

The 5 Most Important Questions

Systems Thinking for Organizational Performance

- 1. What is our mission?**
- 2. Who is our customer?**
- 3. What does the customer value?**
- 4. What are our results?**
- 5. What is our plan?**

The 5 Questions

The Five Most Important Questions You Will Ever Ask About Your Organization

MISSION



Opportunity + Commitment + Competence

- Why does the organization exist?
- What is our purpose?
- Why do we do what we do?
- What do we want to be remembered for?

What is our mission?

Opportunity + Commitment + Competence

- must be short and focused – it fits on a T-shirt
- is clear and easy to understand
- does not say “how,” only “what”
- inspires commitment
- is the responsibility of leadership
- inspires others to say “Yes. This is something **I** want to be remembered for.”
- reflects your organization’s opportunity, commitment, and competence

The Mission...

Opportunity + Commitment + Competence

- changing demographics
- changing community conditions
- cultural or social trends
- economic trends (changes in funding)
- politics, legislation, and regulations
- media and communications
- new models, methods, and technologies
- the competition

What are the Emerging Trends

Opportunity + Commitment + Competence

- to address compelling issues or conditions?
- to fill a gap in our area of service?
- to be a leader and set a new standard of performance?
- to meet the interests of partners and funders?

- Which of all of these is most promising for us? Why?

What are our opportunities



CUSTOMERS

- Whose life is changed through our work?
- “There can be only **one**” primary customer
- Customers **value** what you offer, **wants** what you offer, and **feels** it is important to them personally
- Effectiveness requires FOCUS, and that means *one* response to this question
- The answer is a description that allows you to qualify some people and *disqualify* others
- Your answer affects everything else you do – *everything!*
- You don’t want to casually please everyone, but deeply please your primary customer.

Who is our customer?

- Who must be satisfied for us to achieve results?
- Supporting customers include volunteers, members, partners, funders, referral sources, employees, and others who must be satisfied.
- They are people who can say **no**.
- The primary customer is not the *only* customer, but do not be tempted to think you have more than one primary customer – effective organizations keep their focus.

Who are our supporting customers?

- Customers are not static – they change and you must change with them
- Will they change in number (greater or fewer) change?
- How will their demographics (age, race, etc.) change?
- How will their needs, wants, and aspirations change?

- What are the implications of these changes?

How will our customers change?

- Are there potential new customers to serve in order to further the mission?
- If yes, how do we start serving them?
- Are there existing customers we should stop serving because we have satisfied a need, they can be better served elsewhere, or we are not producing results?

Are we serving the right customers?

VALUE



- What do we already KNOW?
- What are their needs?
- What do they want?
- What are their aspirations?
- ONLY the customer can answer this question
- Rule 1: There are no irrational customers
- Resistance to what the customer values because it doesn't fit your rules is bureaucracy

What does the customer value?

- What do we need to know to serve our customers better?
- What do we NOT know that we SHOULD know?
- What is the perspective of your service from the customer's point of view?
- What does the primary customer value?
- What do the supporting customers value?
- Accept their answers as objective fact
- Hint: customers value an organization that seeks their feedback, can solve their problems, and satisfy their needs

**What knowledge do we need
to gain from our customers?**

- Now that you know what questions to ask, how will you seek the answers?
- Focus groups?
- Surveys?
- Feedback forms?
- Interviews?

How will we gather information?



RESULTS

- Results are only measured OUTSIDE the organization
- Results equal changed lives and changed conditions in people's behavior, circumstance, health, hopes, and their competence and capacity
- Need alone does not justify continuing. Nor does tradition. You must match your mission, your concentration, and your results.

What are our results?

- What have we achieved that contributed to changed lives?
- Design your plans so such that results can be measured
- How do our partners and beneficiaries experience our work?
- What are our qualitative and quantitative goals?
- It is not how hard you try or how much you care, but what is remembered, how you have been able to improve lives

How do we define results?

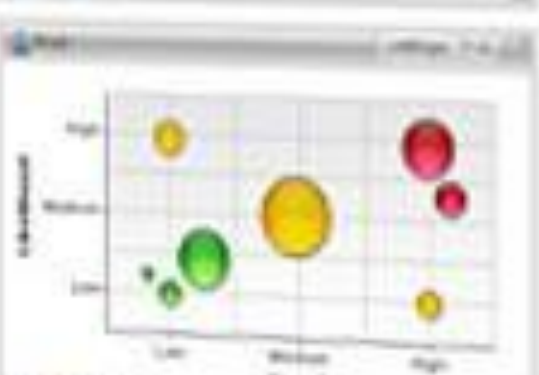
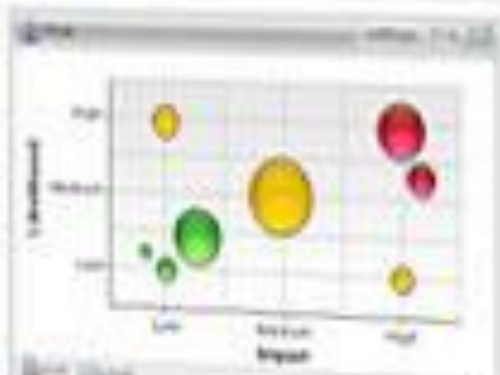
- What qualitative and quantitative measures do we need?
- How do we measure achievement for each result?
- How do we measure progress for each result?

How do we measure results?

- How do we *concentrate* our efforts?
- List your strong programs and identify if they can produce greater results (growth)
- List your weak programs and how it could be improved
- Choose which programs to abandon
- Where can we innovate?
- Do the same analysis for internal systems and support programs (e.g., HR, fundraising, marketing, etc.)

How can we improve our performance?

PLAN



- What is our vision of the future?
- Mission and goals are the responsibility of the board
- The mission requires action today and aims for tomorrow

- **Listen** to what the customer values
- **Aim** to satisfy their changing needs and aspirations
- **Act** toward your goals and objectives
- Measure **results** in terms of changed lives

What is our plan?

- What are the 3 – 5 aims for the future?
- If you have more than five goals, you have none
- Goals clarify where you will concentrate resources for results
- Goals flow from mission
- Goals aim the organization where it must go
- Goals build on strength, address opportunity, and outline your desire future
- Don't avoid defining goals because it might be controversial
- You may compromise on implementation, not goals

What are our goals?

- Objectives are specific and measurable levels of achievement
- The board makes the mission and goals while the objectives are determined by the CEO
- The board must not act at the level of tactical planning or interfere with management's ability to be flexible in how those goals are achieved
- The more specific, the more likely to be productive

What are our objectives?

- Are the mission and goals approved by the board?
- What is our plan?
- Planning is not masterminding the future
- Planning is not a substitute for facts, judgment, or leadership
- Planning is a responsibility – not a technique
- Leadership requires judgment, discipline, caring, fortitude, and integrity

What is our plan to achieve results?

- ***Abandonment***
 - First decision: whether to abandon what doesn't work
 - If you weren't doing it today, would you start tomorrow?
- ***Concentration***
 - Build on success, strengthen what works
 - Can we meet an even higher standard?
- ***Innovation***
 - Look for tomorrow's success
 - What are the opportunities, new conditions, emerging issues?
- ***Risk taking***
 - Decisions are a commitment to action
 - The inability to make decisions is a risk avoidance issue
- ***Analysis***
 - Recognize when you do not know, when you are not yet sure whether to abandon, concentrate, innovate, or take risk – then analyze

What is our plan?

- The mission, vision, and goals are the boards responsibility
- The objectives, steps, budgets are managements responsibility
- Action steps are developed by the people who will carry them out
- Everyone with a role should have input
- This may be slow but, when complete, everyone understands it
- Never try to reach different customers with the same message

How will we communicate our mission, plan, and results?

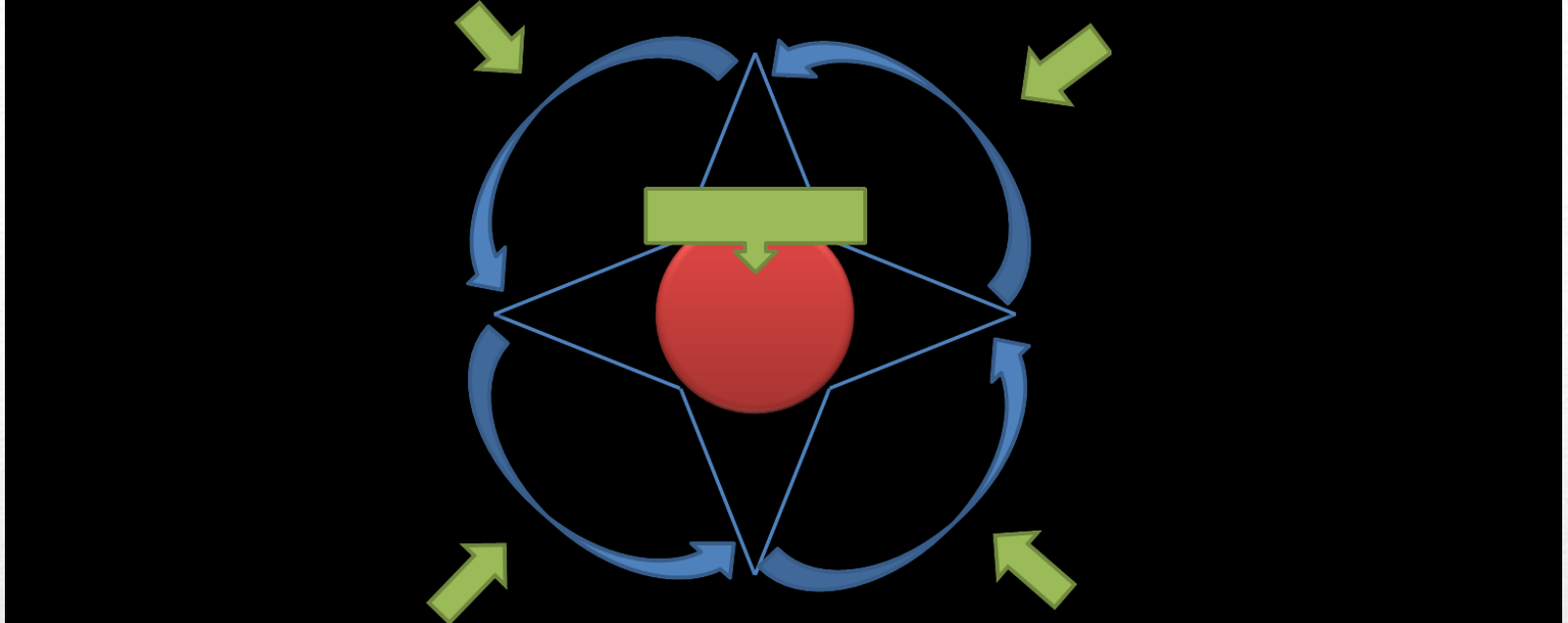


Good intentions don't move mountains; bulldozers do.

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The 5 Questions

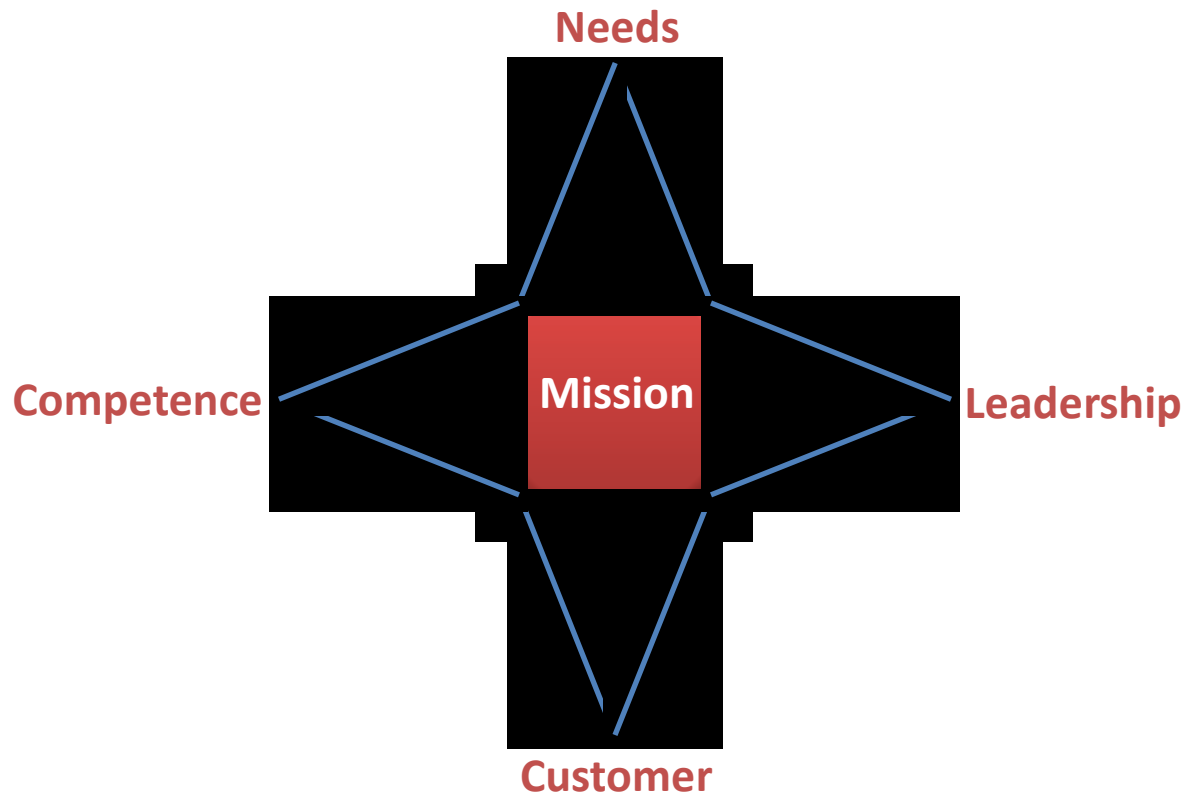
The Five Most Important Questions You Will Ever Ask About Your Organization



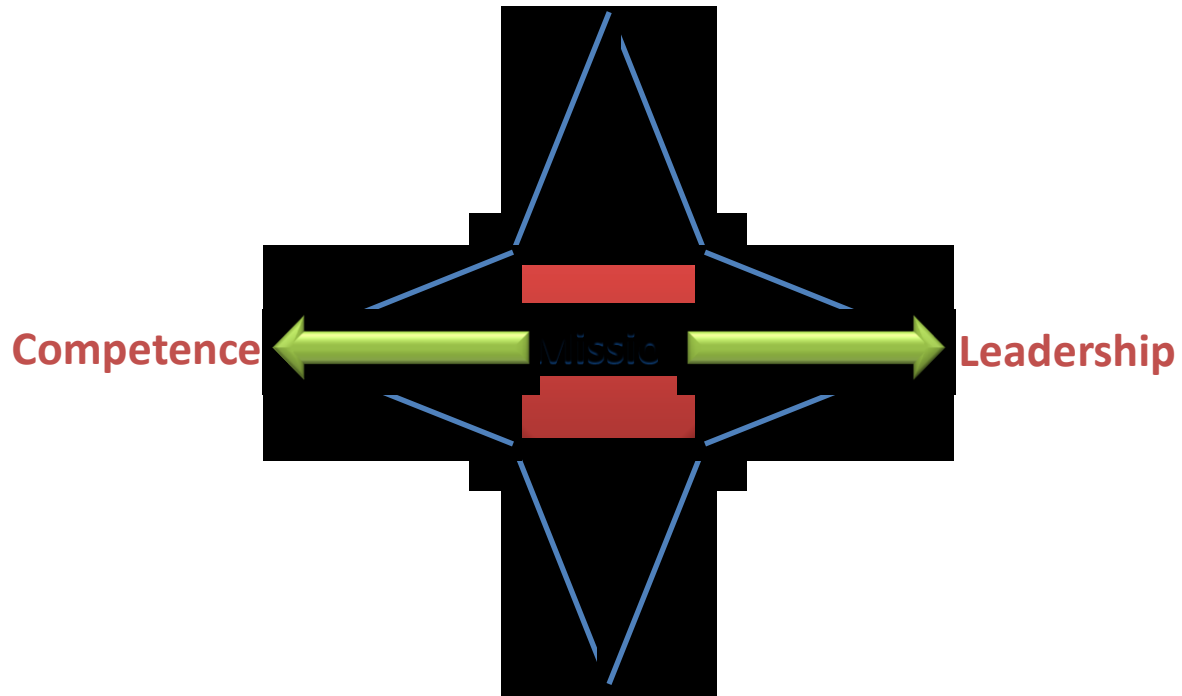
A PICTORIAL VIEW

Of the Five Most Important Questions You
Will Ever Ask About Your Organization

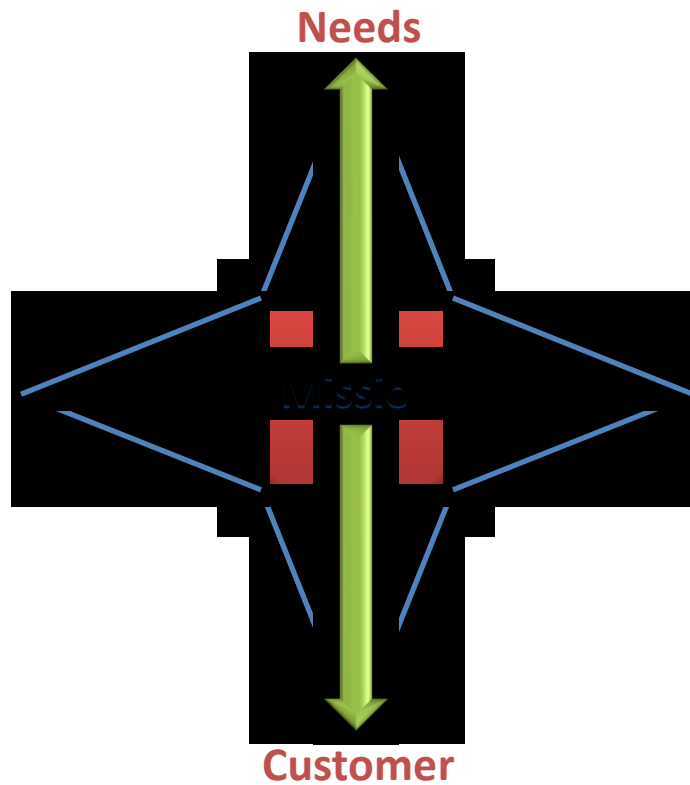
Your Organization and Its Opportunity



Commitment and Unity



Concentration and Focus

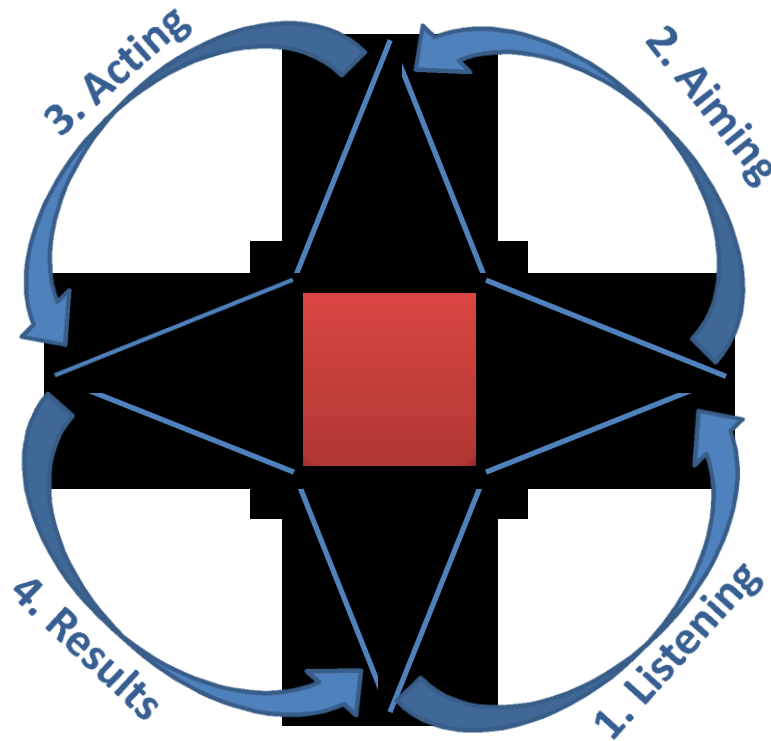


Requirements of Leadership



The Four Leadership Skills

When the time is right,
take action toward
satisfying those needs.

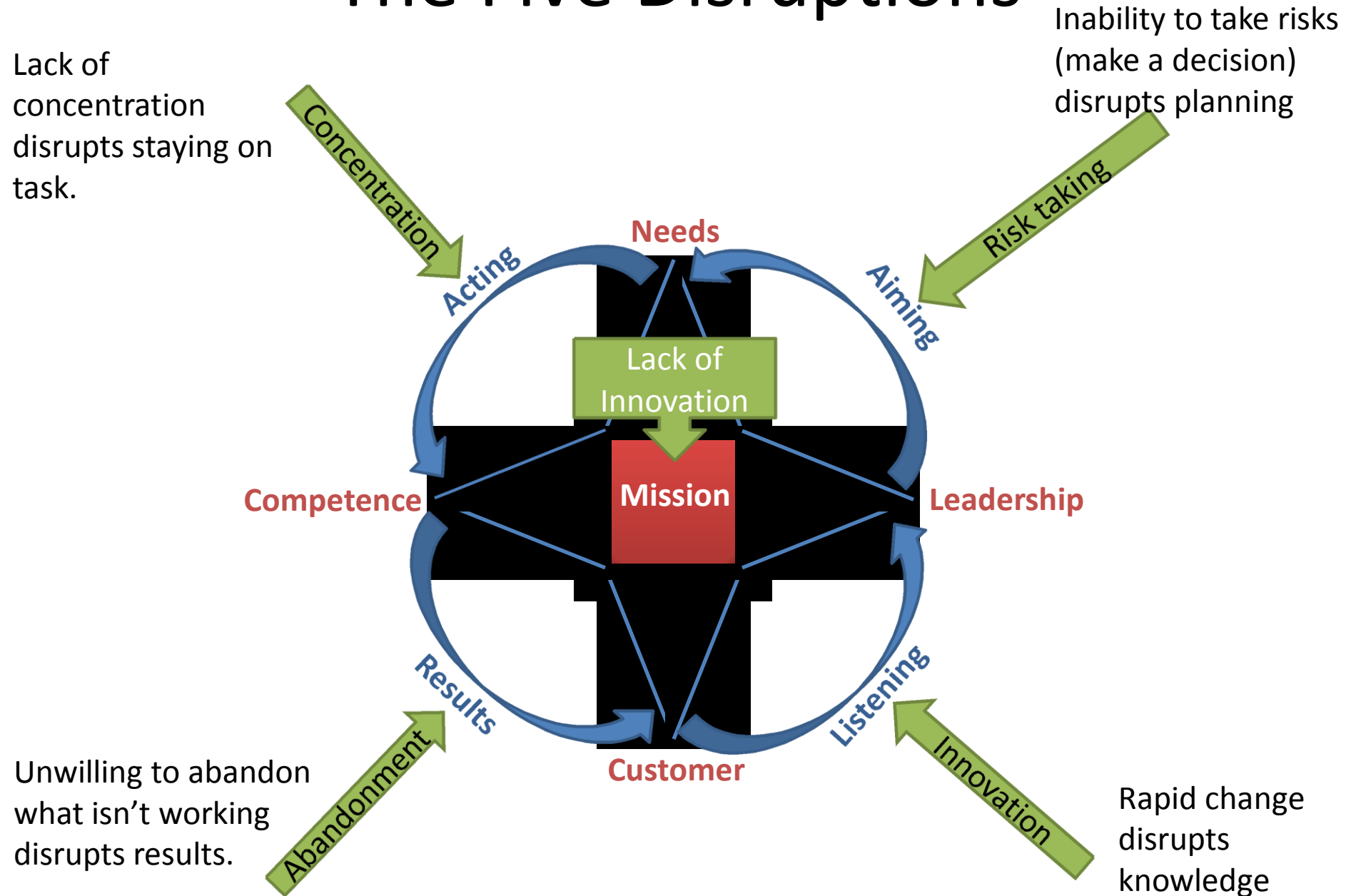


Measure: Results are
always outside the
organization in terms of a
changed life.

Planning: Since customer
needs are always
changing, leaders must
ensure they are satisfying
current needs, not
yesterday's.

Listen to the customer to
understand what they
value.

The Five Disruptions





THE TIP OF THE ICEBERG

Resources

