Faster Cheaper Better

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Why am I here?

What? I fix broken organizations

Why? Disconnect between tactical mindset and and strategic management:

1. Organizational (business, legislature) and customer needs
2. Strategy and the way the organization works and is measured
3. Engaging people to add value and feel valued

Who? For profit, not-for-profit, education, healthcare, manufacturing, services, military, and government

HOW? Customer - Process - Leadership
Cultures – leveraging, learning, integrating the best, barriers broken

Knowledge – increasing, access to vast amounts of instant information, graduates in their 90’s

Flexibility – technological advances, virtual workplaces, global teams, mobility

Innovation – new products, new services, new markets, new applications, no more big vs. small

Communication – no boundaries, iPads, PC’s, iPhones, apps, multiple options: Facebook, Skype, LinkedIn, Twitter, text, email
Challenging Times

Manufacturing and Services – profit, raw materials, gas prices, equipment, workforce, access to credit

Not for Profit – economy down = charitable donations decrease

Military – no profit motive but despite budget cuts, being less effective is not an option - e.g. sequestration

Schools – funding flat, performance demands increasing, do skills match future employer needs

Government – demand for lower taxes, need for economic development, greater demands for services
Good News or Bad?

“Today we stand on the edge of the abyss; tomorrow we move forward.”

Going Postal

Brand Recognition – reliable, deliver anywhere

Challenges – 5% volume reduction YOY

Financial Impact:

2010 = $8.5 B loss

2011 = $10.6 B (w/out $5.5 B pre-paid retirement delay) loss

2012 = $15.9 B loss

Projected 10 year loss = $238 B

A 2¢ increase in postage prices covers only 3 months of losses

Already hit Treasury Credit Limit of $15 B
USPS Summary of Issues

1. Confusing Customer and Stakeholder needs
2. Lack of Processes
3. Misguided Leadership
Customer vs. Stakeholder
Getting on the Same Page

Who are your customers?
Who are your stakeholders?
Would everyone in your body agree?

Leadership Challenge: Aligning everyone around the answers and balancing the needs.
Drug Induced Confusion

The story of the pharmaceutical company and new drug development.
Postal “Customer”

- Need: Satisfy customers (VOC) and meet financial targets (VOO)
- USPS Response:
  - 1,600 recommended closures
  - 84% less than 2 hrs. work/day
  - Proposed *slowing down delivery of letters and bills* to save $2.1B per year
- Customer = mail sender/recipient
- Congress = stakeholder (VOO): allowed 264 closures (16.5%)
Customer/Organization Balance

Constituents: State & District

Customer

Legislative Body

Legislature
Results Focused Management™ (RFM)

Leadership

- Customer
- Aligned Goals
- Process
- Peers & Employees
- Legislature

Results

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The Important Role of Process
Relying on Heroes
Creating Your Support System

- You know what the constituent wants
- You know what the legislative leadership is asking
- How do you satisfy both and remain
  - Consistent
  - Effective
  - Efficient
  - Responsive
  - Nimble to handle changes (such as Federal Gov’t shutdowns)
Constituent Services

**Constituent Contact**
- Member or staff?
- Email, letter, phone call?
- In person meeting?
- Town Hall?
- Survey response?

**Evaluate**
- Opinion on an issue?
- Request for assistance/ case work?
- Project?
- Invite?
- Informational request?

**Assign & Disposition**
- Tally and communicate to member.
- Determine and route to appropriate agency.
- Contact agency & local officials. Evaluate legislation need.
- Send to staff or member.

**Resolve & Respond**
- Explanation of views/ thanks.
- Agency or member office responds.
- Draft legislation; coordinate with agency/ local govt.
- RSVP or provide information.

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Process Equality

What Process Is

- a group of activities, specifically designed to inter-relate, to produce a desired result
- method of innovation
- flexible to changing circumstances
- ensures you address VOC/VOO

What Process Is NOT

- rigid sets of procedures that don’t allow for judgment or decision-making
- entanglement of bureaucracy
- multiple inspection points and approvals

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Challenge Current Thinking

Two compelling stories:

1. The story of the long lines and signs of confusion.

2. Citizens helping government become more efficient.
Power of Process

- Creates ‘comfort’ via structure
  - New legislators
- Reduce hand-offs, duplication, errors, rework
- Minimizes delays, reduces complexity, improves cycle time
- Focuses attention on customers and results
- Improves and focuses flexibility; ability to scale
  - Mass customization
- Creates alignment
"The single most important thing to remember about any enterprise is that there are no results inside its walls. The result of a business is a satisfied customer."

- Peter Drucker, Business Guru, Author, Professor of Business
Leadership: The Key to Success
True Leadership Is Key

Inspire with a vision

Provide resources (priority)

Design and implement processes to provide support for achieving constituent and legislative goals

Sanction changes and hold others accountable

Balance constituent and legislative needs
State of Indiana

Process for managing toll road was cumbersome, hard to manage, expensive

Management and measurement was by task

Redefined the end goal: revenue to finance state’s investment plan & fix roads statewide

Shifted management (service & maintenance) to supplier – Public/ Private Partnership (P3)

$3.8 B paid; $1M every 2 days in interest

Funded 10 yr infrastructure plan

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Communicating & Influencing Change

• Communicate effectively
  • 10% words
  • 35% tone
  • 55% body language
• Have a goal/ outcome for every communication
• Change = 10% logical and 90% emotional
Motivate through Actions

- The one who speaks the most is perceived as the most junior
- Show up in a crisis
- Don’t let others fail publicly
- Make people look good in front of others
- Are fully present
Leaders...

• Remove obstacles

• Develop talent

• Communicate strategy and translate how it all fits together (alignment)

• Explains expectations and how to make it happen (process and measures)

• Rewards and holds others accountable

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Leadership Grit

What shall I wear to work today?
Cause and Effect

Culture is a \textit{by-product} of leadership

Kissing, shaking hands, and a lot of hand sanitizer
It’s All Personal

• **Competence** – knows numbers, fact, has skills

• **Character** – truth over harmony, always tells the truth

• **Credibility** – keeps commitments, follow-up and follow-thru

• **Connections** – who you know, collaborative
Thank you for your time and attention.

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