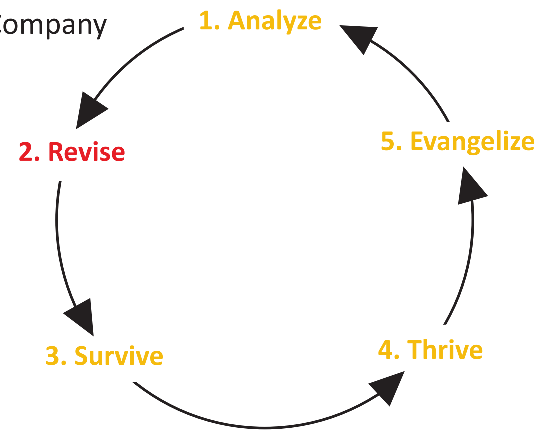
The Stranger in a Strange Land Series:

Five Steps to Services Leadership in a Product-Centric Company



Step Two: Revise

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Successfully leading a professional services organization in a product-centric company is not for the faint of heart. Learn what works.

In Step One of this series, Analyze, I stressed the criticality of getting relevant, in-depth, current information about key clients, the marketplace, and your professional services organization. In this issue, I will talk about what to do with that information—to rethink, reformulate, and revise your professional services business and your personal leadership plans. First, we'll discuss how to use the information to test the probability of accomplishing your business goals. Then, we'll explore how to create a logical yet emotionally appealing case for change that people will not only accept but get excited about. I'll also introduce two powerful tools to help you along your path. And finally, I'll give you a real-life example on how to get key players on board. This is how a Stranger earns his or her keep!

Take a Reality Check

As a smart executive armed with the new, relevant information of analysis, the first thing you need to do is take another look at your goals for your PSO. Are they appropriate based upon what you now know? Realistically, is your mission attainable? Where can you expect resistance within the organization?

The Force Field Analysis (*Figure 1*) is a great tool for helping make this assessment and answer these questions. It quickly (it takes about 20 minutes) can help you grasp where you are in relationship to accomplishing your PSO mission and identify the "forces" that can help you or hinder you. Here's how you do it: First, using the information gathered in Step One, you (or you and your team) need to list all of the

Figure 1

Force Field Analysis Example

The Transition to Professional Services

Helping Factors →	← ***Hindering Factors***
Excellent market potential	Vision not communicated
Strong customer reputation	Lacking bold goals
No major competitive treats (at this time)	Focus is fuzzy (which products for which clients?)
Adequate supply of good people	Current design can't support national organization
Technology lacking, but available	No unifying strategy that emcompasses new acquisitions
Many elements of a blueprint in place	

forces (factors) that can help you accomplish your PSO goals. These are the things that you have going for you. Next, list all the factors that can hinder you in accomplishing your goals. Then, eliminate all but the six to eight most important helpers and hinderers. If you've been honest with yourself, you are now facing your current reality, however satisfying or unpleasant it may be. It may confirm the "do-ability" of your mission or cause you to make some adjustments. Either way, next you will need to find ways to leverage the helping factors and eliminate (or at least minimize) the hindering factors as you move ahead. Revisit this tool at least every six months to take the pulse of your change efforts.

The revelations of putting one together can be quite impactful. For instance, a recently hired vice president of professional services (she asked not to use her name) in a hardware company had this to say after completing this exercise in one of our transitioning workshops:

"You know, it just isn't going to work. When you look at all the factors working against me, there is no way that this box company is ever going to be services-led. I'm going to have to change my approach or get my resumé up to date!"

This was tough to swallow at the time, but better then than later! She was able to lower her sights and develop a much less aggressive plan that was more appropriate to her current situation. Instead of sailing off into a storm that promised some very big waves, she battened down the hatches and waited for the tide of opportunity to rise.

Build an Appealing Case for Change

Once we have confirmed or adjusted an appropriate and attainable mission for our professional services organization, we need to make it appealing—appealing enough to the key stakeholders inside and outside the company so that they will consider changing their behavior. As all the Strangers out there know, this can be challenging!

To align the information so that it will have the highest probability of being accepted by the key stakeholders, you first need to have a good understanding of both their business issues and their personal issues. I recommend a very simple, yet powerful, tool to do this: the Stakeholder Analysis (*Figure 2*). Stakeholders are anyone who have a "stake" (something to win or lose) in whatever you are proposing, or promoting, or promising.

Figure 2

Stakeholder Analysis: Example

Stakeholder	***Role***	***Business Issues***	***Personal Issues***
John Smith, CEO	Decision Maker	Re-gain market leadership; new competitive threats	Recognition as an innovator
Mary Jones, CFO	Influencer	Cost control; shrinking profit margins	Demonstrate prowess
Bill Adams, VP Sales	Influencer	Hitting sales target	"Looking good"

1. First, you need to identify all the main players that might be impacted by your ideas and determine their roles (the Force Field Analysis will help). Depending on your issues, the size of your organization, etc., this could range from six to 60 people. In *Figure 2*, I just list three stakeholders to give you an idea of how it works.

2. Next, you determine their business issues. In this case, the CEO was most concerned about regaining market leadership and new competitive threats. The CFO was (no surprise here) mainly concerned about cost control and shrinking profit margins. The vice president of sales was concerned about hitting his high-growth target, period.

3. Third, you examine their personal issues. In this case, the CEO took pride in being known as an innovative leader. She wanted to broaden her influence in the organization, as the CEO would be retiring in two years and she wanted to make a name for herself. Hence, anything that demonstrated her prowess would be of interest to her. The vice president of sales considered himself not only an expert in sales, but in marketing, strategy, the industry, just about everything! What was important to him was that he looked good.

4. With all of the above done, now you can think through what you will want to communicate to each key stakeholder, and how you will want to communicate it. Just looking at the three stakeholders above, you'll quickly see that presenting the same message the same way to all three is a plan of disaster—the best you could do is one out of three, and this isn't baseball. Each individual needs to be treated as an individual, and your ideas must address their unique issues, showing them how they can benefit on both a business and a personal level. They don't have to be lengthy, but you need an individual plan of influence for each key stakeholder.

One of the most important aspects of this tool is that it forces you to think through all of the people who might be impacted by your plans. Many times, it is much broader than you originally thought. Furthermore, the first time you complete one of these analyses, you probably will find some gaps. It will force you to do some homework. It also will take the investment of a few hours (sometimes a day or two), but it is well worth it, as it greatly will improve your odds of success. And as services leaders in product companies, we should use all the tools we can get our hands on.

Energize through Involvement

A cardinal enabler of getting people to accept and embrace change is involving them in the process. Nothing works better. So look at all your key stakeholders and think about ways you can involve them. In Step One, I showed you how to involve your key clients in the services process, especially with regard to understanding needs for current and future services. This involvement pays off big time when you go back to these same clients and tell them what you are doing and why. In most cases they are ready to buy, mainly because they helped contribute to the process.

The same is true, and maybe even more important, as you try and influence your product peers and superiors in your company. Remember that what makes perfect sense to you may well appear alien to others in your company. You'll remember that Step One emphasized personal interviews and focus groups of internal personnel. Doing these data-gathering activities not only yields good information, it is setting the stage for buy-in.

Here is another very powerful involvement approach: Have the management team wrestle with the data—problem solving, coming up with options, determining the strengths and weaknesses of each choice, and reaching agreement through collaboration. Correctly done, this is a vehicle for accelerating positive change and advancing your services agenda.

Tony Pajk, president of Branson Ultrasonics, was faced with a tough task. He saw the need to aggressively move to services, but most of the players on his executive team were blinded by their current business success. Following his consultant's advice, he decided to do a global voice-of-the-customer project to better understand the services potential and the best places to focus. To get his execs on board, he required all of them (including himself) to be involved in conducting the key account interviews, then analyzing the information and sharing it with their peers at a two-day services blueprinting session. This is what Tony had to say:

"My team was very skeptical about services in the beginning. Most felt our current efforts were effective. Nor were they very optimistic about customer reception to the interview process. . However, the impact was remarkable. Sitting face to face with key accounts and not talking about products, but listening to the customers' business issues and organizational problems was very powerful and enlightening. They came to the blueprinting session highly energized and wanting to speak up for the customers they heard! They put aside their past biases and worked together to create a doable services plan. This was the turning point of truly getting the services buy-in at Branson and reinforcing our message to our customers that we were more than a product company, we were a total lifecycle solutions company."

The step of Revise is all about using information to take a hard look at your services business and personal leadership plan, making realistic changes, and taking the right actions to get key folks on board to help you accomplish your goals. It is about the difference between being skeptically viewed as a "stranger" or being admired as a "unique contributor" that makes everyone in the organization more successful.

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