

Goals of 2017

Boards of Directors and organisational leaders have an opportunity at the start of each new year to identify important goals to be achieved in 2017. Given the nature of environmental forces now operating, then the one stand out goal surely is for Directors and leaders to position themselves to ensure they have a direct line of sight into the organisation's Source of Vitality.

Organisation's Source of Vitality?

Every organisation has its very own *Source of Vitality*. That is its true competitive strength and powerful uniqueness; and this discovery and focus is a first step to liberating its potential; and propelling its operation to be at its competitive best within the marketplace.

The essence of an organisation's *Vitality* is to do with its –

- Liveliness
- Energy
- Spirit
- Vibrancy
- Spark
- Dynamism
- Passion
- Vigour and
- Drive.

It is this *Vitality* that acts as the unique core power in the strengthening of and gaining consistency in, the delivery of an organisation's vision and purpose.

Opportunity for a Fresh Start

Both anecdotally and from Enterprise Care's research, a direct relationship exists between the timeliness and depth, breadth, reliability, and clarity of Directors and leaders' insights into an organisation's *Vitality*; and the level of success of that organisation's ongoing performance.

Ignoring this opportunity to recognise, tap into and channel an organisation's *Vitality*, might well consign the future outlook for the business to be one focussed on putting out bushfires, facing unpleasant surprises and stymied innovation, wondering why employees are getting so stressed, too many stakeholders all thinking the worst, and maybe at times wondering whether there really is a positive future.

Being Connected into Reality

All of this because the Board of Directors and the leaders are not in a concerted manner tapping into the organisation's *Vitality*.

The question which follows is a simple "how" is this done?

Experience shows when organisations respond to a holistic and disciplined management of their operational analytics, they experience more consistent sustainable successes. This is the power of the adoption and discipline of the *Governance Intelligence® Construct™*.

The use of the word “construct”, in the field of governance, captures importantly, all elements across the subjective and objective, including ones which are not based on empirical evidence.

Employees and Stakeholders “mind”

The *Governance Intelligence*® Construct™ assumes the provision of, and takes fully into account, the “mind” of the employees and stakeholders.

Critically, the *Governance Intelligence*® Construct™ does this holistically; and positions itself as the common, yet unique, window into an organisation's *Vitality*, revealing the one source of perspective. It powerfully sheds light on the impact and effectiveness of an organisation's present operating dimensions. The currency of its messages is informative and invaluable.

The *Governance Intelligence*® Construct™ readily establishes an ongoing line of sight for Boards and leaders in their pursuit of the organisation's vision and purpose. It enables the delivery of the long-term sustainability and profitability; and competitive success, so needed in a world of disruption.

Whole-of-Organisation Governance

Essentially what seems reasonably certain is that sound governance now needs to adopt an approach that takes fully into account what is in the mind of an organisation's employees and stakeholders. Contrast this sharply with the continuing focus often placed, especially in the past, solely on matters of financial and legal compliance.

The value of the *Governance Intelligence*® Construct™ is its recognition, revelations, and ready line of sight into a variety of organisational variables which are not directly observable. For example, creativity and motivation, neither of these are something that can be directly observed; yet they are examples of some very important elements within successful organisations today.

What the *Governance Intelligence*® Construct™ does, quite easily, is to holistically approach the task of governance within an organisation, generating both the granular and global insights, and everything in-between, while providing a clear line-of-sight into the day-to-day operations of the organisation.

This approach affords the Board and the organisational leaders the invaluable opportunity to share a common single source of perspective. In turn this means that governance is placed "front and centre" of management practices, and in a more strategic, pro-active and value contributor position, ensuring the organisation's operations are far more in tune with its environment.

***Governance Intelligence*® Construct™**

Upon the basis of anecdotal feedback, current participant data, and Enterprise Care's own extensive research, the universality, and multivariate analytics of the *Governance Intelligence*® Construct™ is validly established.

Our dynamic world reminds us daily of the varying disasters that await decision makers who appear content in the way they are currently operating. In other words, often without sound assurances that their current views are strongly aligned with what is in turn their organisation's reality, those directors and leaders continue to make decisions.

Blithely continuing in their Director or leadership roles, without actively managing this sizable and acknowledged gap, it is little wonder that Boards of Directors and leaders are often portrayed to be increasingly disconnected in their knowledge, understanding, awareness, and capability, to make decisions which meets the community expected level of quality. Often after something goes wrong, the community looks to not only the possible illegal or unethical outcomes, but also to the glaringly flawed processes which the Board's decisions were going through. It is this distinct apparent lack of quality and robustness, which raises the obvious question of whether there was any connection between those that are meant to direct and monitor, and those that are following and executing. In short, did any of those on the Board or in the leadership group know what was occurring around them?

The Single Source-of-Perspective

In the practice of sound governance there are many things occurring in an organisation that cannot be readily and directly observed. And of course, even if they can be, often by the time that could happen, it is too late for anything of consequence to be done, apart from picking up the pieces.

So, increasingly, the governance of an organisation is demanding that everyone, including the Board and leaders, share a common single source-of-perspective; and in that way ensuring the decisions and actions are invariably aligned with the organisation's vision and purpose.

Importantly, in their role, the Board of Directors and leaders need to actively and fully be connected into the organisation. For it is the heightened sense of awareness of what is happening in fact, or reasonably likely to happen in the organisation that is core to each Director and leader being a valued contributor.

The urgent aim for any Director or leader is to now, especially as a group, feel confident in predicting what is likely to occur if current circumstances continue unchanged, or continue without proper remedial intervention. As a corollary, the greater the confidence of this group in the common single source-of-perspective leads to its recognition as being invaluable in the hands of decision-makers.

Indicia

While ongoing insights into a group of governance indicia are not conclusive, nevertheless they can provide a valued early warning to an organisation's Board of Directors and leaders. Governance is as much about continually gaining timely insights into emergent patterns and themes. It is certainly no longer acceptable to adopt a wait and react role. Hence the gaining of an open line of sight for Boards and leaders, will enable targeted and early remedial interventions, thus diminishing the likely outcome of negative experiences.

Likewise, many of the governance challenges organisations currently face today, are not capable of being directly observed. Instead the real need is for a continual line of sight into a group of related and connected big-picture multivariate analytics.

Instead of

- Handling disasters
- Receiving inaccurate or incomplete or late information
- Learning of blind spots
- Facing slow decision-making
- Supporting of more silos
- Experiencing high turnover of staff
- Increasing decline in employee and stakeholder performances
- Diminishing change and adaptation among key leaders and employees
- Growing number of people undermining efforts and initiatives

get onto the front foot and gain early insights into emerging patterns and trends which facilitate more relevant, accurate and timely actions conducive to success.

Anticipation and Early adjustments

Governance is also about anticipation, early adjustments, and manoeuvring of the organisation within the band of acceptable competitive success and limits of its vision and purpose.

It is primarily about being on the front foot, rather than playing from behind and addressing the 'what happened' situations.

Enterprise Care asserts that sound governance practices are only possible when the Board of Directors and leaders are connected to and have real and timely access to a common single source-of-perspective. This will involve indicia that can be viewed and considered as part of the whole-of-organisation approach to governance.

Boards and leaders need to assume responsibility for rigorously pursuing the objective of moving employees and stakeholders from being simply a part of an organisation's

- words and labels system or
- structure and organisational chart

to

- ✓ an actual inner experience of being organisationally connected.

All research and anecdotal evidence confirms that such a movement is possible, desirable, and essential for the successful realisation of the organisation's vision and purpose.

Until someone senses a real connection with the organisation's Vitality, there is no point in asking them to be more aligned and at one with the organisation's values/culture/strategy; or to really take great notice of, or better still, understand and execute the organisation's messages and strategies, beyond some form of formulaic level.

In fact, research and our own experience continually confirms that an organisation's policies, procedures, rules, and communications often only serve to become a source of personal stress, anxiety, and demotivation. This results often in employees and stakeholders dissociating themselves from the organisation's vision and purpose. It importantly limits

their interactions, open engagement, and lacking a sense of belonging to an organisation worthy of their full commitment and involvement.

This view of organisation life, not surprisingly, pushes employees and stakeholders to be more negative and less open to new ideas and embracing change.

Imbue employees and stakeholders

The start to a new year offers the wonderful opportunity to **imbue** employees and stakeholders with a sense of their own power to align with the organisation's vision and purpose; and thereby ensure the successful implementation of the organisation's purpose and strategy.

They are each an "organisation's ambassador-at-large", i.e. an employee or stakeholder experiences being treated with respect and someone who matters in their role and who is accredited and recognised to represent that role as part of a successful organisation.

In other words, the usual limits/restrictions/negatives hindering their operating fully fall away and they are encouraged and supported in operating-without-borders (rules without sense).

The power in all of this is through connecting with the organisation's *Source of Vitality*, the vision and purpose can dramatically affect real meaning in their working lives, and change positively happens.

No longer seen or experienced in their working life as mere words each now has "an experience of vitality" from authentically sensing one-ness with the organisation and a real work life-giving connection.

This is essentially transformative and for 2017 your platform to sustainability and success.

Let this be your Board and leadership team's very cornerstone of the organisation's 2017 governance. Achieve the move from words, labels, and structures, to the tapping into the organisation's *Vitality Source* in 2017.

February 2017

Damien J. Smith LLB B Com FAICD FCIS FCSA FAIM CAHRI

Managing Director

Enterprise Care Pty Ltd

and Australian Legal Practitioner – **Damien J Smith Lawyers & Consultants**

If you would like more information, please contact –

Damien Smith at Enterprise Care Pty Ltd

on +61 3 8862 6315 or +61 418 325 781

smithdj@enterprisecare.com.au

www.enterprisecare.com.au or www.governanceintelligence.com.au