

A quarterly publication service  
produced by  
LIVE Consultants Inc.

July 2008  
Number 129



# Success

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## From the Editor

NASA used to have a slogan which went “Explore, Discover, Understand.” But, you guessed it, a new administration and with it a new slogan — “NASA explores for answers that power our future.” The slogan didn’t last; I don’t know about the administration. I suspect that someone told them that the clothing company, North Face, had something with more pep, “Never Stop Exploring.” If you are NASA you don’t want to be outflanked by a clothier and so NASA took the new slogan off the table.

What is admirable about both NASA and North Face, however, is that they understand the value of exploration, of pushing the limits, of finding something new. They know that exploration is the doorway to learning.

Part of what we do as an organization is help organizations, teams, and individuals explore and learn with abandon.

*Marilyn Baetz, editor*

## About the Author and the Article

Success within an organization has many different definitions. It may be the achievement of a financial target but it could just as readily be improving employee engagement, increasing the percentage of loyal customers, improving the quality of the human resource asset, or making gains in quality or efficiency. Lots of resources are dedicated to the achievement of success, no matter how it is defined.

However, as Stephen points out in this article, there are problems with success. In addition to listing 10 of the most evident problems, he offers 7 suggestions that will limit the downsides associated with success. All of the suggestions are designed, of course, to ensure even more success.

Stephen is a principal of LIVE Consultants Inc., the organization which sponsors this quarterly publication.



*Stephen Baetz*

# The Problem with Success

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Situation #1: I don't know whether this person has a particularly high Curiosity Quotient or whether they were just filling in time as we waited together but here's the question they asked: Who are your most difficult clients? It was one of those questions that you know the answer to without thinking for a moment. "Those who are successful," I said. "They typically want to replicate what they've been doing rather than search for something better."

Situation #2: I was sitting at a table at one of the many restaurants that are part of the underground in Toronto's financial district. The couple at the next table were talking about a video that was part of a training session they had been to. "The best part," one offered "was when the guy makes the point that what makes you successful today only tells you what you were good at yesterday but it tells you nothing about what will make you successful in the future."

*"Like did any of the leaders who were there get it?"*

"Couldn't tell but they spent most of the time in the debrief talking about how most consultants don't know what it's like to work in the real world."

Situation #3: I was coaching an executive and they had 3 items they wanted to talk about: Overcoming Complacency, The Cost of Doing What We've Always Done, and Helping Our People Get It.

As coincidence would have it, those three situations happened in the space of two weeks and so it was not possible for me not to think about the problems with success. And there are many:

- ✓ Success decreases vigilance about what is going on in the environment.
- ✓ Success gives you the feeling that you can coast and take advantage of what you've earned.
- ✓ Success decreases the desire to innovate or make any bold stroke moves.
- ✓ Success makes it difficult to create a sense of urgency.
- ✓ Success causes organizations to invest in additional infrastructure to support the

the gains made and to institutionalize how things get done.

- ✓ Success decreases responsiveness and flexibility.
- ✓ Success prompts you not to assess, analyze, or evaluate and, as a result, assumptions are made: what's worked will work.
- ✓ Success creates a false sense of confidence.
- ✓ Success breeds competitors who want to take a run at you or who want to nibble at parts of the business you haven't been attending to.
- ✓ Success masks failures.

That list is not an argument for failure and why we should avoid success at all costs. It merely points out that success, like everything else in life, comes with a few strings attached.

What, then, can successful organizations do to limit the downsides associated with success? Here's my list of suggestions.

## **Suggestion #1: Insist on regular marketplace assessments.**

Ensuring that objective annual assessments of what is going on in your marketplace (noting what has changed relative to customer needs and choices, products and services, competitors and their positioning, employee engagement, technology, shareholder requirements, economy, environment, community, etc.), is a useful way to maintain vigilance. That assessment should drive a re-evaluation of strategic and tactical positions as well as operational plans.

And with that done, find ways to share the analysis and the implications with everyone in the organization. What you are declaring by doing this is that the marketplace changes and in order to be successful in the longer term we have to change too.

## **Suggestion #2: Tell stories.**

What kind of stories? Tell stories of ostrich organizations — those who were successful

but refused to read what was really happening in their marketplaces until a crisis stared them down. There are lots of examples: North American car assemblers who built trucks and fuel inefficient cars, airlines who competed against each other rather than trying to grow the overall travel market, forestry who failed to manage its core assets, and sub-prime mortgage lenders who believed that the economy would always keep them afloat, to name a few.

These stories are not designed to frighten but they ought to be cautionary tales of shutting your eyes to what is really happening.

### **Suggestion #3: Be resolute about innovation and bold stroke initiatives.**

The collective wisdom is that necessity is the mother of invention: when people have their backs up against the wall they feel compelled to look at the world differently. Turn that mental model on its ear by having teams think about what has to be done differently *when you are still successful*, at the top of your game. Granted, making change when you are successful is a tough thing to do but it is the time when you have the resources to undertake significant transformations or innovations.

To focus people's minds, set metrics that define what percentage of your revenue has to come from innovation each year.

### **Suggestion #4: Run lean.**

I'm convinced that over-investing in existing infrastructure locks many organizations into staying with what they have rather than moving to where they should be. As a result, they become slow moving. And after that people invest even more in infrastructure in an effort to, as I often hear it, "leverage our strength."

I'm not suggesting that any organization not invest in the quality of its information system, in core processes, in people to support the business; I'm cautioning against over-investing. To avoid that pitfall, test every proposal for additional investments with questions like, "How could we use that to also support

innovation?" or "How could we design that so we could redeploy it or dismantle it if we had to sometime in the future?"

### **Suggestion #5: Test assumptions.**

When proposals are brought forward, test each one by asking, "What assumptions are these proposals built on?" If the answer is that they assume the world will stay still, challenge people to think about how the world is morphing and to rethink how that might alter the recommendations being made.

By doing this you should minimize the number of times you replicate what you've already done.

### **Suggestion #6: Do competitive analysis.**

Sure enough traditional competitive analysis is helpful: "If we were Competitor X, how would we position ourselves?" Add to that a series of questions like, "What do our competitors know about our customers that we don't?" "How could a competitor attract our customers?" "Who are some of the 'customers' that neither we nor our competitors serve?"

A competitive analysis helps you see what you haven't been attending to and where cracks might occur first. Because of that it is a useful way to create some urgency.

### **Suggestion #7: Insist on hearing about failures.**

As I noted earlier, success often masks failures. When everybody is being so successful, nobody wants to put up their hand and say that things aren't going well in one area or another. On top of that, abundant resources can cover mistakes.

Given that that's the case, dedicate effort to finding out what failures have occurred. Why is that effort worth it? Failures are learning opportunities: chances to figure out what we know now that we didn't know before. Failures are taps on the shoulder that remind us that there is still more to learn. And talking about failures is a good way to defeat complacency.

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