
THE FIVE STAR SOLUTION: ACHIEVING STRATEGIC OUTCOMES AND FINANCIAL TARGETS

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Senior leaders understand that, in today's rapidly changing business environment, unaligned and incremental changes in current performance are rarely sufficient to deliver the financial targets and strategic outcomes required for success. Unfortunately, research indicates that most companies experience a 37% gap between promised performance (strategy) and actual performance. This gap is caused by several factors – most of which relate to lack of alignment around strategy.¹

For enterprise success, teams have to know the enterprise's strategic goals and understand the role they play in aligning to deliver the organization's strategic outcomes while running (and frequently changing) current operations. The Five Star Solution enables teams to deliver key outcomes through a combination of consultation, software support, and ongoing facilitated follow-ups. Using our unique three-phase approach and tools, teams align their actions to strategic goals and hold themselves and each other accountable, always.

PHASE I: DEFINING THE GAP AND POSITIONING THE TEAM FOR SUCCESS

Using our proprietary model, experienced Five Star consultants work with the leader to define the gap between *Proven Performance* (what's likely to be achieved if managers and their teams deliver incremental improvements to "business as usual") and *Promised Performance* (enterprise financial targets and strategic outcomes). We also prepare the leader to deliver a strong and clear opening message about the financial targets and strategic outcomes and why they're important.



PHASE 2: ALIGNING THE TEAM AND CREATING CONDITIONS FOR ACCOUNTABILITY

The Five Star Institute's *Alignment Workshops*² guide teams through a structured process based on key questions. Team members develop goals and related actions that ensure achievement of financial and strategic outcomes. They discuss interdependencies across silos and re-allocation of resources where required.

Once team goals are developed, they are entered into *Vector5™*, The Five Star Institute's proprietary software tool for tracking action progress and goal achievement. The team enters individual actions in support of team goals and learns how to use *Vector5* for ongoing accountability.

"Congratulations to all of you for facilitating an extremely effective Alignment Workshop for my team. I was looking for a way to get my team aligned on the Goals and Objectives for our business and the Alignment Workshop certainly filled that need. I am confident that the results of the Workshop will be our team exceeding our goals. I circled with the members of my team and every single person felt good about the event and enthusiastic about our focused alignment."

–Fortune 20 client

THE FIVE STAR APPROACH

- › CREATES ALIGNMENT ON KEY OUTCOMES
- › TRACKS ACTION STEPS SO THAT TEAMS ARE IN SYNC
- › HOLDS INDIVIDUALS AND TEAMS ACCOUNTABLE
- › BUILDS A POSITIVE ATTITUDE OF GOAL 'OWNERSHIP'
- › INGRAINS LASTING CHANGE —ALWAYS



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ALIGNMENT › ACTION › ACCOUNTABILITY › ATTITUDE › ALWAYS

ACHIEVING STRATEGIC OUTCOMES AND FINANCIAL TARGETS



PHASE 3: EXECUTION ENGINES: ONGOING ALIGNMENT AND LEADERSHIP DEVELOPMENT

Following the Alignment Workshop, the team meets monthly with its Five Star consultant. We call these meetings *Execution Engines* because they are designed to ensure that the team is executing its goals. Meetings are preceded by a unique, short, self-paced leadership lesson whose subject is woven into each monthly meeting. During the meetings, the team uses Vector5 to review progress on goals and actions, recognize the successes of the past month, collaborate on solving any problems that are impeding goal achievement, and recalibrate goals and actions as necessary.

This Five Star Institute three-phase process positions your organization to close the gap between *Proven* Performance and *Promised* Performance by delivering alignment, action, accountability, and positive attitude...always.

76% of executives say alignment is extremely important to meeting financial objectives. Only 37% say that such alignment is very strong in their organizations.

– Conference Board

Senior executives have long been frustrated by the disconnection between the plans and strategies they devise and the actual behavior of the managers throughout the company.

–Joseph L. Gower and Clark Gilbert
How Managers' Everyday Decisions Create – or Destroy – Your Company's Strategy
Harvard Business Review

¹ Mankins, Michael C. and Steele, Richard; Turning Great Strategy into Great Performance, *Harvard Business Review*, July-August 2005

² *Aligning for Success*: designed for a senior team with board-approved financial targets and strategic outcomes. The workshop aligns the team members around the key initiatives throughout the organization that are required to transform *proven* performance (as reflected in current or past-year metrics) to *promised* performance (financial targets and strategic outcomes).

Aligning for Execution: designed for any team below senior level that has received a strategy (financial targets/strategic outcomes) and that must align team members around the goals and actions required to deliver the team's contribution to the strategy.

