

okc **BIZ**

MARCH 2009 VOL. 12 NO. 3

# Leading leaders

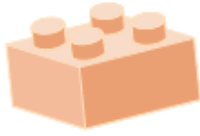
Management consulting firms help  
companies re-evaluate processes  
to streamline operations

BY RANDALL TURK



MARKHAMOCK

Scott Klososky



In good times and bad, management consulting firms maintain that companies fail or falter for only three basic reasons: inadequate planning, ill-prepared leadership and faulty execution of the established mission.

In the metro, several such firms counsel companies in strategies and leadership to help them develop, grow and survive the slings and arrows of competition, as well as the vagaries of the economy. Advice from these experts is proactive and meant to produce measurable results.

“Strategic planning is a process, not an event,” says Richard Zahn, chief strategy officer for Executive Development Associates. “It’s a thinking process that translates into action, not just fancy reports filed away on a shelf.”

#### A LOGICAL SUCCESSION

Zahn, a former banker and entrepreneur, was a board member of CR Anthony Company, the Oklahoma-based clothing chain founded by his grandfather in 1922 and sold to Stage Stores Inc. in 1997. He operated his own marketing research firm for 15 years.

“My purpose is to help companies build, execute and finance strategies that lead to success,” Zahn says.

The first step in strategic planning involves a thorough internal and external analysis of the company to develop its SWOT profile, which analyzes strengths, weaknesses, opportunities and threats, producing priority issues from which the company’s vision, mission and values are distilled. Then, objectives are drawn from what the company wants to be, and strategies are forged to reach those goals, assigned to individuals in the company who become accountable for executing the plan and achieving results.

“In most small- and medium-size companies, execution of successful strategies is the most important aspect leading to positive results,” Zahn says. “One of the keys to effective execution is the people in the organization. EDA was one of the first firms in our field to tie leadership development to the organization’s strategy.

We help companies find those with real expertise to develop strategy and build leaders to implement it.”

#### OUTSIDE PERSPECTIVE VALUED

Zahn says the EDA model for the execution phase can be prefaced by a series of actions that condition the outcome of strategic planning. He says steps like team-building (and “transitioning” some employees out of the company), effective hiring practices, improving the role of the CEO and securing funds for growth plans can create a firm foundation for executing strategy.

If the formula is so straightforward and widely known, why can’t companies just do it themselves? Because the home team can be blinded by the routine road to doing business, Zahn says. “Wise management knows the value of outside perspective.”

“One of the keys to effective execution is the people in the organization.”

RICHARD ZAHN

Since its founding in 1982, EDA has had a history of success with half of the Fortune 100 companies. Its list of Oklahoma clients includes Devon, Enogex, Oklahoma Hospital Association, University of Oklahoma, Love’s Stores, Lucent Technologies, Cox Cable and Southwestern Bell.

#### STRATEGY IN HUMAN TERMS

Among consulting firms in the metro is Dr. Dray, whose services incorporate a psychological dimension. Terry Dray is a business professor at Oklahoma Christian University and a professor of industrial organizational psychology at University of Central Oklahoma. He says his Edmond firm’s services include a psychological component to better assess an organization’s needs and potential, developing strategies by evaluating market standing; innovation; human, financial and physical resources; productivity; social responsibility; and profit.

“Strategic objectives must be specific, measurable, appropriate, realistic and time-oriented,” he says.

His approach to strategic planning is discovery-driven and motivational. He advises companies to invite creative ideas from throughout the organization. Other advice: “Communicate to motivate. Make goals and objectives specific, realistic and rewarding. Make people accountable and recognize success.”

In improving company leadership, Dray emphasizes the importance of “training them to be strategic leaders, not managers.”

He says companies must “create an agenda for self-improvement and set goals to enhance strategic leadership throughout the organization.”

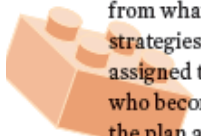
Among clients who have benefited from Dray’s approach are Alltell, Halo

Technologies, North American Aircraft, Oklahoma Center for Advancement of Science and Technology, Rockwell International and OU.

#### A ‘HIGH-BEAM VIEW’

Scott Klososky commands a specialized niche in the management consultant field. He concentrates on two aspects of a company’s strategic plan: establishing goals five years out and applying technology to achieve them. Besides consulting with companies, much of his efforts are directed to workshops and speaking engagements across the country.

Klososky, a native of Cleveland, moved to Oklahoma at age 18. From a job as a “delivery boy” for a computer company, he became division head of computer sales and then purchased the division to form his own company. His first venture grew into a 12-store operation in three states. He was founder and CEO of Paraglyph



Inc., a Soviet/American joint venture. Half the company was sold to Silicon Graphics, and the other half, renamed Parascript Inc., is still expanding.

In another venture, he collaborated with H.R. Haldeman to publish the diaries of the former aide to President Richard Nixon, a bestseller. Among his consulting clients are eBay, Cisco, Ameritrust, Newell Rubbermaid, The Hartford Insurance Co. and many associations and government agencies such as Mortgage Bankers Association, Sallie Mae, American Institute of Certified Public Accountants and the National Credit Union Administration.

"Most people who do strategic plans only look at a year at a time," Klososky says. "That's a big mistake."

He analyzes trends, maps possible responses to them and shows how technology can effectively drive action. He also reviews his clients' technology infrastructure and provides IT restructuring services.

In what he calls the "high-beam process," he creates a spreadsheet to record the value of future processes.

"We evaluate a company's 'investment portfolio' of action items every year to measure the return in terms of new customers and revenues," he says. "We reduce what we do to measurable things."

ADVICE FOR THE TIMES

Zahn, Dray and Klososky all concur that a company's strategic processes and execution are even more critical in a troubled economy.

"Understanding the environment and what makes us tick becomes even more important," Zahn says. "It becomes much harder to project what will happen in the next 12 months. I'm encouraging people to look at how several scenarios will impact them. In the reality of the new world, it's harder to pick a single path."

Dray sees economic crises as opportunities for companies to grow, improve and increase profits.

"Take this opportunity to improve your organization," he says. "Economic downturn can be a good focusing point to rally employees. Train them to provide exceptional service."

In periods of economic distress, "weaker companies will cut back and leave opportunities behind," Dray says. "Organizations with strategic plans will watch for opportunities and gain customers and market share. Be prepared to expand advertising and marketing efforts to let customers know your business is ready to meet their needs." **BR**

Richard Zahn, chief strategy officer for Executive Development Associates



MARK HANCOCK



LEADERSHIP TRAINING Where strategy meets the road

If leaders are made, not born, effective management training is vital to a company's success.

"Our training programs vary from company to company," says Bonnie Hagemann, CEO of Executive Development Associates. "Companies may want one-on-one coaching or full-blown university courses. We sometimes send executives to Harvard and Duke business schools."

Whatever the methods preferred, EDA develops custom training programs for executives and front-line supervisors that dovetail with an organization's strategic plan.

Subjects EDA emphasizes in developing company leaders: communication, conflict management, performance management, team building, leading through change, decision-making and critical thinking.

A company's senior ranks increasingly are involved in global, cross-cultural dealings, Hagemann says, making custom training programs imperative. "With experienced consultants throughout the U.S. and several other countries, we have been inside major organizations and know how to maneuver."

Finding talent is left to company executives. Those chosen undergo training programs, some of them rigorous, specifically keyed to the company's strategic plan.

"We set up situations for learning fast," Hagemann says. "For instance, we create action learning programs that are 50% learning and 50% action - very effective if done well."

-Randal Turk