

# FIVE CHARACTERISTICS OF FLAWLESSLY EXECUTING ORGANIZATIONS

**I. Perform as High-Reliability Organizations (HROs):** Researchers Weick and Sutcliffe have coined the term mindfulness to describe 5 characteristics of most HRO's. HRO's are organizations that operate in high-risk environments, but operate with few accidents. The principles and processes within the *Flawless Execution® Model* correspond to and directly support the development of those five characteristics within organizations.

**II. Committed to Collaborative (Open) Planning:** Individuals are prone to a host of cognitive errors when planning and making decisions. Research shows that, when utilizing good processes, collaboration among diverse teams is the surest way to improve planning, decision making, and cooperation. Afterburner possesses a unique proprietary facilitation method we call *Teamstorming<sup>SM</sup>* for effective collaboration.

**III. Demonstrate a Culture of Learning and Accountability:** Learning is essential to accelerating performance and adapting to rapidly changing circumstances. Flawless Execution®, through its proprietary planning and debriefing processes, develops a culture where even front-line workers are empowered to speak up and offer their thoughts and concerns. It holds each individual accountable and responsible to contribute to the success of the whole organization. Furthermore, it encourages Mutual Support - the concept that I am responsible for the success of my team and team mates.

**IV. Provide Leader and Leadership Development:** Flawless Execution® relies upon good leadership, a quality necessary within any successful team or organization. Its processes naturally support the development of better leaders through a focus upon learning, accountability, team work, collaboration, honesty and transparency. Adherence to its basic processes puts leaders up front where they belong in order to gain greater experience in leadership roles. It provides opportunities for those without leadership experience to gain it in a safe, supportive environment.

**V. Fully Aligned Organization:** The organization as-a-whole must be aligned to the same goals or vision. In Flawless Execution®, alignment toward organizational goals can be traced in a straight line from the bottom to the top. That line includes simple, yet clearly defined concepts that begin with the Future Picture (Vision/Goal) achieved through a Strategy communicated through Leader's Intent and developed in three levels of planning propelled by the Flawless Execution Cycle<sup>SM</sup> of Plan-Brief-Execute-Debrief that operates at every level of the organization.

## I. High-Reliability Organizations (HRO's)

A number of scholars and researchers have closely studied why some complex organizations in high-risk environments have operated with very few accidents over many years. These organizations have been labeled High-Reliability Organizations (HRO's). Famously, Karl Weick and Kathleen Sutcliffe published their findings in 2007 in "Managing the Unexpected: Resilient Performance in an Age of Uncertainty." In it, the authors note that high-risk operations like air traffic control operations, aircraft carriers, and nuclear power plants display these characteristics. For example, aircraft carrier flight operations demonstrate slightly less than 3 fatalities per 100,000 flight hours in an extremely hostile, unforgiving, and constantly-changing environment.

Overall, Weick and Sutcliffe have coined the term mindfulness to describe 5 characteristics of most HRO's. The principles and processes within the Flawless Execution Model correspond to and directly support the development of those five characteristics within organizations. Specifically:

1. HRO's appear to be preoccupied with failure of all sizes and shapes. They do not dismiss small deviations or settle on narrow, localized explanations of these problems. They treat each small failure as a potential indication of a much larger problem. "The only problem is a hidden one."

*Flawless Execution<sup>®</sup> addresses this characteristic through the enumeration of successes and failures and the search for causes and root causes during the S.T.E.A.L.T.H. Debriefing<sup>SM</sup> process. Furthermore, the review of recurring root causes within the Execution Rhythm<sup>SM</sup> process seeks to identify and respond to larger, systemic problems.*

2. HRO's exhibit a reluctance to simplify interpretations. They recognize that humans tend to oversimplify the world around us and try to resist that tendency. They look for odd things that don't seem to fit their picture of how things usually work. They build diverse teams and welcome a wide variety of perspectives that challenge the conventional wisdom.

*The nameless/rankless forum of the debriefing provides an environment for those naturally inclined to be unsatisfied with simple answers to raise their concerns in a psychologically safe environment where their opinion is valued. In Flawless Execution planning processes, cognitive diversity is required while the unique Teamstorming<sup>SM</sup> approach optimizes the contributions of all members.*

3. HRO's demonstrate sensitivity to operations. They do not allow the emphasis on the big picture to minimize the importance of frontline operations, where the real work gets done. They truly empower their frontline workers.

*Flawless Execution<sup>®</sup> principles focus upon the mission at the tactical or operational level. Action and learning take place there and cascade upwards into the organization.*

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*Flawless Execution® processes are mission-oriented (focused on short-range measurable results to create long range effects) while remaining aligned with big-picture strategy and an organizational vision we call the Future Picture.*

4. HRO's demonstrate a commitment to resilience. They recognize that no hazardous and complex system will be error free. They recognize that mistakes happen, and that they are not typically because of negligence or malfeasance. Often, mistakes suggest systemic problems.

*The nameless and rankless tone of the S.T.E.A.L.T.H. Debrief<sup>SM</sup> exhibits the ability to accept failures and learn from them in a positive, non-attribution manner while relentlessly seeking root causes and systemic issues. Flawless Execution® is not about executing flawlessly, but the endless pursuit of flawless execution.*

5. HRO's ensure that expertise is tapped into at all levels of the organization. They work hard to flatten the hierarchy. Their leaders stay in touch with, and gather input from people at all levels. Their leaders are cognizant of the fact that key information, particularly bad news, often gets filtered out as it rises up a hierarchy.

*From the very top of the Flawless Execution® model, Future Picture and Strategy, three echelons of rank and specific experts within the organization come together to collaboratively plan in a disciplined manner. This decentralized, disciplined planning method cascades downward through the organization. Through debriefing, critical information is shared and driven upward through cascading Execution Rhythm<sup>SM</sup> practices.*

## II. Collaborative (Open) Planning

### Why should organizations plan collaboratively?

- Individuals are prone to cognitive errors and poor decision making
- Collaborative groups possess the capacity to make better decisions than individuals
- Good collaborative processes enhance the decision-making and planning abilities of groups/organizations.
- Collaboration increases transparency and ethical decision making within organizations.

In a recent McKinsey Quarterly study entitled *The Case for Behavioral Strategy* (March 2010), authors Dan Lovallo and Olivier Sibony discovered that the quality of the decision making / planning process is 6 times more effective than the quality of the analysis!

“Our research indicates that, contrary to what one might assume, good analysis in the hands of managers who have good judgment won’t naturally yield good decisions. The third ingredient—the process—is also crucial. We discovered this by asking managers to report on both the nature of an important decision and the process through which it was reached.”

Modern organizations exist in a complex environment marked by rapid, unpredictable change that is unending. It is a world of infinite opportunities and threats. How do you navigate through this world? How do you plan to exploit opportunities and respond to change?

### How do you collaboratively plan?

Just throw a bunch of people into a room, right? Wrong. As the McKinsey study indicates, process matters and effective collaboration is hard work.

- Choose the right cognitively diverse group of people to plan “in the open.”
- Facilitate this group through a disciplined yet creative planning process. In Flawless Execution® we utilize a proprietary 6-step process.
- Have specific Rules of Engagement (ROE) for collaborative sessions.
- Empower each member to contribute through effective brainstorming techniques - Afterburner® employs a unique technique it calls Teamstorming<sup>SM</sup>.

### What are the benefits of Open Planning?

- Improved stakeholder buy-in. Teams that develop their own plans, have greater confidence and interest in success.
- Clear understanding of the requirements. If you make the plan, you understand the plan.
- Better, more complete and effective plan. Cognitive diversity supersedes individual talent. Tap into the knowledge, skills and abilities of every member of the team.
- Improved execution of that plan. A team that develops a plan possesses intimate knowledge of how to orchestrate and coordinate the plan.

### III. Culture of Learning and Accountability

Although learning and accountability appear to be very different qualities, they are inextricably linked through a continuum of planning and debriefing. Plans must have specific individual accountability for each task. Only then can successes and failures be clearly identified in order to extract the highest levels of learning.

#### Accountability in Planning

- Clear objectives from the top of the organization to the front line worker
- Accomplishment of every objective or task has a single responsible individual
- Every plan possesses a Course of Action that clearly specifies three important things:
  - 'Who' – the responsible individual
  - Does 'What' – the task
  - By 'When' – the time and date that the task must be completed
- Simple, commonly held process for planning and making decisions
  - Determine the objective
  - Identify the threats/risks
  - Identify available and required resources
  - Evaluate lessons learned
  - Develop a course of action
  - Plan for contingencies
- Continually close the Execution Gap<sup>SM</sup> through focused X-Gap<sup>SM</sup> meetings that quickly review progress, identify potential errors or changes, and address them through accountable action.

#### Learning Before, During and After Execution

- Simple, commonly held process of debriefing – the S.T.E.A.L.T.H. Debriefing<sup>SM</sup> model
  - **S**et the time
  - **T**one
  - **E**xecution vs. Objectives – was the objective met in accordance with the plan?
  - **A**nalyze Execution
  - Lesson Learned
  - **T**ransfer Lesson Learned
  - **H**igh Note
- Nameless and Rankless – non-attribution; “It’s not who’s right, it’s what’s right.”
- Psychologically safe – no fear of admission of errors; feel free to speak up and point out errors and dangers without fear of retribution
- Root Cause Analysis – what failed or succeeded within the organization
- Clear, written and transferrable Lesson Learned that can be stored and accessed by future planners

## **IV. Leader and Leadership Development**

The first step in developing better leaders and in leading organizations through the complex, dangerous and highly volatile modern business world is to adopt commonly held processes that demand the practice of basic leadership principles. Those principles include communication, empowering others, alignment, decentralizing planning, cascading leader's intent, building trust, and developing others. These are principles practiced by elite military professionals that are available through Afterburner's "EMBED" placement division while the fundamental leadership principles they practice are embodied in the Flawless Execution<sup>®</sup> Model.

### **Leader Development Through Placement**

Leadership is never found, but developed over time, with purpose and structure. Afterburner<sup>®</sup> places elite military professionals with extensive leadership experience. Its candidates represent America's very best leaders who have in-depth knowledge of the Plan-Brief-Execute-Debrief cycle of Flawless Execution<sup>®</sup>. These elite men and women, senior leaders in America's armed forces, have been honed within programs and systems where teamwork isn't a fortunate byproduct... it is the entire mission.

### **Leadership Development**

Afterburner<sup>®</sup> has provided executive business management training at prestigious programs such as Harvard, Wharton, Cornell, and Emory. It has been a regular part of the curriculum at the Duke University Fuqua School Advanced Management Program since 2007. These programs seek Afterburner's assistance because they recognize the value of Flawless Execution<sup>®</sup> processes to both improved management and leadership. Specifically:

- Communication
  - Lead the planning and decision making process
  - Act like a leader and brief your team in a structured manner
- Empower Others - Practice Teamstorming<sup>SM</sup> - a proprietary brainstorming and consensus-building process for teams
- Alignment – Lead the organization's efforts to achieve a common Future Picture through fractal planning
- Decentralize Planning – As a leader, communicate your "intent" and allow others to plan how objectives are to be accomplished
- Build Trust – Build trust through empowering others in the planning process, practicing mutual support within teams, and demonstrating a commitment to the nameless and rankless tone of criticism and admission of errors
- Develop Others – Give developing leaders the opportunity to lead structured planning efforts and to learn from their superiors, peers and subordinates during debriefs.

## V. Organizational Alignment

“Organizational Alignment” means that the organization, as a whole, is acting day-in and day-out to achieve its Future Picture – a clear, compelling and high-resolution picture of where the organization wants to be in the future. From that Future Picture that is developed collaboratively in an open planning format that includes three echelons of rank and some experts, there are three levels of fractal plans that cascade downward through the organization that drive execution.

### Future Picture

- “Every action affects the future. Specific actions create a specific future.”
- 12 Key Descriptors that provide the high-resolution detail necessary to measure progress.
- Desired Effects – measure progress through clear statements of the desired effect of a Key Descriptor

### Strategy and Campaign Plans

- Organizations operate as, and function within systems. The strategy that the organization utilizes to achieve the Future Picture should focus upon changing the internal and external systems to fit that picture.
- Campaign Plans are those specific plans that connect the daily execution at the tactical level to the overall strategy. Often a missing element in most organizations, Campaign Plans focus effort upon those elements within systems that have the most influence over the system-as-a-whole and, therefore, achieve the Future Picture more rapidly and efficiently – a concept called *Parallel Action*.

### Mission Plans

- The tactical day-to-day plans that impel action toward achievement of a specific Campaign Plan. Mission Plans are clear, measurable, achievable and support the Future Picture. Through a commitment to Mission Planning, organizations develop a bias for action.
- Mission Plans may be “fractal.” Fractal planning means that specific tasks within a mission plan may require another dedicated team to further the details of the larger plan. Fractal planning drives accountability down to every individual within the organization.