

*How To*  
**BEAT THE COMPETITION**

**HARNESSING  
CHANGE  
TO DEVELOP  
TALENT AND BEAT  
THE COMPETITION**

**LORI J. SPINA** *and* **JAMES D. SPINA**

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BY

**LORI J. SPINA**

*The Delta Group Network, Inc., USA*

AND

**JAMES D. SPINA**

*The Delta Group Network, Inc., USA*



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INVESTOR IN PEOPLE

*In Memory of Our Dear Friend, David*

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# AUTHOR BIOGRAPHIES

## **James D. Spina**

After a long career in public education Jim moved into the private sector and worked as an independent consultant, senior manager of training and development at a large company with over 2,000 employees and later as a director of executive development and succession planning at a Fortune 500 media company. He returned to education as a senior lecturer at the R. H. Smith School of Business at the University of Maryland in the department of organization and management. His PhD was earned at the University of Connecticut in Educational Administration.

**Lori J. Spina**

Lori began her career as a classroom special education teacher and was quickly promoted to department head. After a number of years in public education, she and her husband Jim formed a management leadership development firm. Primary clients included government agencies, manufacturing, major hotels and law firms as well as small businesses in a variety of industries located throughout the United States and Canada.

Lori was invited to teach Human Resources courses at the University of Maryland where she was a full-time lecturer at the R. H. Smith School of Business. In addition to classes in Maryland, Lori also taught in Zurich and Beijing at the R.H. Smith campuses located in those cities. Currently, Lori and Jim maintain the management consulting business.

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# INTRODUCTION

## OUR PURPOSE

The purpose of our book focuses on how an organization can formulate effective business-level and corporate-level strategies to achieve competitive advantage, earn above average profits, build and retain talent, and sustain financial strength. This is also true for nonprofits, with retained earnings substituted for above-average profits.

For our approach, decisions about the scope of business (i.e., markets, competitive industries) constitute its *corporate strategy*. Decisions about how to compete within the chosen market(s) reflect the organization's *business-level strategy*. Often, the formulation of more effective strategies to beat the competition requires continual change efforts.

If you have ever found yourself watching a major golf tournament on TV, you know that in order to achieve a low score, an analysis of the situations faced requires the formulation of a strategy. Such a strategy might be to always choose a “smart and safe” shot to put the ball back in play after ending up in the woods. Another simple strategy could be to set a goal of 36 putts per round. The players must become

strategic in managing the game. Organizational leaders need to do the same when it comes to facing the changing world of competing to recruit, select, develop, reward, and retain talent.

An article in *Forbes* (January 27, 2015), “How to Win the War for Talent in 2015,” from contributor George Bradt, sounded the alarm on the war for talent. As we know from our experience in organizational development, maintaining the status quo process for finding good people needs to be challenged. This is what we mean by our focus on harnessing change as an opportunity to develop talent to beat the competition.

We cannot assume that every “top of the house manager” is a graduate of a tier-one business school and is current on every important book or article on successful management of people and organizations. We should not assume that talented business leaders are always well-schooled university graduates. If you believe there is nothing new to learn about the management of change and the discovery of new ways to find talent, buckle up because you may be in for a rough ride. In other recent books, and articles about workplace changes that need to be explored, we find lots of good ideas but a dearth of ways to implement them. Our book differs because it shows how to implement new change approaches.

This is a *little book with a big message*. Accordingly, we begin by the examination of the roles of the “strategic manager,” defined as someone (such as a CEO, Executive Vice President or Senior Vice President) who is concerned with the problems of, and responsibilities for, sustaining the overall and long-term well-being of a profit-making or a nonprofit focused organization and its people. It ends with this message:

*Implicitly or explicitly, every organization must define the scope of its business operations and, within the chosen scope, determine how it will compete against the challenges of its rivals while meeting the*

*talent development needs of its people and customers in an ever-changing business environment.*

Winning college basketball team coaches develop the skills needed to win games over time and through experience. He or she can learn when to call a time-out or change the lineup. Many successful business managers learn in the same way. Both know that finding ways to engage team members in supporting changes presents the most difficult challenge of all. This practical book will show you how to learn and apply specific analytical methods to affirmatively answer the following seven key questions concerning organizational changes:

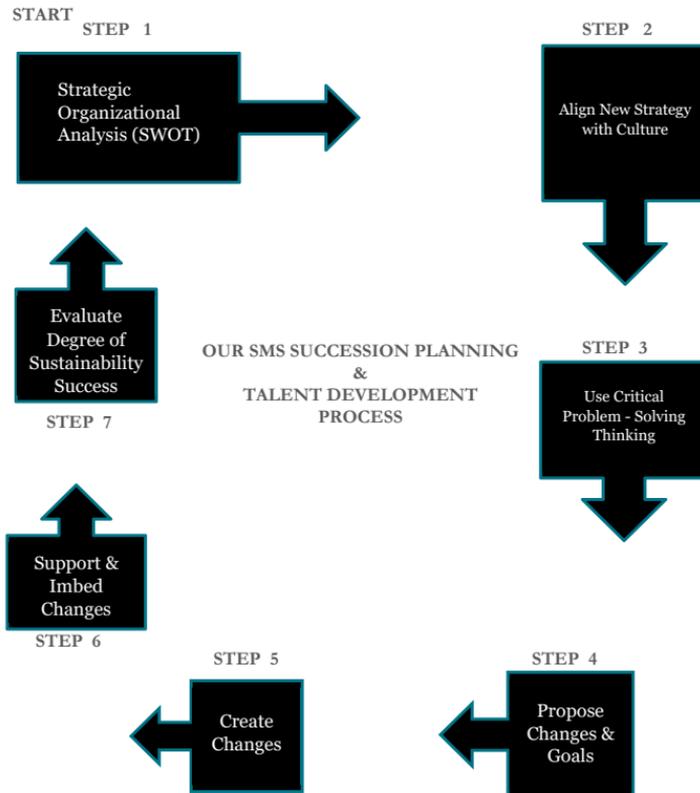
1. Can we use information from our strategic analysis to determine if we are successfully competing?
2. Can we assess our strategy to determine if it is culturally aligned?
3. Are we able to think critically about a problem, including the evaluation of data, testing of assumptions, and the synthesis of multiple perspectives to solve it?
4. Can we propose changes to the strategy to enhance, or maintain, or turn around the performance of the endeavor?
5. Can we transform research and analysis into strategic recommendations for creating important changes that stick and then motivate employees to succeed?
6. Can we build and present strategic analyses recommendations to support effective and lasting organizational changes?
7. Do we have a strategic succession planning system in place, and at our fingertips, for developing talent?

Finally, organizations often lack a proven system to decide what changes are necessary and present a way forward. This

book introduces the reader to such a system. The chapters that follow will outline the process to understand and implement our **Strategic Management System (SMS)**.

This book addresses gaps between ideas and actions with proven methods. It is one thing to say “we need to reduce scrap by redesigning the quality control process” but hard to design effective ways to do it. We provide methods that will work and can be modified to meet local needs.

In summary, we propose the following seven-step model to beating competitors:



So, let us begin our journey to “beat the competition!”

## INTRODUCING OUR "INNOVATION BANK" CONCEPT

To support our seven-step SMS, we differ from other books on change by offering straightforward proven methods to analyze challenges that lead to creative solutions to build solid strategies and achieve sustainable success. We began the development of this system in the late 1970s in response to business client needs.

The **Innovative Methods** that we provide are time-tested and designed to enable the reader to use them to **implement new ideas for strategic action**. As an example, our "Idea Box" Method #1 allows for the creation of thousands of options to improve or create a product design in less than one hour compared to traditional brainstorming. This is accomplished through the identification of the product's attributes and new ways to connect them to the production and marketing of new versions to meet customers' changing expectations.

---

### **Method #1 Creativity Idea Box: "How to Build a Better Bathtub."**

<b>Shape and Size</b>	<b>Material</b>	<b>Features</b>	<b>Water System</b>	<b>Customer Wants</b>
Room*	Rubber	Colored lights	Waterfall	Safety
Diamond	Gold	No faucets	Ceiling tap	Status
Heart	Stone*	Music/TV/Bar	Multisource*	"Go Green"
Two-person	Clear poly	Plants	Recycle	Romance
Mini-size	Stainless steel	Soft seating*	Perimeter	"Fun"*

---

There are over 15,000 possible combinations using this Idea Box for creating a better tub to meet changing customers' expectations. i.e., "a room sized stone bath with soft seating and a multi-sourced water system for a "fun" experience is just one of those new ideas. Many other innovative ideas are imbedded within the book and are summarized in Appendix 1. So, where are the opportunities for the **Innovation Bank** in your organization?

## HARNESSING CHANGE

It is a fact that every organization will experience transitions over time. An acronym often used to describe organizations of today, is “VUCA” (*The Economist* 7/7/18). It stands for Volatile, Uncertain, Complex and Ambiguous.

For example, experienced business executives know that “all engagements come to an end.” Engagements can refer to any type of interaction between and among individuals and groups. Scenarios from both quarters can occur internally or externally.

Consider the following: a long-time employee decides to retire; another hard-to-replace person decides to leave the organization for greener pastures; a change in management of a key client causes you to lose the account; your CEO is accused of malfeasance and is suspended by the Board. The list of transitions can go on and on, with negative results often following the events.

Just as often, transitions can be brought about by new technologies or regulations from governing agencies. Bad luck, such as storm damage, can also be a major factor.

*Harnessing Change* refers to ways to embrace change options to address the VUCA transitions and the actions needed to take as a result.

## KEY REASONS FOR CHANGE EFFORT FAILURES

Research tells us that most change efforts fail. A lack of urgency is usually the primary reason that such efforts collapse under their own weight. However, many failures of mergers and acquisitions are usually caused by unmanageable cultural issues even when urgently acted upon.

Often a “flavor of the month” mentality prevents people from buying into proposed changes. The idea is that if we wait long enough, the proposed change will be forgotten as new issues arise and we can avoid the efforts to make it happen.

Procrastination is the watchword that some people use as a shield to avoid active participation designed to give them time to dodge getting on board. Common avoidance replies to requests for participation often emerge as “It needs more study” or “We tried that before” and “It’s not in the budget.” Avoidance becomes a work style for too many resisters of change. Another huge problem is the fear of losing something if a strategic change is made in an organization. People tend to fear the unknown.

A typical fear-driven response is, “If it ain’t broke don’t fix it!” There is an alternative way to view the status quo as an opportunity to seek change rather than looking at it as too uncomfortable to move ahead. Think about a car that you have owned and carefully maintained for several years. It still looks good, runs well and is all yours with no bank as a partner.

However, it is approaching 10 years of age with 200,000 miles on the odometer. Out-of-sight parts made of rubber are beginning to deteriorate, presenting potential unexpected problems. New technologies that appeal to you for safety are lacking. While it ain’t broke now, might it be a good idea to keep your eyes open for an upgrade before you have no choice but to get rid of it?

In other words, continually be on the lookout for new opportunities to improve how your organization operates