

# Delivering Sustainable Results:

## In complex B2B environments

Gary Peacock

Author of Managing B2B customers you can't afford to lose



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Delivering Sustainable Results: In complex B2B environments

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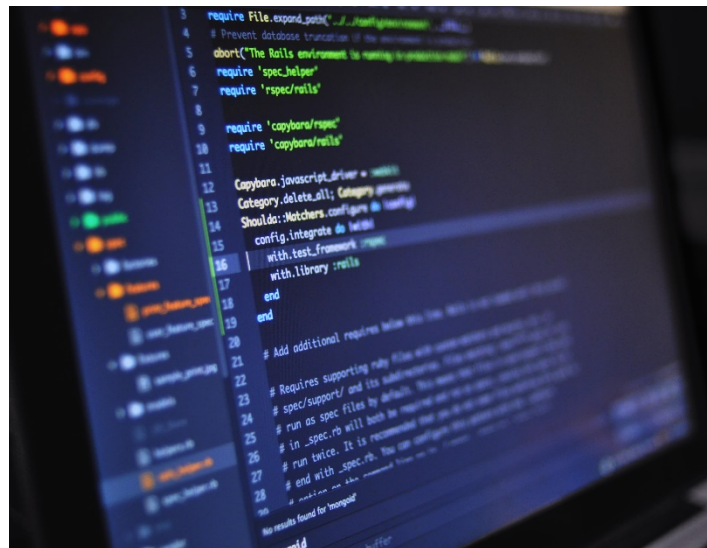
# Introduction

In an ever more complex and challenging world, delivering results even once is getting harder. Yet, our biggest challenge is not delivering results once, but delivering sustainable results.

One way to deliver sustainable results is to move from individual competency to organisational capability. Competency can walk out the door when an employee leaves, capability stays with the organisation and delivers competitive advantage.

Creating capability was once optional because you could always buy another person with competence. However, we need to examine some of the trends and changes that companies face to see that we need to build capabilities and processes that can deal with problems that we have not yet imagined.

In the past, we often needed to find just one smart individual with expertise in one field. However, tomorrow's problems cross boundaries between traditional areas of knowledge. For example, a huge wave of technological disruption is heading towards the asset servicing industry. With a five-year timeframe, robotic process automation (RPA), blockchain, and cognitive systems will have a dramatic change and a profound, lasting impact on service providers' operations.



[The future of asset servicing – shaped by three disruptive technologies](#)

ARTICLE

The pace of progress in artificial intelligence is incredibly fast. The risk of something seriously happening is in the five-year timeframe. 10 years at most.

Elon Musk



Or consider how drones are changing business. Amazon are promising to deliver to your door in hours. Yet, there are far more ways that drones are increasing productivity. This video shows how we are using drones to address poaching and to assist in search and recovery following natural disasters.



Everything from replacing security guards, and using artificial intelligence with drones to predict crowd behaviour in riots? In agriculture, monitoring animals and crops. How about even applying chemicals to crops?

[Taking Flight – Civilian Drones](#)

ARTICLE

This trend is set to accelerate because problems will cross more knowledge boundaries.

# Before competencies walk out the door, build capabilities

Competencies belong to people, capabilities belong to companies.

Demographic trends show the number of over 65 year olds is set to double by 2050. One implication of this trend is that when these people retire some of their competencies will retire too. Not all competencies are written in formal manuals, some competencies are tacit – understood without being stated. Without a process to transmit these tacit competencies from those that retire to those you retain, the competencies built over decades will simply disappear.





Dennis Turner and Michael Crawford give one of the best descriptions of the difference between competency and capability in their book: *Change Power*. Abstract below. Capability is competence with a process.

Janet had high personal competence in visual merchandising. Her competence was demonstrated by increased sales. She instinctively understood which fixtures were best, how to segment, and displayed merchandise in the most attractive and inviting way. She had a deep understanding of the best-sellers and displayed these prominently, filling the place with interesting stock but without being crowded or confused. She was a real asset. When Janet left the store, they did not have a replacement. Once recruited Paul was not in the same class as Janet and sales performance declined.

In a different company, Robert developed a corporate competence in visual merchandising. When Clifford, the visual merchandising manager left, the problem was overcome quickly. To assist the new manager, Sarah, there was a great deal of information. Some of this was numerical and pictorial information in hard-copy documents, some was in processes, management structures and systems and the culture and reputation of the company.

The tacit skills, knowledge and accumulated experience of specialists like Clifford had been turned into explicit and codified skills and information that managers could readily access. The developed ideas and practices became standard in the training program. The group held competitions for the best displays and in this and other ways the companies culture emphasised the importance of visual merchandising as a competitive advantage to be fostered.

So, the competence which started as personal became corporate.

[Change Power: Capabilities that drive corporate renewal](#)

BOOK

**In vain have your acquired knowledge if you have not imparted it to others.**

**Deuteronomy Rabbah**

# All trends point to more complexity and more complex problems

You must have a robust process to solve problems in teams.

One way business is becoming more complex is the amount of available data to process. In 2012, IBM shared that 2.5 exabytes of data were generated everyday (that's 2.5 billion gigabytes). With seven billion people in the world, that's 0.4GB each person per day.

What about the increase in global internet traffic. In 1992, it was 100GB a day. By 2015, that had increased to 20,000GB a second. By 2020, it is predicted to be 61,000GB a second.

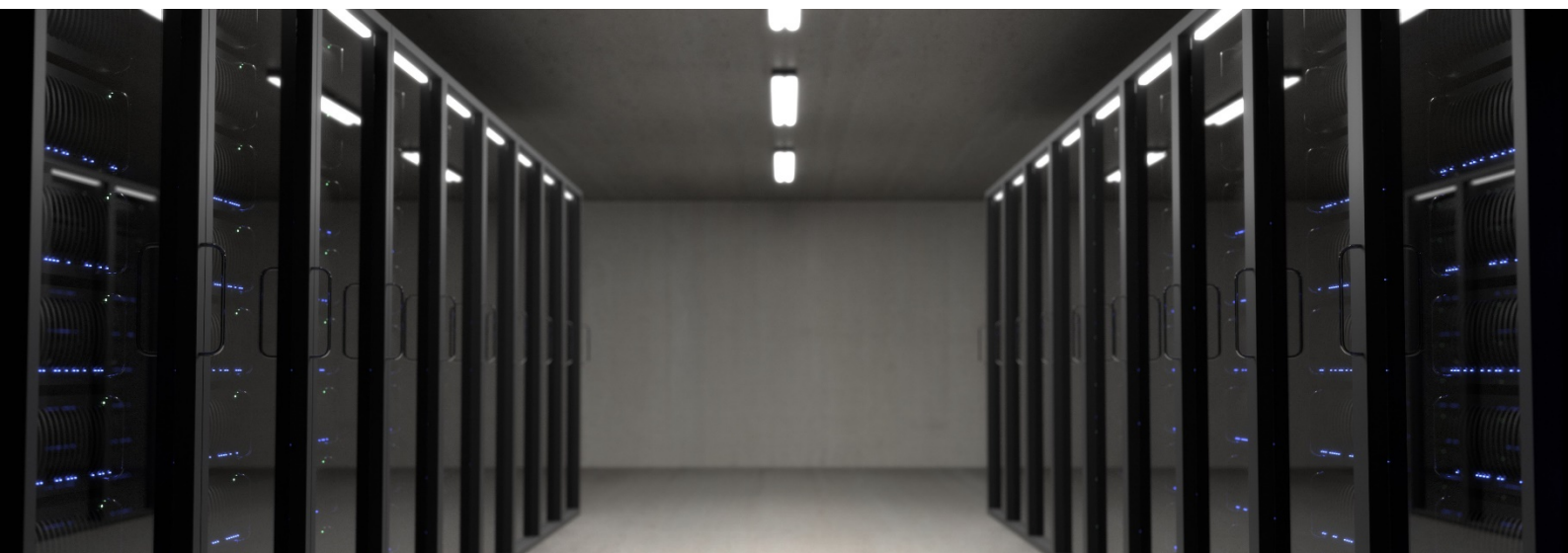
With this avalanche of data, no wonder problems are becoming more complex.

[Persuading with Big Data: Keep it Simple](#)

EBOOK

Everybody gets so much information all day long  
that they lose their common sense.

Gertrude Stein







## What are some of the trends?

Technology enables doing business at breakneck speeds and from many different locations.

Paper is disappearing for digital. The simplest example is: remember when we sent letters to customers in the mail? Write a letter, post it and wait for it to arrive two days later. Then, the customer took a day to write a reply, then two more days in the mail before you receive your reply. Five days from message to reply. Today, we send the customer an email and they might reply, not five days later but in five minutes. The pace of business gets faster every day.

A form used to dawdle from desk to desk to get signatures, taking four hours or four days. Today, the form is digital and as soon as the first signature is complete the next person gets an email saying the form is waiting for your signature. We need to examine the processes in the rest of our company and work out how to make them faster, a hundred times faster.

Another powerful trend is mobility. Smartphones, ipads, and laptops allow us to work away from the office or away from the country. A good thing, but how do you manage tens or hundreds of people scattered across the country or across time zones? When we all attended the same office every day we could just grab everybody and head to the conference room. But today, someone is in Lismore, someone is in Los Angeles, someone is in Las Vegas and another is in Leichardt, so we can't just stroll down the corridor. We need to change our business processes (meetings and reports) to work with the advantages of mobility.

## Intelligent Process Automation (IPA)

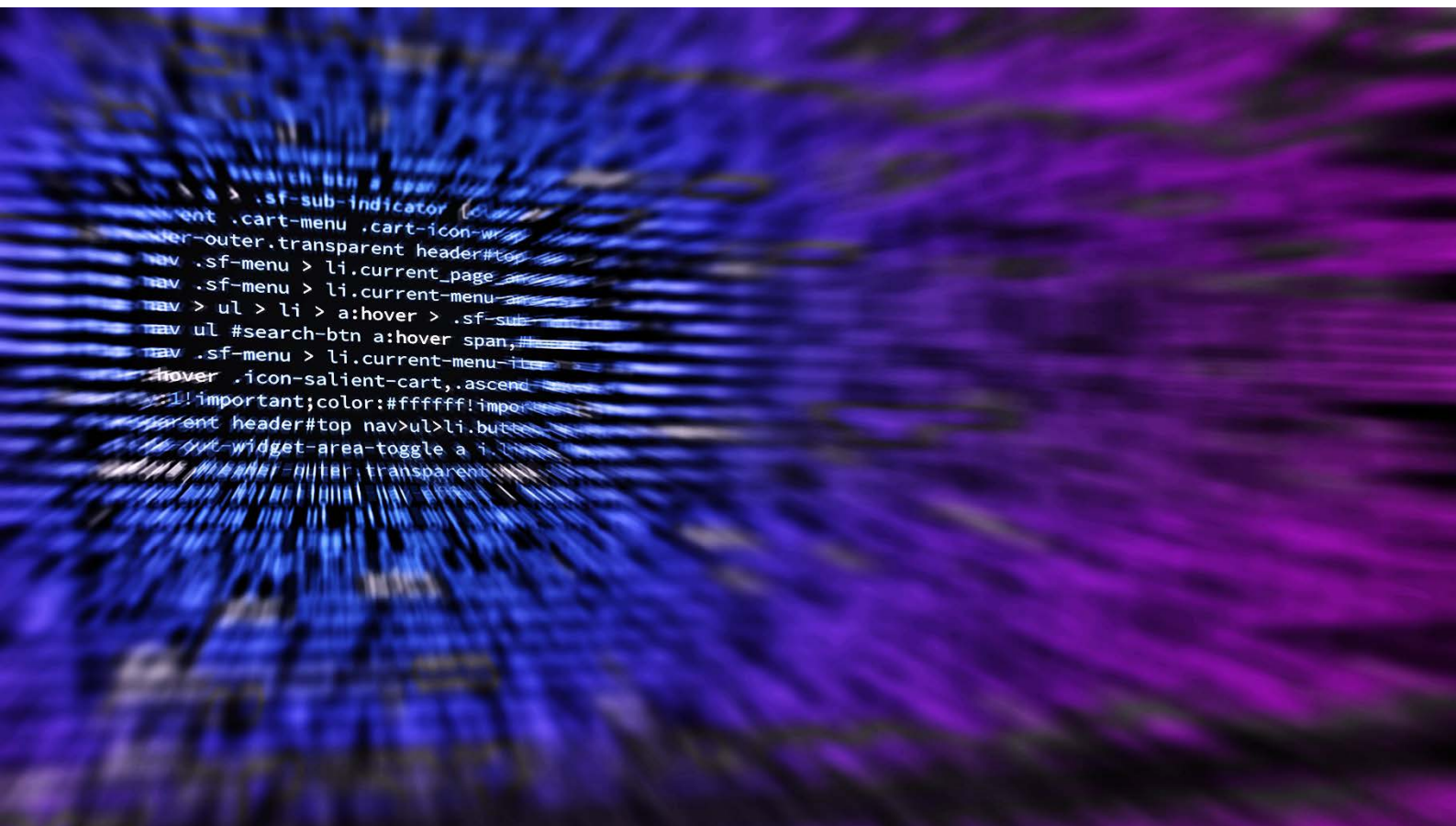
Process automation will do the simple work, automating 50-70% of tasks which equates to 20-35% annual costs efficiency and 50-60% time reduction in processing, with a return on investment often in triple digit percentages.

So, what is IPA? Business process improvements and next generation tools that remove repetitive, replicable and routine tasks. Tools and processes that improve customer journeys, simplify interactions and speed up processes.

Robotic Process Automation (RPA) is the simplest of these automations and can be implemented and provide results within just a couple of weeks. But the best results are seen as part of a full IPA transformation in companies.

[Intelligent process automation: The engine at the core of the next-generation operating model](#)

ARTICLE





Productivity gains from RPA alone, McKinsey & Company, 2017.

Manual, expensive, error-prone process	Automated through RPA in two weeks
Tens of thousands of life insurance policies in suspense that need to be remediated	Robots developed on an RPA platform within two weeks
Regulatory pressure on the client from multiple state regulators to bring policies out of suspense before the deadline	Suspense-remediation activity automated and executed by robots Number of robots highly scalable (no additional training time/robot) Policy-conversion time for each policy reduced by 50%
30+ individuals working on remediation daily; five to seven minutes of manual effort required to bring each policy out of suspense	Skilled resources freed up to work on higher-value activities Human errors mostly eliminated
Three to four weeks of training to bring a new individual onboard and make them productive	80% reduction in process cost Tremendous improvement in process quality, logging and auditability

## Solve environmental problems while making a profit

To deliver sustainable results we focus on how to do more with less, to use less resources. We often start by trying to use less of these resources – time, money and people. However, we can broaden our thinking to include other resources, e.g. water and energy. Broadening our thinking like this means we can learn from people who have been delivering sustainable results for decades: farmers.

Some very simple changes to the way we run our businesses, built on advanced techniques for making resources more productive, can yield startling benefits both for today's shareholders and for future generations. This approach is called 'natural capitalism'.

[A Road Map for Natural Capitalism](#)

ARTICLE





<b>Dramatically increase the productivity of natural resources</b>	Fundamental changes in production design and technology means far-sighted companies are developing ways to make natural resources stretch up to 100 times further. These major resource savings yield higher profits – and not only pay for themselves but can reduce initial capital investments.
<b>Shift to biologically inspired production models</b>	Eliminate the very concept of waste. In closed-loop production systems every output is either returned harmlessly to the ecosystem as a nutrient, or becomes an input for manufacturing another product.
<b>Move to solutions-based business model</b>	Move from traditional manufacturing to value being delivered as a flow of services – providing illumination rather than selling lightbulbs. This model entails a new perception of value. A move from the acquisition of goods as a measure of affluence to one where well-being is measured by continuous satisfaction.
<b>Reinvest in natural capital</b>	Business must restore, sustain and expand the planet's ecosystems. Pressures to do so are mounting as human needs expand, the costs engendered by deteriorating ecosystems rise, and environmental awareness of consumers increases. These pressures all create business value.

With such benefits, why are so many companies straying or falling by the wayside? The reason is that the instruments companies use - to set their targets, measure their performance, and hand out rewards - are faulty. As are the way governments set policy and impose taxes. Correcting these defective practices would uncover huge opportunities for profit.

The companies that first make the changes will have the competitive edge.

# The Future – what's next?

As disruption becomes the new norm and people and companies are continually facing problems they have not seen before, we need to prepare our companies for the future of problem-solving.

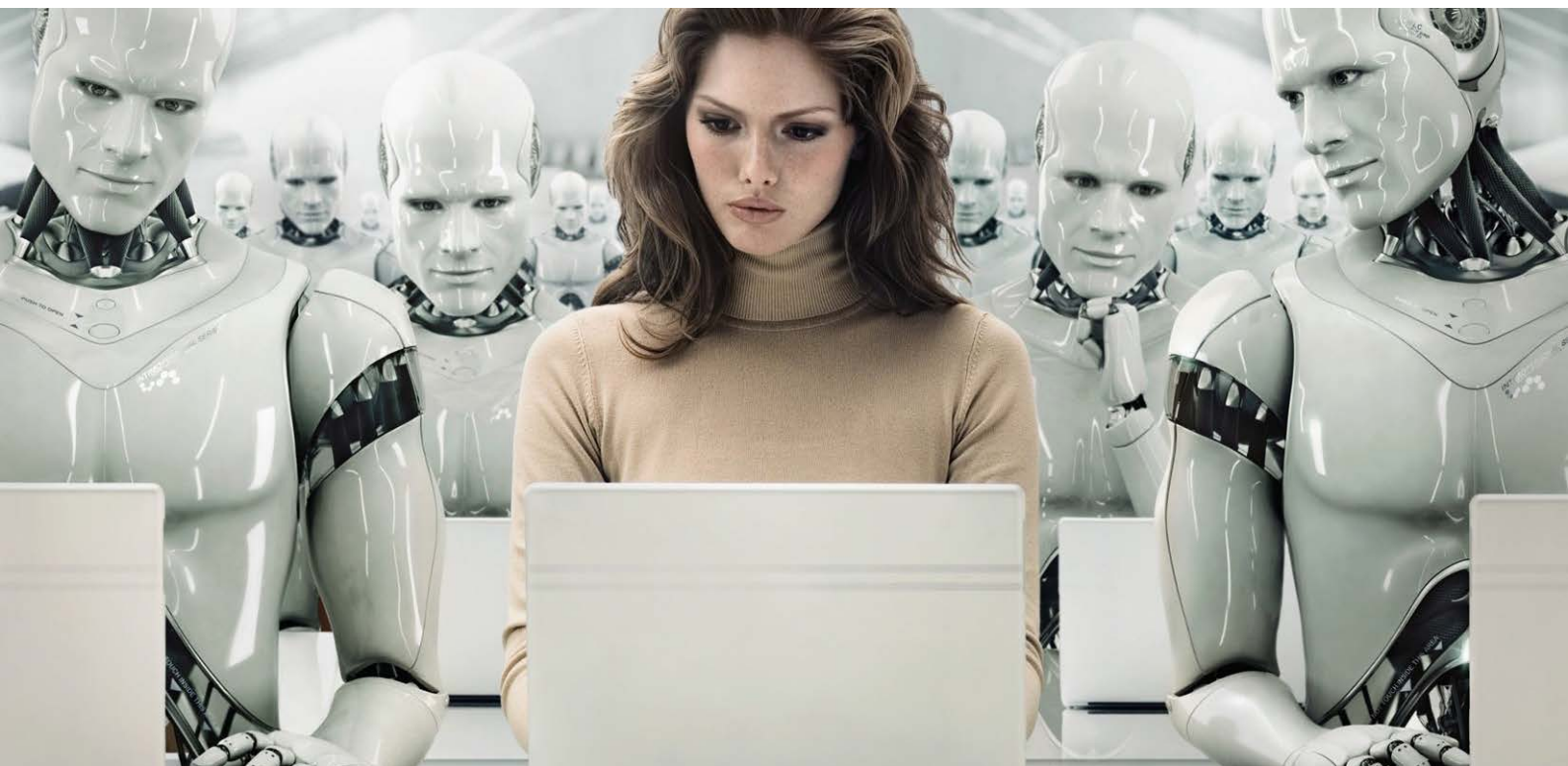
We now need radically different ways to solve problems, and we need people who can 'figure it out' as Beth Comstock explains in her Harvard Business Review article.

[Figure It Out](#)

ARTICLE

Our people will have to come up with solutions to problems that weren't even on the radar when they were hired.

Angela Blanchard





## Problems are Good

In an increasingly disruptive world, to ensure that your company continues to improve and remains agile, you must ensure that people are comfortable informing management of problems when they identify them. If you look for scapegoats when something goes wrong, rather than seeing this as an opportunity to improve, people will hide problems and your company will never reach its full potential.

Below are two good articles to show the benefit of using problems as way of continuous improvement for companies.

[Red is Good: Why Smart Leaders Question the Green in Performance Dashboards](#)

ARTICLE

[Performance from problem solving](#)

ARTICLE

## Sustainable

To make your company sustainable you need to deliver quality, improve your relationships and find out what your customers want and are willing to pay for. There is a great documentary by Matt Wechsler and Annie Speicher about the sustainable food movement in Chicago focusing on how farmer Marty Travis used diversity and the natural ecosystem to make farming profitable and sustainable for future generations.





# More than one person

More problems cross boundaries between departments. More products cross boundaries too. Yesterday, one person who was an expert in one department could fix the problem. Today, you need a bunch of different experts to solve problems and a good process.

An iPhone is a great example of a product that crosses boundaries. It is a camera, a computer, an internet connection, a GPS, a map, a pedometer, a diary, an address book, a game device, a voice recorder, a music player, a video player, a calculator and a phone.

Despite the need to solve problems across departments, many companies are designed to make individual departments efficient and to solve problems that belong to just one department. There are solutions to this problem by changing the structure of the company. However, typically there are a wide variety of problems that cross boundaries of departments, and the departments involved in problems are rarely constant. So, rather than implementing a permanent change to the structure of the company, we recommend a more flexible and dynamic solution.

Introducing a problem-solving process designed to bring together people from different departments and help them solve problems so fast they don't have time to fight battles between departments – [Rapid Results from Teams](#).

Too many problem-solving sessions become battlegrounds where decisions are made based on power rather than intelligence.

Margaret Wheatley





## Gain buy-in and encourage teamwork

Originally, when Rapid Results from Teams was created, the main purpose was to solve problems fast. However, as teams worked on problems together, we noticed that the process encouraged teamwork and promoted buy-in to the agreed solution. These benefits came from teams having a consistent approach to solving problems and agreeing to the best solutions. In our experience, when solving problems many arguments arise from two causes: not agreeing exactly what problem the team is trying to solve and not agreeing how the team will recognise a good solution. In short, not having a consistent process.

Apart from not having a consistent process, the other cause of problems is taking too much time to decide. In a crisis, teams decide quickly and work well together. So, to get the best out of teams, we need to give them a consistent process and then be unreasonable with time. The Rapid Results from Teams process does this.

**It isn't that they cannot see the solution. It is they cannot see the problem.**

**G.K. Chesterton**

Interestingly, at the end of the day long workshop, we ask participants how they could improve the process. Often, participants will say "I would like more time" because the workshop is like riding a bobsleigh: it starts and then races through the day at a fast pace. Before they know it, its 5pm and the team has agreed the three most practical solutions. We point at the three solutions and ask, "with more time would you have chosen different solutions?" We always get the same response, a sheepish smile and 'no'.



So, to solve a wide range of problems that cross boundaries of departments, find and invest in a process to solve problems fast.

Though the problems of the world are increasingly complex,  
the solutions remain embarrassingly simple.

Bill Mollison





# All information, decisions and problems pass through our brains

So, why not have a process that uses all of our brain?

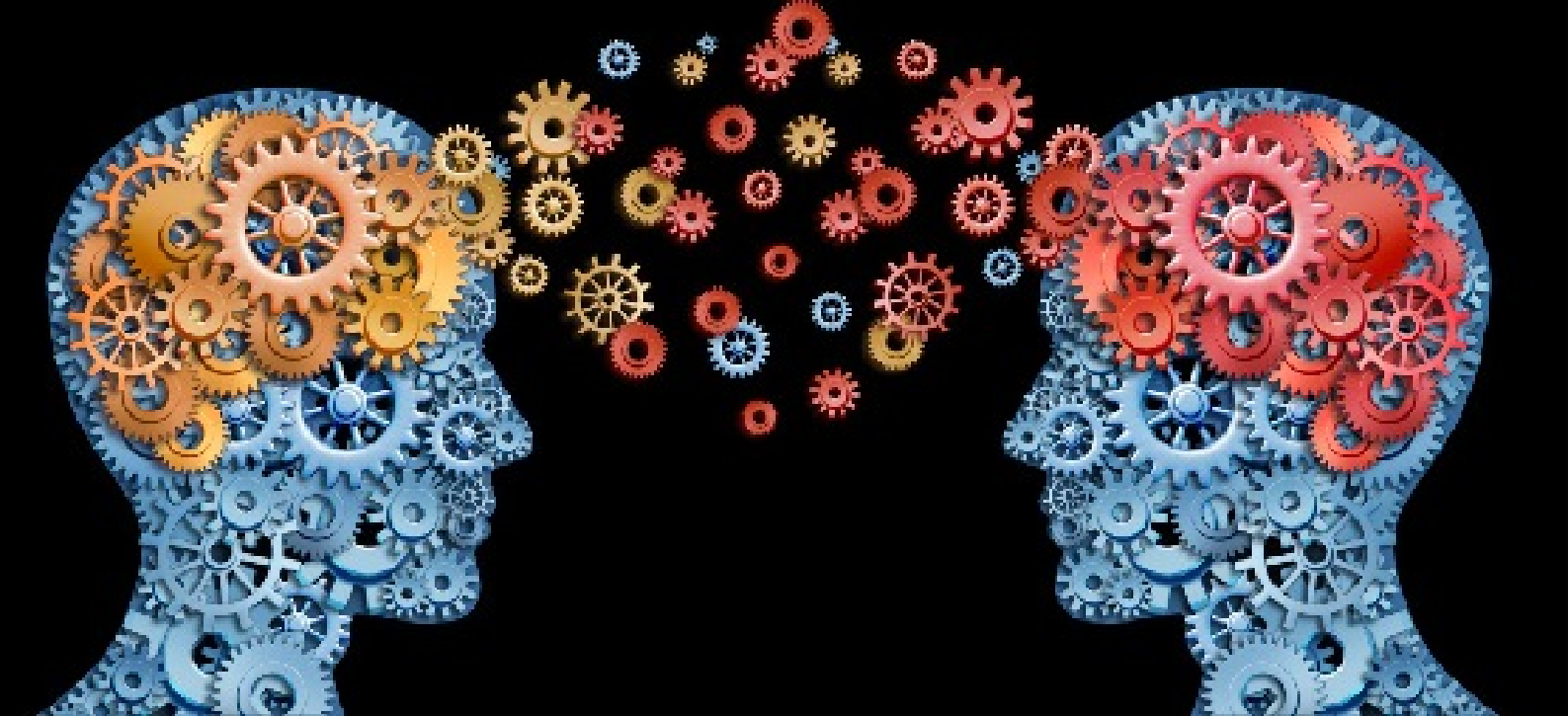
As we look at the diverse problems our business needs to solve, there are many possible domains of knowledge we might consider: marketing, accounting, manufacturing, engineering; software and hardware. And as technology advances the boundaries blur. Yet, despite all these differences, there is one common feature: all of the decisions and problems need to pass through our brains.

So what? Well if we make inefficient use of our brains then no matter how good the information we put in, what we will get is bad decisions and bad solutions. Does this mean we need to become experts in neuroscience? No, to get sustainable results we need to ensure that the problem solving process we use makes the best use of our brains.

For a great look at whole brain thinking and its importance in today's business world, read Daniel Pink's book.

[A Whole New Mind](#)

BOOK



One perspective is to look at the brain in two halves; left brain and right brain. The left brain ensures we apply logic to solve problems and the right brain ensures we use emotion (and creativity) to solve problems. As problems become more complex and cross departments, logic alone is not sufficient to solve problems. We must ensure we use emotion (and creativity).

A problem-solving process needs to use the whole brain. The Rapid Results from Teams process is designed to use both right and left brain. In the process, during the workshop we have four sessions: a right brain session to consider what possible problems to solve, a left brain session to choose the problem to solve, a right brain session to generate plenty of possible solutions to the problem and then finally a left brain session to choose which are the best practical solutions.

**For every complex problem there is an answer  
that is clear, simple and wrong.**

H.L Mencken

Ignore how your brain works and you will create unsustainable solutions. When solving problems, ensure that you use processes that will get the most out of your team's brains and you will create sustainable solutions.







What you do today can  
improve all your tomorrows.

Ralph Marston

Chapter

# Questions to Challenge You

1. How do you turn individual competence into organisation capability?
2. Do you automate any of your systems or processes? Could you then focus on higher-value activities to build barriers to competition?
3. How can you redesign any of your systems to be closed-loop systems?
4. How do you measure the right things in your business to ensure sustained success?
5. How do you encourage your staff to identify problems?
6. How do you know what your customers want, value and are willing to pay for?
7. How does your siloed company prevent successful solutions?
8. Do you have a problem-solving process that works across departments and gets fast results?
9. Do you use a problem-solving process that uses whole brain thinking?



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### **The Problem**

We need to deliver sustainable results. However, competition is increasing as we have two kinds of hungry competitors. One competitor is a large company that needs sales volume to survive. Another competitor is a small company fueled by a digital process who needs sales volume to thrive.

As well as the problems of competition, we face the opportunities of technology. Whether it's drones or big data, new technology offers opportunities for digital transformation.

At the same time, we need to deliver sustainable results while we use far less resources: less time, less money, less people, less water and less energy.

### **The Future**

We cannot deliver sustainable results by doing what we have always done. We need to find breakthrough solutions, solutions that cross departments, solutions that cross technologies and sometimes solutions that cross industries.

To deliver sustainable results we need problem-solving processes that cross boundaries and deliver results fast.

[www.gordianbusiness.com.au](http://www.gordianbusiness.com.au)



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