

Competencies are not enough!

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Over the past decade or more, HR managers have successfully attracted the eyes and ears of CEOs and senior managers with their constant refrain about “our people are our most valuable resources therefore we should manage them well”. This is only partially true. An organisation’s most valuable resources may be its *best* people – but they are not necessarily all of its people.

Who are these “best people”? They are not necessarily those with the highest competencies – they are those who best implement the business strategy which was built by the CEO and the senior management team and approved by the Board of Directors.

HR managers have moved from “performance measurement” systems through “performance management” and now they talk about “talent management”. All well and good and all valuable functions. But none of these systems squarely addresses the CEO’s most crucial topic of all – *how well the strategy is executed*.

Strategy execution is not only about talent management. It is mainly about *delivering the promises the CEO made in the strategic plan*. Talent management and other HR systems are first and foremost designed to measure and manage employee competencies to do things, but not *how well they perform against the strategy*. Many senior managers expect them to do so. They shouldn’t. The competencies might be superb, but if they are not applied directly to the execution of the strategy, they are less valuable than they might be. This is a fundamental difference in concept and approach.

If there were something such as a strategy execution management system what features would it have?

- First, the system would be *initiative based*, not competency based. Initiatives are focussed completely on the strategies. Competencies may or may not be.
- Second, it would maintain and manage *performance agreements* designed by the staff and approved by the managers.
- Third, goal measurement would use *pre-set and explicit criteria and performance measures* which talk about how goals were “met”, “missed” and “exceeded”.
- Fourth, the system would direct and manage internal communications with *pre-scheduled and pre-scored progress meetings*. Pre-scheduled in the sense that performance must be measured routinely and regularly according to a schedule approved by the manager and the results documented in the system for senior managers to see. Pre-scored in the sense that the manager and the employee must reach agreement on performance and progress against the explicit initiatives and goals at each meeting before the results can go into the system.
- Fifth, the system would be *dynamic* so that it can easily reflect changes in goals and initiatives as the organisation’s circumstances change during the year, as they always do.
- And sixth, the CEO and the senior management team would have dashboards so that they could dig down into any part of the organisation and *review any aspect of the organisation’s performance* which reflects their strategy.

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A good SEM really *becomes* the eyes and ears of the CEO and the senior management team – in effect the operating system for the organisation. But where do you find one?

Several years' research by a group of management consultants in the US, UK and Canada, assisted by an MBA student at Royal Roads University, Victoria, Canada, found a strategic execution management system which meets the six requirements above. It is the only one on the market that does. It is called KeyneLink® and is marketed internationally through licensed consultants by Keyne Insight Inc. www.keyneinsight.com of Bloomington, Indiana.

Their system not only meets the stringent needs of Certified Management Consultants and their clients but it has the additional benefit that it is low cost, low risk and can take days to implement, not weeks or months.

If you have the basics of a strategic plan, it works from the get-go.