

# No one is in charge



**Bruce Bosworth**

In the aftermath of hurricane Katrina devastating New Orleans, I am not surprised that city officials and emergency services managers are blaming each other for incompetence and indecision. In what are called developed countries, a new tyranny is taking over – regulations. The paradox is that the more our lives are regulated, the less people become responsible for their own actions and the less people become responsible for their own inaction and therefore no one is in charge, and is less likely to take charge.

Here are two. The supermarket whose gateau had a label on the bottom of the box which gave instructions to keep the box upright! Why? Its simple. Because no one wants responsibility for the

cake to be damaged. The customer will not because, without instructions on how to carry the cake, the customer can seek compensation from the retailer. The retailer does not want the blame so instructions are placed on the box so that responsibility can be forced upon the customer. The cake maker meanwhile puts on the label to appease the retailer's purchasing department. Of course, customers have the trump card because they can sue everyone in the supply chain for causing them to be fat because the box didn't contain a warning not to make a pig of oneself.

A customer of McDonald's successfully sued for compensation because she was not told that to drive with a boiling cup of tea between her thighs might cause scalding. If she was not responsible for her own stupidity (and careless driving) and McDonald's no longer is because they now put a warning on the cup and make cooler tea, then who is responsible?

This attitude to avoiding responsibility is contagious and has spread to most organisations. The NHS is inefficient because no one is in charge; ie, responsible. During 2004 it was taking an

inordinate amount of time to arrange home medical treatment for my late son. I persuaded him it was time to take our complaint to the top. I wrote to the Chief Executive of the hospital with a copy to my MP. The Chief Executive referred me back to the clinic who could not help in the first place and enclosed a copy of their complaints procedure. So the Chief Executive, despite his title, is not in charge. I contacted the hospital to find out who was his boss. This caused much confusion but I was eventually given the name of someone at the Strategic Health Authority. He turned out not to be the boss of the CE but did try to help, but he was not in charge.

Meanwhile, my MP sent me a copy of a letter received from the Under Secretary of State at the Department of Health. He wrote "...responsibility for managing the NHS has now been delegated to the local services as part of the Shifting the Balance of Power programme." This really means shifting the balance of responsibility. So if the Secretary of State is not in charge then who is?

Institutional inertia is not confined to government bodies. Many organisations in the private sector have been

infected. In twenty years of being in business I have witnessed the change from managers who used to make their own decisions to managers who have to go through procedures, many of which end up with no decision at all – yes or no. This inertia is extended to disguising themselves behind automated and mute systems – telephone recorded options and the internet – that now frequently doesn't give you the solution to your problem and takes longer in so doing.

Recently an American company paid me to find the name of decision makers they wished to contact in the FT-SE 100 companies. On average it took over 17 minutes to find a name by telephone and using the internet. Many took as long as 45 minutes. Over ten years ago I could have obtained this information in several minutes.

I was once advised: Don't wait for responsibility to be handed out; take it. I suspect that if more people had taken responsibility concerning the New Orleans disaster, aid and rescue would have been prompt and effective. We now manage by playing safe. Follow procedures and you are not to blame even if things go wrong. This is the stuff of jobsworths.

# Making strategy work

It is well documented that although the strategy may have been the 'right' one, the Executives simply could not make it happen. Strategy Implementation is not like an architect handing over a building design to the appropriate contractors. It is much more complex than that. As Peter Drucker once remarked "... at some point strategy must degenerate into work..."

So what are those killers of strategy implementation?

- **Lost in translation.** The articulated vision and strategy is unclear to the majority of people within the organisation. The typical words such as global, leading, world class, first class mean different things to different people. And as the strategy percolates down the organisation different business units start to put their own (well intentioned) spin on the Corporate strategy. The result is disconnect, conflicting objectives, competing business unit strategies and an overall unhealthy state of affairs. In addition, even if the vision has been well articulated and communicated, if it is not shared, if the employees do not believe in it there will be immense implementation issues. Do not therefore underestimate the need to win the hearts and minds of your people.
- **A simple test.** Give out to a good representative sample of your employees your statement of vision or mission and ask them to write a couple of bullet points as what these statements mean to them. Then compare the findings.
- **Key Success Factors.** Another reason for implementation difficulties lies in the fact that very often key or critical success factors are not properly transferred into key performance indicators and measurements. People manage what they are measured on. This will never change. Therefore if business units' budgets and performance indicators are arrived in isolation of the overall key success factors the organisation ends up with a high number of non value added measurements. The wrong things are being measured! Looking at a typical cost centre manager's budget one should be able to reconcile the metrics there with the overall statement of strategy.
- **Bureaucracy.** A device for converting energy into solid waste. This quote aptly describes what can happen if the organisation's structure and processes are not aligned to its strategy. Activities happen because they always have. Behaviour becomes mindless. Precedent and memory substitute for thinking. It becomes a case of 'we have always done it this way'. Executives therefore constantly need to fight this straight jacket of conformity and not allow this busy idleness to take root.
- **Culture.** There are enough books and writings devoted to this subject. Suffice to say that culture and strategy need to be aligned. A recent executive casualty was the departure of Ms

Carly Fiorina of Hewlett Packard, where her tough management style constantly clashed with the more collegial culture in place. In assessing the possible strategic choices an assessment of the organisation's culture and values must feature in the choice process.

• **Leadership.** Again there are numerous books on the topic.

In the context of strategy and implementation leaders must

walk the talk. They must communicate clearly. Executives often fail to understand that they are always sending a message, that their behaviour and communication are always under the spotlight. They need to be particularly careful about off-the-cuff comments and behaviour which are often interpreted as hard data.

• **In summary.** Strategy implementation must not be viewed as a discrete set of activities that can simply be delegated when the Board has approved the strategy. Implementation issues must feature upfront when all strategies are being assessed. Executives underestimate implementation obstacles at their peril.



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