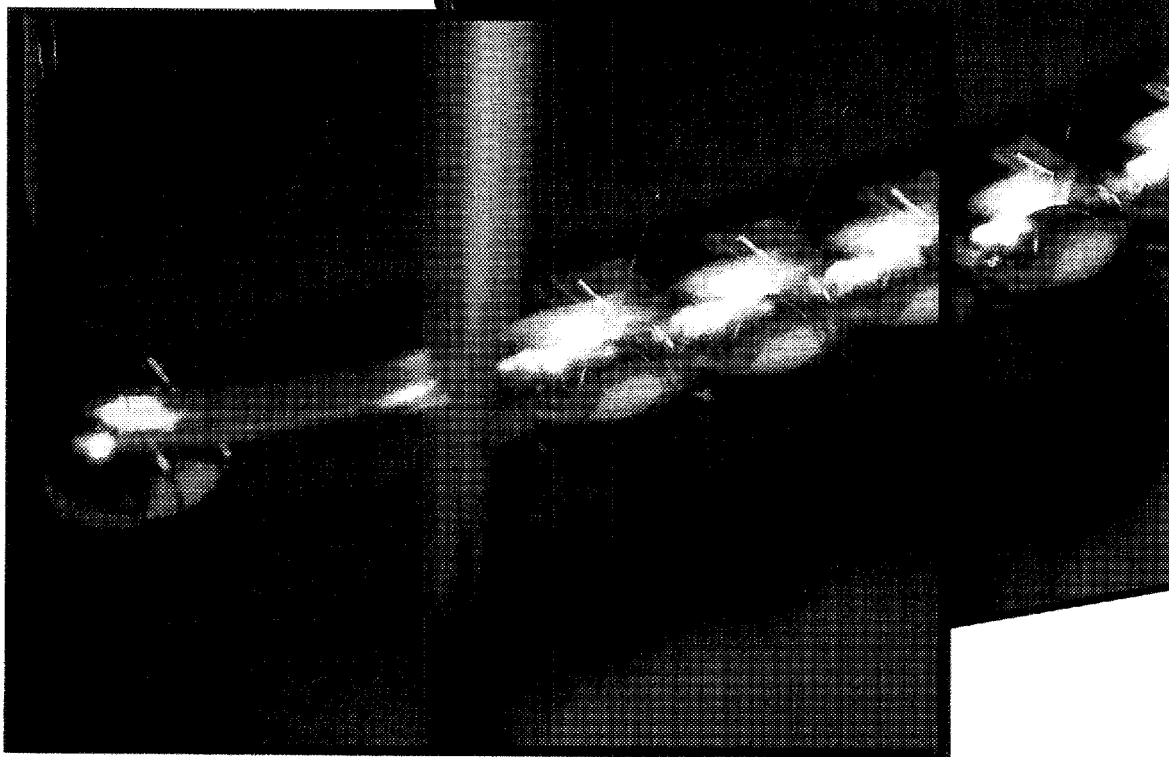


# Building Momentum

A new job. And new problems, which is why they hired you. Now how do you go about getting immediate support from the people who work with and for you?

By Dan Ciampa





PHOTOGRAPH BY STEVE HARRIS

**C**oming into a senior job from outside the organization is the toughest task a manager faces. He must quickly grasp a new set of products, market dynamics, and day-to-day

work processes—in the context of an unfamiliar political environment and organizational culture. In this fresh situation, he must envision the sort of place he wants to create.

And here's the hardest part of all: To implement his vision successfully, a new leader—coming in without political support—needs employees at every level to

embrace it.

This means building winning coalitions among people who have their own constituencies; it means creating supportive relationships with bosses and peers who have different styles and agendas. It means motivating a wide range of people who don't know you. ASAP.

There's no question that executives coming in from outside have a harder time of it. Presidents hired from outside the company fail more often than those promoted from within. A 1993 study of publicly traded U.S. companies showed that, of people promoted to president but not CEO, 58 percent had departed within five years; of those brought in from outside, the number leaped to 64 percent.

Given the magnitude of these challenges, getting off to a good start can make all the difference. How can leaders new to their companies create momentum and gain the

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support of grudging and suspicious employees, peers, and bosses? While there's no single recipe for success, certain essentials must be considered and mastered—that is, if you want to *keep* your new job.

### Winning Early, Winning Often

Creating momentum begins with the new leader converting what he has learned into wins on issues that are important to employees. In the short term, these successes solve immediate problems and help new leaders establish credibility; done with the long term in mind, they also establish a foundation for more fundamental change. How can leaders who know little about the company secure early wins? The first step is to use their one clear advantage: a different perspective. They bring new ways of looking at problems that go unresolved because employees have learned to live with them.

Here's one example:

Paul was hired 18 months ago as general manager of a large division of a consumer hard-goods company that had lost market

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share because of high costs and outdated production techniques. In his first months, he discovered that the company's employees were remarkably creative, but for the wrong reason: They had been forced to adapt to problems that shouldn't have occurred in the first place. They expected bottlenecks as part of manufacturing reality, but Paul was less tolerant of unnecessary and costly hang-ups.

His first challenge was to get the workers to try new approaches. He learned through trial and error that asking the right question is pivotal. As he puts it: "I tried to tell them what I had experienced at [his former company] and he passionate about it, but I got blank stares. Then I brought in a couple of people for training programs, but that didn't grab them either. It only started to click when I asked them what was most frustrating about their work—what would they change or stop if they could. They had no problem talking then. Well, I told them we couldn't tackle everything at once so we went down the list together and picked a few things that were important to the division's strategy. They were big issues, but they were also problems

on which I knew we could get some quick results because I knew how to solve these particular problems."

Within the first 12 months, poor performers had been replaced and the plant laid out in an entirely different way—two steps that doubled throughput, improved quality by 50 percent, and reduced costs by 50 percent.

Paul got the attention of his employees by zeroing in on what was most frustrating to them and where he was convinced progress could be made quickly. He also discovered the importance of their involvement. "I made a mistake early on by being too quick to tell them the answer," he says, "because I was anxious to put a run on the scoreboard. I had to let them go at a pace where they could learn what was needed. Once they did it themselves the first time and saw some tangible results, they started to look at other problems that had been around a long time and tackle them too."

How can new leaders leverage their fresh perspective and create some lasting changes that motivate employees? The answer is often in four parts: (1) focus attention on a few A-item priorities; (2) identify islands of excellence that show how successes have been achieved in this company; (3) organize people into pilot projects to gain quick results; and (4) as the pilots take hold, clarify an inspiring vision.

**A-item priorities.** In a recent survey of leaders who had been hired from the outside, three-quarters agreed that their most significant accomplishment in the first six months was to focus employees' attention on the same, vital priorities. A-items are statements of the new leader's major objectives for what must be accomplished by the end of the first couple of years. Communicating the outcomes the new leader wants to see materialize in the short- to mid-term, they tend to fall into three categories: performance goals (e.g., the time it takes to get new products from concept to customer); managerial goals (e.g., forming a top team that reflects the organization he wants to create); and political goals (e.g., establishing his power base through the support of influential peers).

**Islands of excellence.** Every organization has examples of innovation and excellence. In many, they occur in spite of rather than because of the existing culture. Most often, they exist because the person in charge has decided that the conventional wisdom is not good enough and has developed a better way to operate. These islands of excellence offer at least two opportunities for the new manager eager to create momentum. First, if he can find them,

chances are he will also have pinpointed a manager who has set high standards and gotten his people to operate at a higher level than their peers, someone who might play an important role in creating momentum throughout the organization. Second, he will have located a model for the pilot projects that are the key to momentum-building.

**Pilot projects.** The immediate benefit of identifying A-items is that they lead to pilot projects, specific initiatives to secure early wins that move toward those A-items. Successful pilots are the new leader's most important vehicles for creating momentum. Here's an example: Garry was hired into an industrial rubber-products company to fix declining efficiency and win back customers. As an initial pilot, he chose reducing setup times (the time it takes to reset or prepare production equipment to make the next model or part). Reducing these times would unplug a major bottleneck for an important product that was back-ordered by several large, unhappy customers. Because of his experience in flexible, time-based manufacturing at two former employers, Garry was convinced that setup times could be reduced by at least 75 percent without capital expenditure and was possible within 90 days. He also had discovered during his first month that response times were a problem across the entire company and hoped that success would set a tone for similar breakthroughs elsewhere.

Within four months, the team assigned to this pilot had exceeded the target, achieving almost a 90 percent reduction. As he puts it: "It did a few good things. First, it showed people that they could get outstanding results by operating in a different way, and could do it fast. Second, it created a buzz throughout the plant. I made a big deal celebrating the win, and as a result the people on the team got a lot of good press. Other people on other production lines wanted to try it out and get their share of the limelight. The third thing that was more important in the longer run was that it got people to understand that time was a powerful

weapon. . . . It put us on the road to speed and flexibility in everything we do."

To be successful, pilot projects must:

- Be perceived as important to the unit's financial performance.
- Be dramatic; a slight gain will not be substantial enough to grab people's attention.
- Be achievable quickly—if it takes more than a few months, it's not an early win.
- Enhance the standing of the new leader. He doesn't necessarily have to be front and center; being the primary visionary and supporter is often enough. Comments such as, "He never took credit, but it never would have happened without him" do much to build credibility.
- Establish a model for the kind of behavior that will be the norm when the organization is running at its optimum. Early wins should help illustrate the new leader's vision.

**A personal vision.** Moving from broad improvement objectives to quick results should help the new leader clarify a personal mental image of what he'd like the company to become. A personal vision should be a compelling image of what the leader envisions when the organization is working as it should; it's a guiding star for the leader. Pilots can be a way of rehearsing what will be seen and heard once the ideal organization is in place.

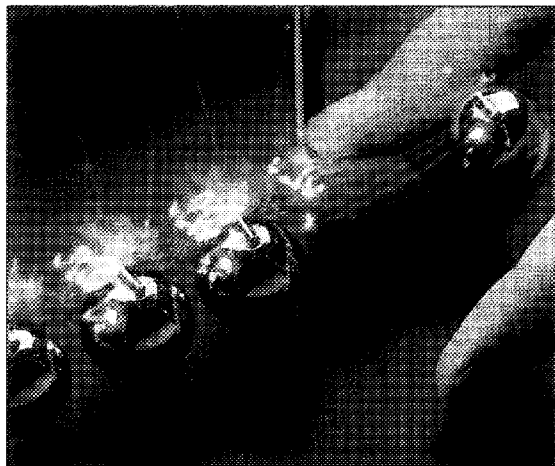
There is no single best way to use this framework. Below are the experiences of two leaders who went about creating momentum in different ways; both entered their current companies at a high level from the outside. The first illustrates a deliberate, analytical approach to creating momentum; the second describes how a different style can be equally successful.



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### **Pete's Story: Defining Key Themes**

In interviews and research before joining, Pete sensed that if the company was to improve and he was to succeed, substantial



progress had to be made in streamlining distribution and dealing differently with customers. Once on board, he studied the industry, found the employees with the most knowledge of the marketplace, and visited customers. Within 90 days, he confirmed that success depended on improvement in these two areas. He then turned to more specific objectives. Here's how he describes it:

"Our customers had changed their thinking about suppliers, but we hadn't changed our ideas about how to work for them. I decided four things had to change. First, I had to change some senior people. . . . Some weren't up to the challenge, and it was clear that there wasn't enough teamwork. Each function head was king of his area, and most people had moved up from within the function, so there wasn't much appreciation for other areas and each had its own priorities. So I had to make some changes to get everyone aiming at the same priorities."

Second, he says, "was our information systems. I was very frustrated that our systems could never get me the level of detail I needed. There were different opinions about our exact market share by product and by region. There were too many opinions because there was too much data and not enough information. We also had not gone as far as we should have at automating the sales force. I found out from my customer visits that [our major competitor's] salesmen could [immediately] find out the buying history of customers and were linked into their warehouses to get up-to-date [information on] inventories, while some of our people didn't even have laptops, and the ones who did weren't on any central database."

Third was "getting everyone here lined up behind the customer," Pete continues.

"Our manufacturing people weren't aware of what our customers wanted. This was a big internal marketing challenge that was difficult because our culture here was so strong and new ideas from the outside were limited.

The fourth priority was, of course, the distribution system itself. The first three priorities were necessary to get the product to our customer fast. What I had to do was find a new system that actually got it there."

Pete defined his A-items on two levels. First, he identified two themes that he wanted all initiatives to fall under: efficiency/speed in distribution, and dealing with customers in new ways. From there, he became more specific by deciding to concentrate on a new management team, information technology, a companywide focus on the customer, and a new distribution system. His next step was to build on his A-items by trying to picture what success would look like in each area—what he would see and hear that would be noticeably different.

"I took a whole weekend and just wrote on each priority. I listed the characteristics of the ideal people I'd hire if I could find them. What sort of backgrounds they would have and what they'd bring us," Pete says. He also listed how "the ideal IT system would make our decisions better and faster. I tried to imagine what evidence I'd see if we were really customer-focused and what a distribution system would look like that was more direct and much less complicated."

Pete had systematically moved down an analytical funnel of learning and planning to define priorities. Over the next four months, he moved ahead on three separate pilot projects; two of them exceeded expectations, while one barely missed its objectives. At the end of his first six months, he could look back on two significant accomplishments that created new momentum in his company:

- A-items that characterized the most important improvements and focused attention on the vital priorities that departments could work together to achieve. They also communicated how Pete wanted his division to operate.
- Pilot projects in which employees experimented with new ways of operating as they solved problems to reduce distribution costs and improve responsiveness to customers.

Early successes are usually a function of the leader taking advantage of unpredictable opportunities and then converting them into vehicles to move the organization in the direction he wishes. This is carried out

in different ways depending on the new leader's style—as illustrated by John's first several months.

### **John's Story: Immediate Involvement**

John entered a company that had launched an IT makeover several months before. He learned during his first few weeks that the project had begun with high expectations but had foundered. As he understood more, it became a case study of the strengths and weaknesses of the organization he had inherited.

John discovered that most believed the budget inadequate; some predicted that completion would require two or three times the highest official estimate. He also began to worry that the technical consultants brought in to manage the systems transition were unable to prepare the culture for the change ahead. Though concerned, he didn't want to sound an alarm—he didn't yet know enough.

He decided to find out more by taking advantage of a company practice that was new to him. He volunteered to be a "sponsor" of the project. Sponsors were executives who worked with the project steering committee as sounding boards, ensuring involvement of departments that were internal customers or primary stakeholders, and helped with project strategy or budget requests.

As a sponsor, John was able to learn more about the company's technical shortcomings in a quicker and safer way than he could have otherwise—safer because he was in a role that was supportive and not evaluative, and quicker because he had more open access to managers and technical staffs as a sponsor than he would have had as a boss. As he reports:

"Falling into this gave me some benefits that went beyond influencing the project. For one thing, I found out about how things worked. It was very interesting to me that in a project team review with the steering committee, people would agree on something, but then the same people would decide something very different on the same question the next week when they had their functional hat on in one of my staff meetings. The net effect of this was that I got a snapshot of the [political side] of this place."

In addition to offering grist for future action, this project afforded John the chance to have immediate impact.

"The consultants that were hired were very good technically, but they really didn't have a clue when it came to getting people involved or coaching them. We were behind in our IT capability, and we didn't have a good infrastructure," he says. "The consultants were very helpful there, but the problem was that their style caused our people to get so ticked off at them that we were not

benefiting from the knowledge the consultants had. Meetings weren't set up very well, training materials weren't very good, and there were lectures when there should have been discussions. The worst part was that they really didn't understand our culture and how we did things here, so something they would say or how they would operate might have worked fine in some companies, but here it was causing problems on the style side of things that really jeopardized this project."

Whereas Pete tends to not involve people until he has carefully thought through his approach, John is an outgoing person who expresses quickly what he is thinking and enjoys getting people involved. "I decided I had to get involved in this," he says. "I couldn't hold myself back. I'm not an IT expert, but I had to do something to help on the process side. I didn't want to show up the people on the steering committee or the other sponsors, so I went to each of them and said I'd like to help by working on the process. I got steering-committee people and sponsors together, and we spent a whole day going through an analysis of what was going well and what wasn't. I got everyone talking, and at one point we broke up into a couple of teams so that some of the people who weren't participating as much could have their chance.

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Then, I laid out a way we could do better at this by taking on the management process/cultural stuff ourselves and focusing the consultants on the things that they knew how to do."

John "just won people over," says the company's CFO. "He was enthusiastic, but even more, he wasn't threatening. You just got the sense he was a guy just like us who had some experience we didn't have, but he knew how to make a project like this successful. It was probably the single most important thing that got people to fall behind John. They could just see this guy was concerned, he was a leader, and they wanted to follow him."

Both John and Pete succeeded in creating momentum during their transitions by means of early wins, and both did so in ways that were consistent with their very different styles. As with virtually any business strategy, there's no one best way to go about building quick support, but these cases illustrate two of the many possible directions to head in. ■