

# Bob Legge

We help clients achieve great results by improving performance  
and return on people

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This is a very good time to be focused on streamlining and return on people. I've included six proven ways to sharpen strategy execution during a recession, and another case study to highlight the results we get for our clients.

Recently, I was interviewed about how leaders can help reduce workplace stress. There's a lot of stress going around these days, and leaders need to know what to do. See the tips at the end of this newsletter.

Let me know if we can help you improve your performance and return on people.

Bob

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## 6 Ways to Improve Strategy Execution

An economic downturn is the time to sharpen your focus, streamline your operations, and get your entire organization working toward common goals with the right compensation plans. The objective is to reduce costs, improve profits, and position your company for profitable growth. Here are six ways to get started:

1. Align your organization so that every employee acts like an owner. Aligning goals and incentives with the strategy is very important right now. One client's simple approach was to ask every employee to identify how they could positively affect two strategic objectives.
2. During slow times, I know companies who have put people to work cleaning plants and painting walls to keep them busy. Do the same with management processes -- put all non-value added processes, procedures, and meetings on trial for their lives. Pay particular attention to cumbersome decision-making, unnecessary layers of approval and overly complex processes and controls that frustrate knowledge workers and get in the way of innovation, speed and collaboration.
3. If you have a viable business model, you must continue to invest in your business. An example: Steve Jobs recently told Fortune magazine that Apple survived the 2002 tech-bust by *increasing* its R&D budget. He said, "It worked, and that's exactly what we'll do this time."
4. Even if you cut training budgets, you still need to focus on developing people for two

important reasons: You'll need them when the stock market eventually recovers and pent-up baby boomers decide to retire. Plus, development is a key way to hang-on to the younger employees who now will have to wait longer for promotions. The best development is challenging job assignments.

5. Make adjustments to how you recognize people during these times. You need everyone to be focused on revenues and costs, and the right compensation-recognition mix can be a powerful tool. Pay strategies to enhance profits and control costs during a downturn are available for free download in the articles section on our website. ([Click here](#))
6. Identify strategic job families that have the greatest impact on the strategy. Research shows that business strategy success depends on developing the competencies of less than 10% of the workforce.

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## Case Study: Improving Strategy Execution

**Client Situation:** An urban hospital with operations in every New York City borough and San Juan, Puerto Rico was facing a highly challenging healthcare environment. They needed to rethink, create, and communicate a new strategy addressing their services mix, funding, and competition. The CEO's key challenge was to get the Board, management, employees, and stakeholders all to understand the new direction and embrace it.

**Solution:** Legge worked closely with them to define a clear strategic direction and goals, priorities for specific project investment, and performance metrics throughout the organization. Part of the work was to better delineate the Board and CEO roles. The project included working with the top management team to define the strategy, coaching the CEO, and communicating strategy to all stakeholders, including a Board presentation.

**Results:** Achieved on-plan growth in funding and services, and targeted progress against major project milestones in services, information systems, technology, and funding. Other results included an enthusiastic Board, agreed upon strategic goals and objectives, and a set of performance metrics including key operating measures and specific project plans for the top five strategic objectives.

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## Leaders and Workplace Stress

**Leaders have three responsibilities. The first is to understand what stress is.**

- It's impossible to live without stress, especially at work.
- Stress is not what happens to you, it's how you react to what happens to you.
- With no stress, people get bored. With too much stress, they're dysfunctional. Just the right amount of stress can increase productivity.
- However, people have different tolerance levels. What's exciting and a welcome

- challenge for one person is anxiety-producing and dreadful for another.
- The key isn't to learn how to avoid stress; it's learning how to better cope and adjust.

**The second responsibility of a leader is to take care of themselves.** It doesn't help your people if you are stressed-out.

- Get regular exercise, a good night's rest, and eat healthy foods.
- Learn how to relax or meditate -- it's been proven to negate stress.
- Consider reducing or eliminating caffeine intake (do it slowly to avoid withdrawal headaches.)
- In circumstances beyond your control, go with the flow - such as in rush-hour traffic.
- Change how you interpret events -- see the glass as half full.
- Use your support system -- share thoughts, feelings, challenges with those you trust.
- Inject humor.

**Third, is your responsibility to your people.** People get most stressed from two things: First, not knowing what will happen or is likely to happen, and second, having no control over what will happen. You can't control the economy, but as the leader, you can control what you do about it. So do these things:

- Tell people what you know, what is likely to happen, and your gameplan. (Let them know what to expect.)
- Let them participate in deciding what they should do now to help with the situation. (Give them some control or influence over the situation.)
- Encourage them to take care of themselves using the tips above.

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Return on people means achieving significantly better business outcomes, including profit per employee, and increasing the value of people faster than rising people costs.

phone: 585-305-7853

[bob.legge@leggecompany.com](mailto:bob.legge@leggecompany.com)

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