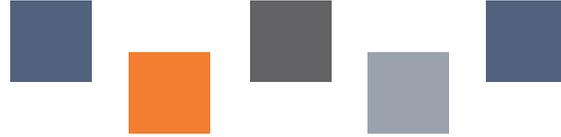


YOU'RE FOCUSED ON RESULTS BUT DO YOU KNOW THE REAL KEYS TO GETTING THERE?

5 Drivers of Organizational Effectiveness



The goal of an effective organization is to maintain high performance and achieve desired results. It may sound straightforward but it's not. Understanding what can enable the increased performance effectiveness of an organization is the key to achieving extraordinary results. Equally important is understanding what may be getting in the way of an organization reaching its goals. The question of what really drives organizational effectiveness often keeps leaders up at night.

There are four essential building blocks for a successful organization, which include a solid strategy, a good team, clear value to stakeholders, and efficient processes.

These essential building blocks for a successful organization are often addressed, but simply having these in place are not enough. What really enables maximum results are the critical organizational effectiveness drivers that make the building blocks work. Organizations that understand these drivers and spend time on developing them quickly move to the next level of performance.

Drivers of Organizational Effectiveness

1 | Effective Board Governance

What it is: Board Governance defines and guides the appropriate relationships between a Board and a Senior Team. Governance usually includes the roles of the Board members, committee structures, operating procedures, fiduciary responsibilities, and generative and strategic requirements.

Why it's important: For a Board to provide maximum value to an organization it is critical that the Board understands what its accountabilities are and are not. To enable role clarity, effective governance mechanisms should be

in place to allow the Board to appropriately fulfill its role. In order to have an effective organization, both the Board and the Senior Team need to understand their respective roles and accountabilities. An effective Board Governance plan/program should be in place that enables the Board to support the CEO and senior staff at the appropriate level.

What you can do: Review the Board governance model, policies, and procedures. Conduct an effectiveness review to look at philosophical underpinnings of the governance of the Board, as well as identify what is working well and what is an opportunity for development. Ideally a facilitated conversation between the Board and the Senior Team can address any misalignment between expectations, roles, and operations.

2 | Having the Right Structure, Roles, & Accountabilities

What it is: The right structure means having defined roles and accountabilities aligned to an organization's strategy. When a stakeholder looks at your organizational chart, it should be clear to them what you are focused on. The right structure allows an organization to optimize resources from a capabilities and cost perspective that translate into maximizing results. Not having role clarity and strong accountability for each role are critical gaps that are found in almost all organizations. Often there is a gap between a job description and the expectations of what someone will achieve in their role. Roles and expectations evolve over time, and are based on the changing needs of an organization. Little time is usually spent on clarifying the expected outputs and accountabilities for each role.

Why it's important: Many organizations grow

organically and the structure is not aligned to support the strategy and achieve desired results. This is much more than moving boxes on an organization's chart; without the right structure, there is often an imbalance of effort and resources in key areas. For example, some organizations have partnerships as a key strategic driver for increasing performance, but without senior accountability for this area or a proper support structure, it's difficult to achieve strong results. Not having the right structure can also cause employee frustration and inefficiencies leading to turnover and wasted cost.

Another source of role clarity frustration occurs when there are overlaps between roles. A lack of role clarity can also lead to a lack of performance when there are gaps and no one is driving specific pieces of work. Simply put, a lack of accountability is a results killer. When there is no clear accountability and ownership for specific results, it becomes a matter of team members trying to pass the buck. When there is no one clear owner, it is easier to talk about why the initiative didn't get implemented.

What you can do: Review your structure objectively; does it reflect your strategic priorities? Are resources being optimized? Are there imbalances based on history that are negatively impacting the business? Start by asking around. Staff members work in the organization day-to-day and usually have insights about what is not working well with its structure. Strive for single accountability on all key pieces of work even if there is a large team supporting the work. Make expectations clear about the desired outputs of each role and who is accountable for which results. A corporate scorecard is an effective tool that quantifies the strategic priorities and measurements that drive accountability. Next level performance is often achieved when

the corporate scorecard is translated into department and individual scorecards. This is a powerful process where team members agree on the outputs of each role, how to measure them, and how best to build consensus that drives accountability.

3 | Aligning Operations to the Strategy

What it is: One of the seemingly most elusive but most powerful things an organization can do is align its structures, processes, and priorities in each department, and at each level with the overall strategy of the organization. This means all day-to-day activities are driving toward the overall results an organization wants to achieve.

Why it's important: Aligning operations to the strategy not only greatly increases chances of successfully achieving the desired results, but also forces the optimization of time and resources. Organizations who succeed at this prevent non-value added work from happening. This also helps employees understand the importance of what they do and how it contributes to the bigger picture of what the organization is trying to achieve. This is very powerful because it identifies misalignment of resources, efforts, processes, and structures which are frustrating, and waste time and money. Organizations who successfully achieve this alignment from top to bottom usually realize their results in a shorter and more efficient manner, allowing them to either enhance their results or add other goals. This is the ultimate way to 'do more with less' based on a structured approach to achieving alignment.

What you can do: Translate your strategy into operations at every level of the organization and across every department. Be ruthless when it comes to assessing those activities that don't align to the desired results outlined in

your strategy. Encourage teams to collaborate to build alignment across functions to achieve strategic goals. Make sure that everyone in your organization understands that what they do on a daily basis contributes to the overall strategy and success of the organization.

4 | Developing Leaders beyond Theory

What it is: The most valuable but often overlooked component of Leadership Development is what we call 'Leadership In Action'. This is beyond a management rotation program. It is identifying tangible and strategic projects that high performers can take on to develop leadership skills and directly add value to the organization. These have milestones that are reported to Executive and/or Board groups or committees. This, together with Leadership coaching, a well-structured mentoring program, and a customized in-house Leadership development program, is a leading practice.

Why it's important: Research shows that learning and job meaningfulness are more important drivers than compensation when it comes to employee satisfaction, engagement, and retention. Investing in your leaders is a necessity for succession planning. Leadership development also maximizes the contribution that each leader can make to the organization. Investing in leaders is akin to investing in the future success of an organization.

What you can do: Know who your future leaders are. Understand their needs and areas of development. Structure a program that highlights their importance to their organization and gives them a mechanism and path to increase contribution to the future success of the organization. Don't take your leaders for granted, finding and keeping high performers is quickly becoming one of the most important things an organization can do.

5 | Team Effectiveness

What it is: Team effectiveness is not only the results a team achieves, but also how they achieve the desired results. A team is not high performing if they hit all their targets but they disrupt the organization and its culture to do so. A team is also not effective if it works in perfect harmony but doesn't achieve the expected results of senior management. Team effectiveness is not to be confused with team building; team effectiveness is the science behind how a team efficiently achieves desired results.

Why it's important: The effectiveness of individual teams directly impacts overall organizational effectiveness, especially with senior teams. Team effectiveness is one of the true drivers of an organization achieving its strategy. Teams are often unclear on what the expected outputs are and how they align to the overall strategy. Teams can easily get distracted with new initiatives and projects that dilute valuable time and resources. Ineffective teams can also translate into a lot of time being spent in meetings and not a lot of work getting done. Many teams have dynamics that negatively impact performance such as lack of trust, feedback, or accountability. Team effectiveness is a measure of how successful your organization will be.

What you can do: Add team effectiveness to part of the annual review process and don't fall into the trap of confusing it with team building. Team effectiveness should be focused on both what a team should be achieving and how it should be achieving it. A review of team effectiveness to identify areas for improvement should include topics such as: how to measure results, key initiatives, strategy alignment, team meetings, how to give feedback, team operating principles, ground rules, and communication channels.

THE BOTTOM LINE

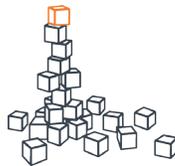
Organizations fail to deliver results when they don't approach organizational effectiveness systematically. This means going beyond the traditional components of an effective organization (strategy, people and process) and addressing the effectiveness drivers. With focus on these drivers, organizations will be poised to reach desired results.

OUR CAPABILITIES

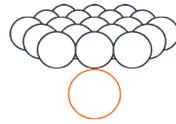
Management Consulting • Resource Augmentation



Strategy



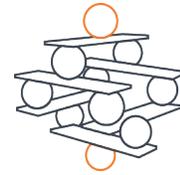
Process Improvement



Project Management



Research & Analytics



Governance & Leadership

WHAT WE DO

| SOLUTION | DESCRIPTION | CLIENT BENEFITS |
|--|--|--|
| Organizational Assessments | <ul style="list-style-type: none"> Organizational Effectiveness Assessment Change Readiness Assessment Culture Assessment | <ul style="list-style-type: none"> Understanding of where to focus investments / improvements Quantification of 'intangible' barriers to success |
| Organizational Design | <ul style="list-style-type: none"> Organization Structure Design Accountabilities & Job Profiles Restructuring | <ul style="list-style-type: none"> Improved accountability Increased organizational capacity Optimized resources |
| Change Management | <ul style="list-style-type: none"> Tools, Methodology & Planning Change Management Office Framework Development Training & Implementation | <ul style="list-style-type: none"> Save cost / resources when implementing any kind of change Build capacity to manage change internally Tools/training can be highly leveraged |
| Organizational Effectiveness | <ul style="list-style-type: none"> Psychometrics Employee Engagement Organizational Alignment | <ul style="list-style-type: none"> Achieve results faster Improved performance of resources, teams & organizations Increased efficiency |
| Governance & Leadership Development | <ul style="list-style-type: none"> Executive Coaching Board Governance Leadership Development Succession Planning | <ul style="list-style-type: none"> Increased leadership capacity Board effectiveness Increase leadership impact |

WHO WE ARE

OPTIMUS | SBR is a management consulting firm that provides advisory services customized to address strategy, process, and project management needs to leading firms across North America.

Our functional practice areas include strategy, process, project management, leadership development, research and analytics, and implementation support among a range of various other consulting services.

OUR VALUES

How we do things is just as important as what we do. Our consultants behave in accordance to our value system:

Teamwork • Integrity • Passion • Initiative • Leadership

PRACTICE AREAS

Our experience spans across our key practice areas:

Financial Services | Energy & Infrastructure | Health Care & Not-for-Profit | Government & Agencies

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