

Readiness Assessment

A

I say...

B

Our Leadership Team says...

| | Describes Me and Our Business | | | | | |
|---|-------------------------------|---|------------|---|--------|---|
| | Not At All | | Frequently | | Bingo! | |
| | 0 | 1 | 2 | 3 | 4 | 5 |
| Ready and Willing | | | | | | |
| I want to and will commit to building an enduring manufacturing company | | | | | | |
| I want to and will do the work required of me personally | | | | | | |
| I want to and will invest personal and organizational time, energy, and other resources to build an enduring manufacturing business | | | | | | |
| I want to and will prepare the organization for the next person to take the baton, and only pass it to someone who wants to do the same | | | | | | |
| Financially Able | | | | | | |
| The business is designed to be profitable | | | | | | |
| Cash flow supports investing in the business continually | | | | | | |
| We have and can maintain sufficient liquidity to support consistency | | | | | | |
| Our current markets, products, and capabilities are viable to support needed timeframes | | | | | | |

1.

If any of the above are 1, 2, or 3, you are not ready to begin building an enduring manufacturing business.

2.

Any that are a 4 show what you need to address before moving forward.

3.

If all are 5, you are ready, willing, and able!

Figure 10.1

Readiness Assessment: Establishing Your Baseline

- A** I say...
- B** Our Leadership Team says...
- C** Our Employees say...
- D** Our Other 4 Constituencies say...

| Describes Me and Our Business | | | | | |
|---|---|------------|---|---|--------|
| Not At All | | Frequently | | | Bingo! |
| 0 | 1 | 2 | 3 | 4 | 5 |
| Need for Change | | | | | |
| We understand and live the constant need for change to benefit all of our constituencies | | | | | |
| Mission, Vision, Core Values | | | | | |
| I believe in and am committed to the company mission and vision, which accurately reflect our <i>why</i> and our <i>what</i> | | | | | |
| I believe in and will behave in line with our defined core values, which are consistent with our mission and vision | | | | | |
| Our mission, vision, and core values attract constituencies integral to building an enduring company | | | | | |
| Enterprise Capabilities | | | | | |
| Our culture and leadership behaviors reflect a healthy and well-understood business operating system | | | | | |
| We are continually committed to and active in developing our employees and business partners | | | | | |
| We recognize the importance of effective design to all aspects of our business | | | | | |
| Designing all aspects of our business is a strong competency | | | | | |
| Our true competitive advantage is in our mastery of thinking, integrating, and value-adding | | | | | |
| We constantly work to better integrate speed, quality, and cost considerations into our systems and processes as we focus on becoming more agile, resilient, and responsive | | | | | |
| Ambiguity is a source of opportunity, not something to fear | | | | | |

Readiness Assessment: Establishing Your Baseline (Cont'd)

- A I say...
- B Our Leadership Team says...
- C Our Employees say...
- D Our Other 4 Constituents say...

| Describes Me and Our Business | | | | | |
|--|---|------------|---|---|--------|
| Not At All | | Frequently | | | Bingo! |
| 0 | 1 | 2 | 3 | 4 | 5 |
| Relationships | | | | | |
| We care about and continually strive to benefit all five of our constituencies | | | | | |
| Our processes that define selection, development, and evaluation of each constituent group and the individual members specifically incorporate intended mutual benefit | | | | | |
| We build improving constituent relationships into our strategies | | | | | |
| The markets we will serve see us as integral to their futures | | | | | |
| We understand that whether considering quality, speed, and cost attributes, or competencies reflected in agility, resilience, and responsiveness, all constituents impact our reality | | | | | |
| We intentionally identify and maximize constituent contribution to our success and accept the responsibility to help them help us | | | | | |
| Strategy Development and Finalization | | | | | |
| We understand that strategy defines “how” we will move forward with our <i>what</i> to achieve our <i>why</i> | | | | | |
| We have an effective strategy development and finalization methodology that builds in vertical and horizontal feedback, prioritization, and visibility | | | | | |
| The content of our strategies is the vehicle to create agility, responsiveness, and other capabilities we believe integral to success within the cost, speed, and quality parameters specified in its design | | | | | |
| Our strategies reflect the most effective alternatives in making progress toward our mission and vision | | | | | |
| Our strategy is a living thing, anchoring priorities and decisions, reviewed constantly, and updated as needed | | | | | |

Readiness Assessment: Establishing Your Baseline (Cont'd)

- A I say...
- B Our Leadership Team says...
- C Our Employees say...
- D Our Other 4 Constituents say...

| Describes Me and Our Business | | | | | |
|-------------------------------|---|------------|---|---|--------|
| Not At All | | Frequently | | | Bingo! |
| 0 | 1 | 2 | 3 | 4 | 5 |

Strategy Deployment

Our business operating system builds in tight multi-directional connectedness of tactics to strategy

We understand that organizational alignment results from effective strategy deployment that builds in multi-directional communication

We build in continuous line of sight to top strategic objectives for all employees

We understand that budget reflects strategy, but is certainly not strategy

Tactical and Strategic Thinking

We do not let standard costing or the cost-center mentality constrain potential contributions of operations to business success

Operations is responsible for customer satisfaction and retention

Operations is responsible for knowing and anticipating market needs and wants and determining the supply mechanisms that best develop value performance for the organization

We continually link operational decisions to strategy through our line-of-sight process to facilitate strategic thinking

Readiness Assessment: Establishing Your Baseline (Cont'd)

- A I say...
- B Our Leadership Team says...
- C Our Employees say...
- D Our Other 4 Constituents say...

| Describes Me and Our Business | | | | | |
|-------------------------------|---|------------|---|---|--------|
| Not At All | | Frequently | | | Bingo! |
| 0 | 1 | 2 | 3 | 4 | 5 |

| Overcoming Obstacles | | | | | | |
|---|--|--|--|--|--|--|
| We do not and we will not accept low expectations AND accept responsibility for processes and systems that support high expectations | | | | | | |
| We always tie priorities to the strategy and will not walk away from our responsibility to ensure clear priorities supported by resource allocation | | | | | | |
| We are committed to providing information where and when it is needed to support fast, effective decision-making throughout the organization | | | | | | |
| We accept that leaders provide the rules, tools, and conditions for constituent success in supporting our organization | | | | | | |
| Confusion on priorities and status is typically the result of ineffective leadership communication and discipline | | | | | | |
| We demonstrate that perseverance does not imply a lack of trust; it implies significance | | | | | | |
| We validate all metrics as useful in improving the quality of decisions, or in informing constituents of results | | | | | | |
| We distinguish between lead indicators that drive decisions and lagging indicators that reflect results | | | | | | |
| Organizational Structure | | | | | | |
| Our current organizational structure reflects a conscious decision | | | | | | |
| Our structure simplifies and facilitates strategy implementation | | | | | | |
| Our structure builds in operating system and strategic objectives | | | | | | |
| Constituents fully understand how our current structure works and are free to suggest improvements and point out weaknesses | | | | | | |

Readiness Assessment: Establishing Your Baseline (Cont'd)

- A** I say...
- B** Our Leadership Team says...
- C** Our Employees say...
- D** Our Other 4 Constituents say...

| Describes Me and Our Business | | | | | |
|--|---|------------|---|---|--------|
| Not At All | | Frequently | | | Bingo! |
| 0 | 1 | 2 | 3 | 4 | 5 |
| Evergreen | | | | | |
| We understand that financial growth is not the primary objective | | | | | |
| We understand that personal, relationship, value, and capabilities growth propel us toward our mission and vision | | | | | |
| We are focused on building a better future, not on building a bigger today | | | | | |
| We are continually committed to passing the baton of a healthy, worthwhile, and mission-driven manufacturing business | | | | | |
| We believe that a truly evergreen business will always have customers and strategic profits, and someday, accomplish its mission | | | | | |