategic planning with a rigorous and continuously improving process/approach to create the Right Action System framework. A brief discussion of each element follows.



Levers allow you to discuss with anyone in your organization “how the business makes money”. This first step allows you to clearly articulate what you know - that value is a combination of cash-flow *and* hard and soft assets - in a structured way. We believe there is a key leverage point of preference and selection which drives revenue and cash flow. Most CEO’s think like this. But how powerful would it be for your entire organization to be able to think a like a CEO? What if every employee understood the actions they take and the implications that either create or destroy the value of the enterprise?

Drivers are based in your business model. They include your target market, distribution channels, offering, capabilities and organization that comprehensively define your unique competitive position in the market place.

Direction establishes the destination we are all aiming toward. Typical strategic architecture addressed during this phase includes mission, vision, values, objectives and action plans. Also, a definition of strategy is helpful as you consider your strategic definitions. While there have been hundreds (if not thousands) of books written in this area, consider a few of our favorite definitions of “strategy”: “Dreams with deadlines”, “How to create and enhance a relevant and sustainable competitive advantage”. Direction also requires an understanding of your SWOT. While many organizations regularly undertake a rigorous Strengths, Weaknesses, Opportunities and Threats analysis, we have yet to find a firm which follows our additional step of conducting a SWOT on its most important asset, its people. The logic for a people SWOT is compelling. If you have the right people doing the right things, they can overcome many barriers to achieve the strategic direction. Keep in mind, however, that the right people without clear direction will very quickly be doing the wrong things even faster.

Focus really boils down to a single idea. How effective is your management team. One way to address this issue is to conceptually consider your return on management. Said another way, *Are you getting the maximum results from your current capabilities?* The Right Action System utilizes several proven frameworks to assess and optimize your leadership team’s behaviors, including the methodology outlined in the best-selling book Top Grading¹.

Execution relies on implementing programs that take advantage of efficient processes and existing capabilities. These initiatives should be targeted at building increased capability and closing associated gaps. More often than not prioritization of scarce resources requires a significant investment of leadership attention to plan and integrate activities and to assure return on invested capital and resources.

Distinctive Results require superior execution and a clear definition of what enterprise success looks like supported by actionable metrics.

What can it do for me?

You will improve business results by focusing on each of the elements of the Right-Action System as presented in this framework. Specifically, you will be able to:

- **Improve alignment** and drive a more efficient spend of precious resources.
- **Improve leadership’s attention** on what is most important (20/80)
- **Proactively** focus your attention for the best use of your time along the what-how continuum.

Conclusion

Our experience dictates that the most efficient and productive way to insure distinctive/value adding performance is to gain organizational alignment around strategy and best business practices. At the same time it is imperative to keep people motivated and ready for action by linking strategic and leadership disciplines through Right Action Systems.

About Wyndham Mills International, Inc.

WMI is an independent retained search firm located in Greensboro, North Carolina, that specializes in locating, selecting, and placing high quality professional talent for major organizations both domestically and internationally. With a team of seasoned search consultants and a flexible, service-based approach, the company has experienced double-digit growth since its inception in 1994.

Wyndham Mills International understands that experience and knowledge alone does not guarantee the perfect fit between leader and organization. That is why we perform various assessments on each candidate to ensure not only required experience and knowledge base, but also cultural fit. WMI continues to support the best fit for its client partners by offering professional onboarding training for placed candidates, as well as successful team development and professional coaching.

References

Top Grading, bibliographic information

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