



LEADERSHIP & MANAGEMENT

Enabling frameworks that sustain organizational
relevance in an ever-evolving economy.



SMSOLUTIONS
Relevance through Realization

P 306-530-6566 • F 604-648-9694

[E hello@sustainablemanagement.ca](mailto:hello@sustainablemanagement.ca)

www.sustainablemanagement.ca



Engaging with contemporary market imperatives

Our ever-evolving economy is energized by the interaction of constantly changing technologies, new approaches to communication, alternative ways of seeing the world, and more robust societal expectations around organizational prowess, ethics, and action.

Not only is understanding the connectedness of these elements paramount to furthering an organization's health and prosperity, so too is understanding the rapidity at which they are being reshaped and advanced in order to maximize organizational realization and maintain marketplace relevance.

As these marketplace imperatives weigh on conventional organizational settings, often they will induce managers to only employ notions such as working harder or trying to find ever-illusory operational efficiencies in an effort to ward off negative impacts.

The speed of change can also result in organizations becoming mosaics of dysfunction, with actions becoming more tactical as managers and employees become overwhelmed by constantly changing priorities. They abandon strategic and operational plans, resorting to initiatives that address issues and concerns of the immediate, failing to assess these decisions and their impacts on larger and longer term organizational outcomes.

In the struggle to cope with and make sense of the imperatives residing in a knowledge intensive, global, and digitally networked economy, it requires that we see beyond the traditional tried and true and stretch toward building capacities of leadership and management that can more ably enable organizational sustainability.

The speed of change can result in organizations becoming mosaics of dysfunction...

Though there is still a role for traditional governance, top down planning and management methods lack agility and cannot respond to the rapidly changing stakeholder demands placed on the organization. This new reality also places tremendous stress on organizational life and market prediction methods.

Given the speed of change, no one really knows in the conventional sense where future opportunities lie as knowledge and social networks cannot be owned in the same way as land, plant and machinery. In the Twitter verse, the notion of “if you build it, they will come...” is more apt to read, “We were here and you were not... sorry”.

Today, consumers and stakeholders have extended information richness and reach and are no longer confined to traditional market or institutional jurisdictions. Global connectivity that supports responsiveness and speed gives stakeholders the unparalleled ability to compare and easily source product and service alternatives.

To achieve organizational sustainability in this economy, non-conventional ways of thinking and acting are required in order to succeed. Organizations will need to create leadership and management methods that harness the collaborative efforts of the many, while maintaining market agility and network proactivity. They will need to employ leadership methods that extend the resourcefulness of the organization beyond traditional balance sheet assets and employ those "off" the balance sheet and incorporate advancing activities that ably position and reposition the business in real time. They will also need to use management methods that work at maintaining the current market position and protect current cash flows, while being considerate and working on leadership activities that are constantly advancing the organizational position in search of ever elusive future cash flows.

Information richness and reach are no longer confined to traditional market or institutional jurisdictions.

Meeting the Sustainability Challenge – *Maintaining While Advancing*

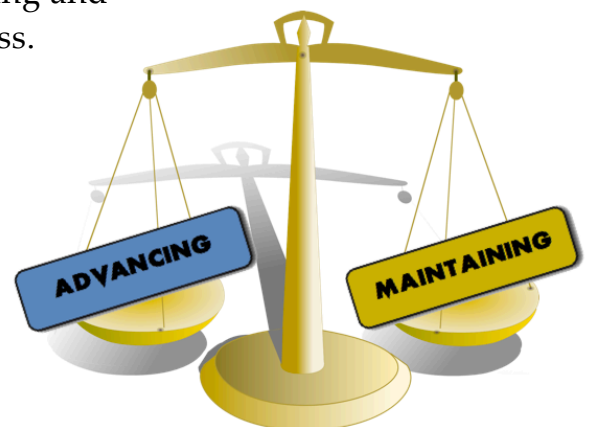
The sustainability challenge is to understand the relationship between seemingly contradictory economic aims manifested in every organizational setting. Specifically, we must manage present oriented initiatives focusing on the production of goods and services that contribute to the maintenance of current organizational cash flows (Maintaining Activities); while at the same time we need to lead initiatives that enhance our position, and generate future cash flows (Advancing Activities).

Given the transactional speed of influence and change in this evolving economy, this is no easy organizational feat.

Fundamental to organizational stability is the understanding that organizations are about competing tensions. The tension between organizational Management that emphasizes maintaining activities or those that we undertake to “keep the doors open” and organizational Leadership that emphasizes advancement activities or those that keep us “relevant and viable” in a world of fast paced and ever-changing expectations.

The challenge is to understand the importance of both Leadership (Advancing) and Management (Maintaining) activities and not to become immersed in one to the exclusion of the other. Both activities must also be resident within the construct of our organizational planning and governance frameworks in order to ensure success.

*Organizations
are about
competing
tensions between
maintaining
activities
and advancing
activities.*



Taking Action through Frameworks

Enabling frameworks support the essence of conventional or the tried-and-true planning and governance but rather than being the focus, they serve as a guide towards achieving or being our best.

These frameworks also allow for organizational agility. They include methods that focus on the realization of all corporate assets while leveraging the collaborative insights of the global knowledge network.

In order to ensure organizational coordination, the frameworks provide a benchmark for our best intentions given the information and market insight we know today. However, frameworks also allow for organizational agility permitting us to sweep in new information or changes to market or stakeholder expectations as we advance into the future. Given the speed of market change and the vast opportunities to garner greater levels of market insight as we go, it is important to be able to adjust our course or modify our intentions in order to take advantage of opportunities as they present themselves without losing our overall sense of direction.

Liken it to the journey of Christopher Columbus. His voyage was to discover a new trade route to Asia (Best Intentions). Having a general sense that the world was round, he set course to a place he had never been using navigational tools (Enabling Frameworks) that allowed him to calibrate and recalibrate his course as he went. When he finally reached land, it was not Asia, but a new world, ripe with exciting possibilities (New Insight). Though he failed to reach or achieve his intended destination, the result was likely far richer than his original plan. (Taking advantage of an unintended yet new opportunity).

*It is important
to be able
to adjust
our course or
modify our
intentions
to take advantage
of opportunities.*

There are four key corporate frameworks that require attention in the new and ever-emerging knowledge and networked based economy.

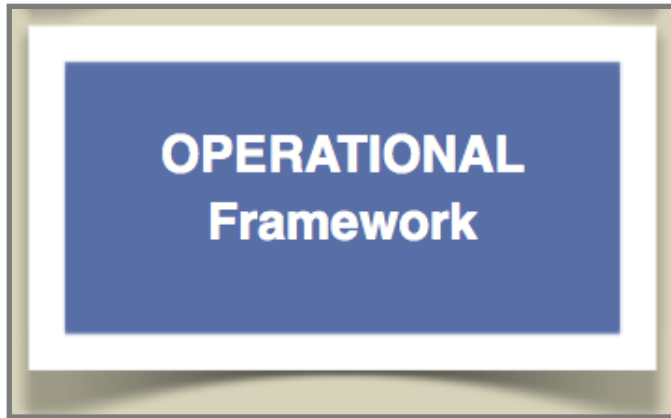


First is a Strategic Leadership & Management Framework that establishes an understanding of where you want your organization to go. The strategic direction must consider both “getting things done now” (maintaining) and “looking at what can be done” (advancing).



Second, you need a sound Governance Framework or accountability structure that insures people have the right tools to get things done (maintaining) and proper forums, encouragements and methods to reflect on what could be done (advancing).

The direction must consider both getting things done and looking at what can be done.



Third is an Operational Framework that establishes specific annual objectives for our business units that achieve results with finite resources and defined timelines (maintaining) while also prioritizing things that we need to examine and consider towards achieving strategic organizational improvements and maintain our external relevance (advancing).



Finally, we need a Performance Management Framework that unites individual and unit action plans and efforts to the achievement of organizational expectations (maintaining) while identifying the opportunities to engage our valued people assets in competency and personal growth initiatives that increase the overall value of the organization and enables personal and professional realization (advancing).

*...engaging
our valued
people assets
will increase
the value
of the
organization
and enable
personal
and
professional
realization.*

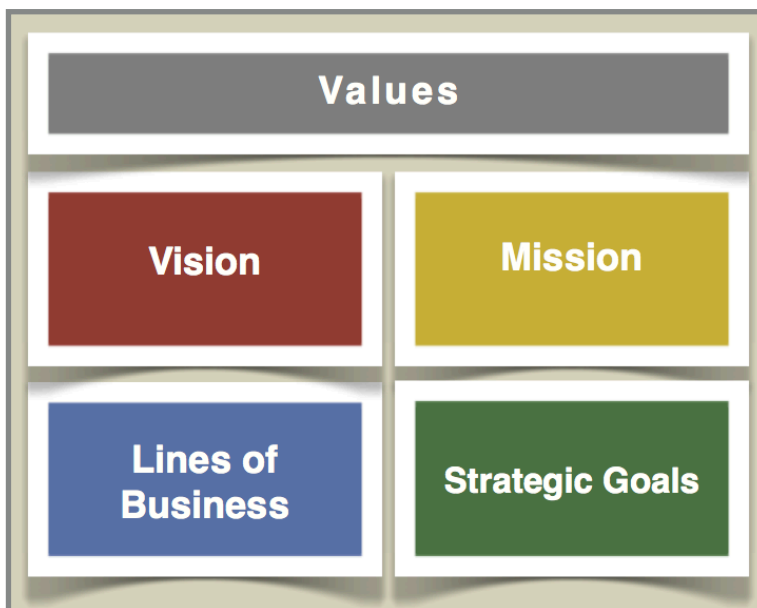
Leadership and Management Framework

The purpose of Leadership and Management Framework is to provide organizational leadership (Advancing Activities) and management (Maintaining Activities) guidance over a defined time period. The new type of Strategic Plan is not event based or something that is reviewed only at our annual planning retreat, but rather a living document that is refreshed and/or recalibrated on an on-going basis.

As with our Columbus example – he set a course and encountered unexpected challenges along the way – adjustments to our strategic intentions are inevitable and must be taken into account in order to achieve success.

The Framework also sets the organizational cultural tone, as how we act and think will influence the things we see as important, what we do, and the results we garner. This is critical as we pursue sustainability in the marketplace or in our service area – our actions, decisions, choices and interactions will influence how we are viewed and how people feel about our organization.

The Framework is comprised of five specific foundational elements:



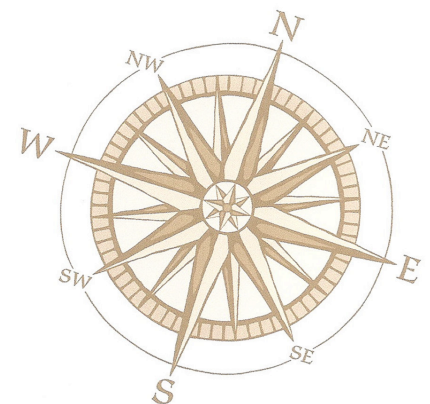
Linking peoples' talent and insightful strengths energizes and mobilizes the movement towards our Vision.

- **Vision:** What we want to become. Our Vision illustrates a new or renewed view or image of our future state. It calibrates all our actions and is what we want our stakeholders to see us as.
- **Mission:** Our purpose or why we exist – our “raison d’être”. Our Mission defines what we are good at and outlines our organizational DNA.
- **Values:** These are our behavioral beacons. Our Values help guide how we see the world, how we act and the imperatives in the decisions we make.
- **Lines of Business:** This is what we do or could be doing in relation to our vision. Our Lines of Business define our key organizational competence. They guide organizational management activities in terms of what we invest in, what we monitor, what systems we deploy and who we recruit and retain in order to sustain our core business or service offerings.
- **Strategic Goals:** These are statements of best intention, identifying the general results we intend to accomplish to realize our vision over the course of time. Strategic Goals help guide and shape the leadership priorities (Advancing Activities) and business objectives (Maintaining Activities) within the annual operational plan.

*...each element
of the
framework is
clear,
compelling
and
achievable.*

The vision, mission, lines of business and strategic goals are directional, while the values are intended to shape and influence the direction through behavior that is consistent with achieving them.

It is imperative that each element of the framework is clear (not wordy), is compelling (encourages people to participate) and is achievable (lofty, but within reach).



Governance Framework

The Governance Framework assigns authority and responsibility to the different areas within the organization. It is the framework that enables action and realizes the strategic expectations of the organization while positioning it for sustainable relevance in the marketplace.

Many organizational governance models are designed on a top down/bottom up notion, and restrict or close decision making participation to the resources confined within the organization. In some cases external information that does not support the organization's strategic intentions is ignored or rejected.

To sustain market or client based relevance, new governance models must provide enabling provisions to get things done in order to manage (Maintaining Activities) our current operations while at the same time are agile enough to lead (Advancing Activities) using the unrestricted insights of the global knowledge network towards adjusting our best intentions and enhancing our market position.

Considering the imperative to manage or maintain current cash flows while at the same time lead or advance our organizational position to secure future cash flows. The governance has to host enabling features that achieve both with little or no disruption.

The vertical governance system associated with traditional decision making, reporting, and performance monitoring is proven in regards to getting things done. Hierarchy and authority exists in order to establish a clear understanding in the here and now – what will be done, who will do it and when. It helps us maintain our current position and achieve immediate expectations.

*Maintaining
and
Advancing –
the governance
must enable
features that
achieve
both activities.*

Most vertical governance however is not very effective at anticipation or reflection as its focus is on doing or getting it done. Elements such as hierarchy, authority and engrained patterns of problem solving sometimes get in the way of considering new or alternative methods and ways of performing. As such, we need to introduce an additional governance overlay, that being the horizontal governance that enables the constant examination and exploration of new opportunities. It does not replace the vertical governance but rather complements it by introducing additional features that are not restricted by conventional management or maintaining elements but are driven by leadership or advancing opportunities.

Specifically, in the horizontal governance, we use teams that are populated with a vast array of participants that have no rank or authority but host experiences, insights and perspectives that can add potency and more ably address assigned priorities.

Horizontal governance is not preoccupied with problem solving (Maintaining Activities) but rather has a focus on problem finding and opportunity seeking (Advancing Activities), continually addressing organizational priorities that sustain market and service relevance.

Ideally, these horizontal teams report to the CEO and include people and resources from outside our organization to introduce fresh concepts and perspectives to our current practices. This approach leverages the intellectual power resident in our supply chains/networks, promotes collaboration, and encourages dialogue unencumbered by structure and tradition. This allows for free examination of new opportunities and identifies those that will refresh our organizational relevance in the marketplace.

*The horizontal
governance
enables
the constant
examination
and exploration
of new
opportunities...*

Successful horizontal – collaboration ultimately can change the core strategy and social purpose of the business enterprise by:

- Innovating new products and services
- Redefining productivity across value chains
- Building clusters of relationships, capacities and competencies to create growth opportunities

Organizations that build successful horizontal collaboration are not only adding to their internal competencies, they are simultaneously redefining their business purpose by using society.

Effective governance needs both a management method (Maintaining) that assures things get done now, while at the same time have a leadership component (Advancing) that allows for exploration and the examination of what could be done as we progress.

- Vertical Governance – Provides top down and bottom up structure that manages the here and now and how we get things done in the immediate term – Maintaining Activities
- Horizontal Governance – Provides exploratory structure that is not hierarchy-based, such as teams with insightful resources that lead and steer the organization by examining new alternatives and opportunities – Advancing Activities

The challenge is to assure the governance structure does not become rigid or territorial, serving personal or individual section preferences over those that achieve overall corporate success. This requires that we consider how individuals are motivated and/or held to account for both Management or maintaining activities and those of Leadership or advancing activities. This is further examined in the Performance Management Framework.

*The challenge
is to assure
the governance
structure
does not
become rigid
or territorial...*

Operational Framework

The Operational Framework establishes the annual business plan and serves as the bridge between “steering” the organization and “rowing” towards our preferred destination. It defines specific operational objectives for our vertical Governance and Management activities and advancement priorities for our horizontal Governance and Leadership activities that will enable us to achieve our vision over time.

The Managing objectives and Leading priorities are directly linked to the strategic goals outlined in our strategic Leadership and Management framework. They define where we will focus time and invest resources during the operating year. They also serve to provide stakeholders, the Board and membership with clarity of operational intentions and serve as a guide for annual reporting.

The Operational Framework defines managing objectives and leading priorities, enabling us to achieve our vision.



Business Units – Managing Objectives, the Vertical Governance

Business Units form part of the vertical governance and are aligned in a manner that facilitates organizational efficiency and effectiveness in the here and now. They are about getting things done and addressing the management or maintaining activities that support current cash flows. They are also aligned with the Lines of Business and house the organizational competency that supports current products and services.

Each business unit will collaboratively develop specific managing objectives that support the Leadership and Management framework and are considerate and/or complementary to the needs of the other business units. Managing objectives are focused on the near term and support the achievement of key management intentions for a defined period. They have a clear intention and are generally bound by quantity, quality and time.

Once again using our Columbus analogy, the ship's crew has various managing and maintaining functions. For example, the cook and mates must make meals in a timely fashion in order to keep the crew nourished, while the deckhands ensure the ship is clean and the sails and rigging are functional in order to ensure the ship can harness the power of the wind to sail.

These are defined roles with established managing objectives that get things done in an orderly, timely and predictable fashion. The focus is on the existing elements and attributes of the vessel and those aboard. Columbus as Captain relied on these actions in order to manage and maintain order on the ship during the voyage.

This is the essence of Business Units. They are where organizations manage their current business activities and strive to maintain current cash flows.

*The essence of
Business Units
– managing
current
activities
while
maintaining
current
cash flows.*

Teams – Leading Priorities, the Horizontal Governance

Teams form part of the horizontal governance and are aligned in a manner that facilitates organizational exploration into the future. They are about examining opportunities or alternatives and addressing the leading or advancing priorities that support future cash flows. They are not aligned with the Business Units but rather are linked with the key advancement requirements of the organizations, such as improving profitability, enhancing systems and process, attracting, retaining and exciting people and sustaining a relevant market position.

Team leading priorities examine advancement initiatives that support the pursuit of our Leadership and Management framework. Teams are assembled with an eye on populating them with the right people (not hierarchy) to examine each area under consideration with a strong external connection. Teams sweep in external insights and resources with a sense of inclusion rather than exclusion. Teams develop recommendations and proposals that adjust organizational activities and when approved, they are managed into the organization over time.

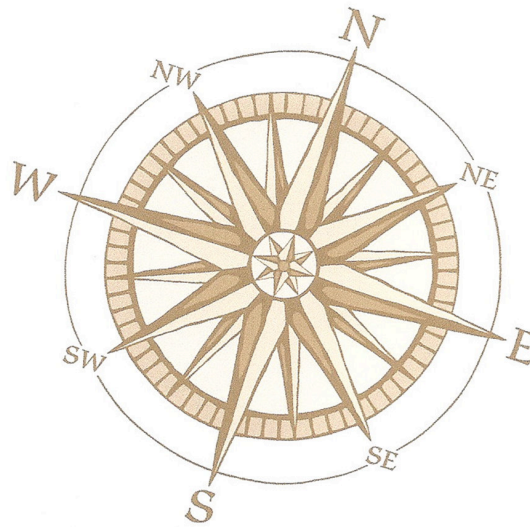
Once again using our Columbus analogy, the ship's crew has various navigational and advancing functions. For example, the navigational team includes the quartermaster and navigator; they keep the vessel on the intended course, while constantly assessing external insight as to how it has an influence on the charted course. Even when faced with sailing in uncharted waters, the navigational team using external insights can make recommendations to the Captain in terms of course adjustments. Though this team has a defined purpose, their ability to set course is constantly being influenced by external factors, making the result less predictable. The focus is on addressing the ever-changing unknown elements and external attributes and how they influence the existing vessel and those aboard. Columbus as

Teams are about examining opportunities that support future cash flows.

Captain relied on these leading insights in order to advance and reposition the ship during the voyage.

The Operational Framework also sets the stage for the development of Performance Management Plans. Our Operational Plan is the directional template for individual performance accords with management and staff. Each will be calibrated with the business unit managing objectives and team leading priorities set out in the plan.

This completes the link from Vision or conceptual level to Personal Performance or the engaging and “getting it done” level.

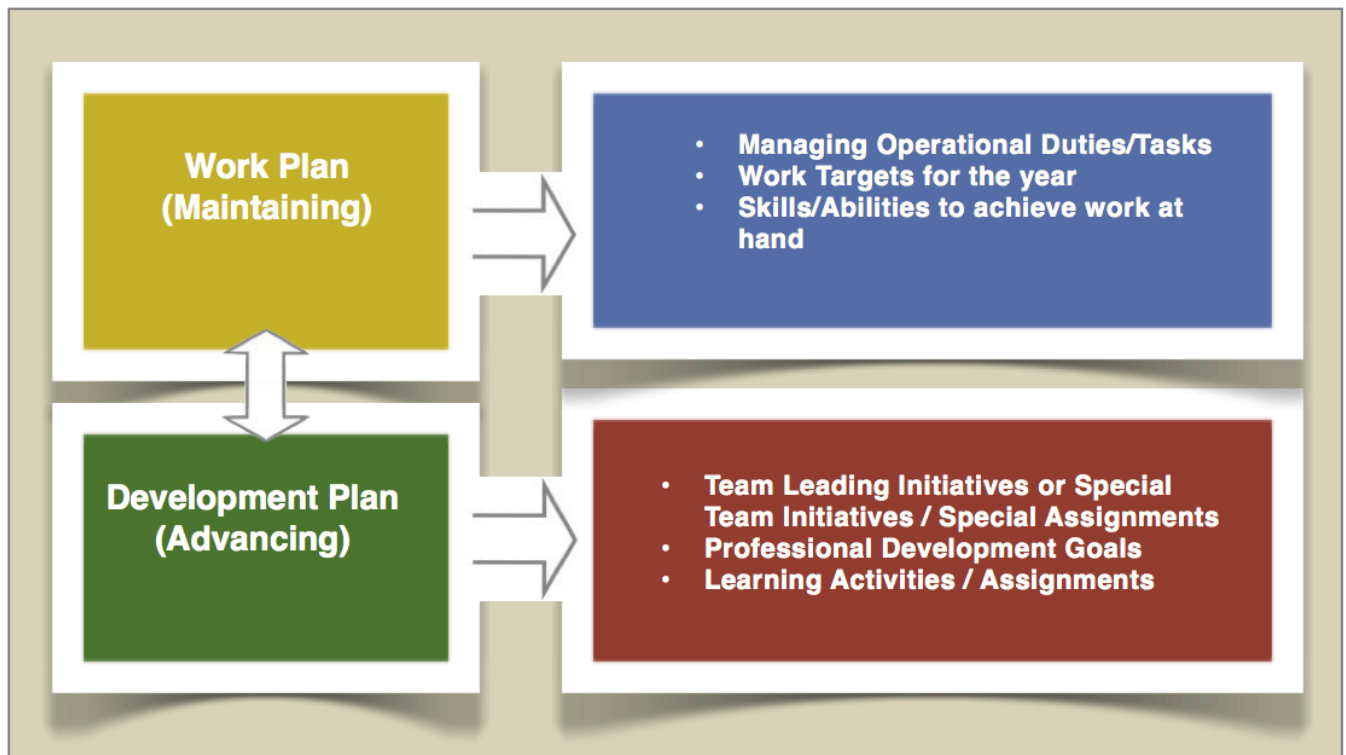


Performance Management Framework

The final piece in our organizational alignment effort is linking people efforts and their productivity and innovative investments with our Leadership and Management, Governance and Operational Frameworks. Though this is the last installment of our sustainability pursuit, it is truly the most important.

Whether an Executive Manager, Accountant, Administrator, Operational Lead or a Summer Student, everyone's contribution counts and has the opportunity to add value to the overall sustainability pursuit.

When people's talents and insightful strengths are linked to the strategic direction we ultimately energize and mobilize the organizational movement towards the Vision.



Individual Planning Segments

Understanding the Leading (Advancing) and Managing (Maintaining) challenge in an organizational context allows us to calibrate individual planning and action in a similar manner.

At the personal or professional level each individual has a responsibility to assist the organization in managing and maintaining current operational activities, while at the same time providing insight, or developing new skills that lead and advance the organization's position.

To illustrate this, we segment the individual planning activities into two key areas of focus specifically:

- Individual Work Plan (Maintaining)
- Individual Development Plan (Advancing)

Individual Work Plan – (Maintaining)

Within the Individual Work Plan segment it is critical that discussions focus and define those elements that are essential to achieving our current position responsibilities for the next year in relation to the managing objectives identified for our specific Business Unit in the Operational Framework.

Such as:

- Managing operational duties and tasks that must be completed to ensure product and/or service integrity
- Work targets that are considerate to time and quality requirements of the Business Unit
- Enhancement to skills that assist in fulfilling the operational tasks at hand and maintain current competency

Individuals are responsible for assisting in maintaining activities, while at the same time, providing insight or developing new skills to advance the organization's position.

Individual Development Plan – (Advancing)

Within the Individual Development Plan segment, the focus of discussion will concentrate on defining those elements that support personal contributions to professional or organizational growth into the future and are considerate to the Team leading priorities identified in the Operational Framework.

Such as:

- Assignment to Team Initiatives or Special Projects that explore new and alternative approaches or advance value options to stakeholders
- Professional Development Goals that allow for promotional progression and advancement within the organization
- Learning and Development Activities that advance professional and personal knowledge, skills and abilities

Both the Individual Work and Development Plan are supported by clearly articulated Position Profiles. These profiles define position responsibility and authority and are complemented by specific skills and abilities required to successfully fulfill these obligations.

During the Planning discussion, it may prove helpful to use these profiles as a guide to defining individual work requirements (Maintaining) and individual development opportunities (Advancing).

*The focus
will
concentrate on
defining
elements that
support
contributions to
organizational
growth...*

In Summary

Let's complete this discussion with a final revisit to our Christopher Columbus analogy...

When Columbus was planning his journey, most thought he was foolhardy and they were sure he would sail straight to his demise. Those people knew without a doubt, that the world was a certain way, and to venture off the "tried and true" was a fool's game.

Columbus thought differently. He did not have absolute certainty but he did have new insight and the desire to advance the world view through exploration and examination of alternate perspectives. Many of the crew who joined in the voyage signed up because there *were* risks involved – the potential for discovery outweighed the risk of uncertainty. To venture where no one else had yet to go would provide a wealth of personal realization, excitement, new challenges and expanded experiences. To explore uncharted waters would allow for an expanded view of what could be done.

As compelling as these journey attributes were, the voyage could not be accomplished without the use and implementation of existing technology and managing methods. Columbus needed ships, competent crews, and an understanding of trade winds and navigation methods. Though his journey required Leadership and a strategic vision, it also needed to employ competent Management to be successful. One could not fully satisfy the needs of the journey without the other.

Leadership and Management are both key considerations that manifest themselves from the strategic organizational positioning perspective right through to engaging people who enable the work today and participate in the insightful examination of new possibilities. Using enabling frameworks allows the organization to achieve its best intentions and maintain market relevance by allowing people to participate in achieving their greatest potential by engaging both in Leadership – Advancing Activities, and Management – Maintaining Activities.

*To venture
where no one
has yet to go
provides a
wealth of
personal
realization,
excitement,
new challenges
and expanded
experiences.*
