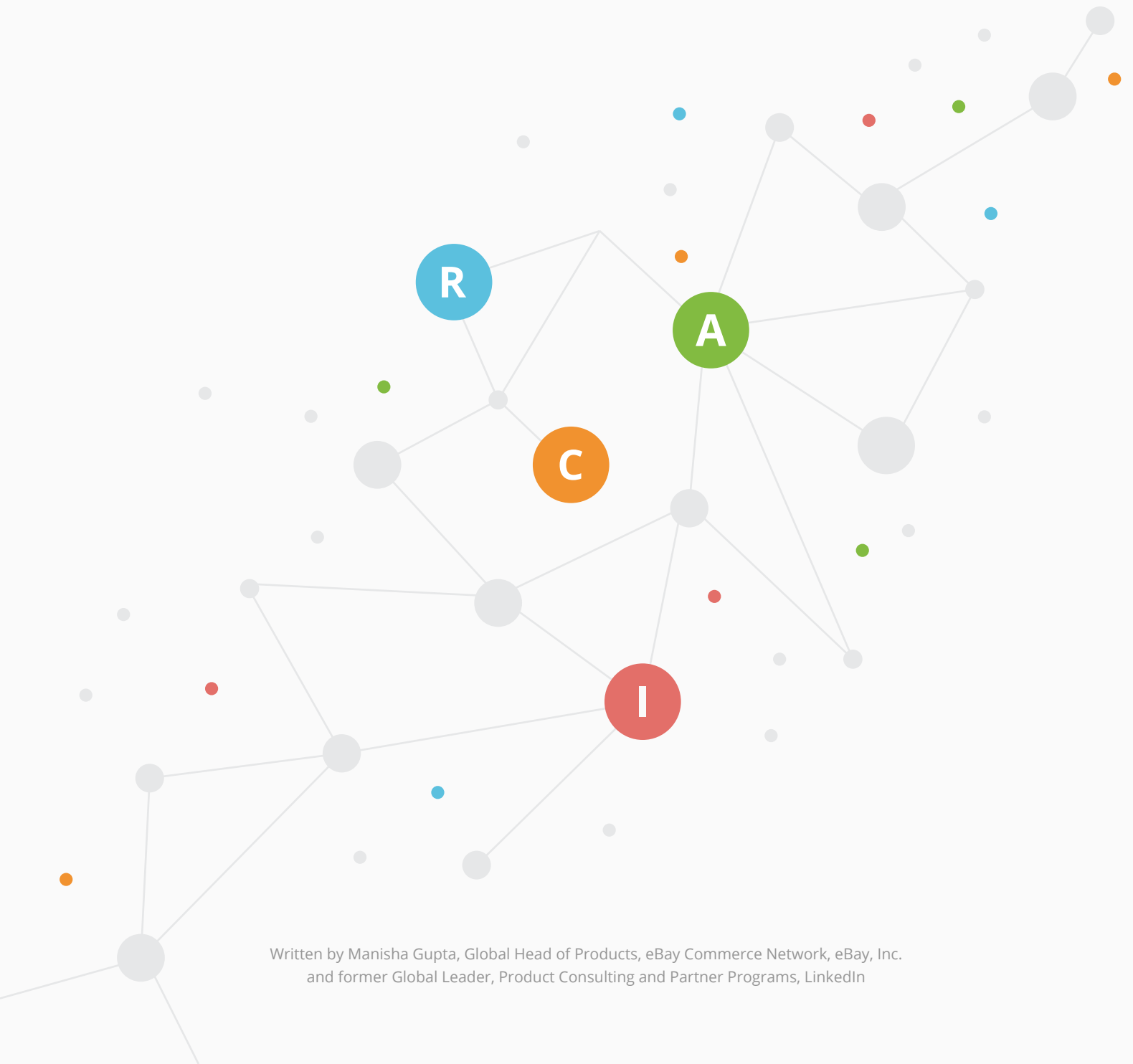


Execute Better with Goal Alignment and Role Clarity

How RACI and an enterprise goals platform improve business decision making



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Executive Summary

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companies fail at execution

It is widely reported that eight out of 10 companies fail at execution. Although strategy formation may be sound, implementation suffers because employees are not aligned—top down, bottom-up, and across the organization—which slows effective decision making. We recently interviewed executives from companies thriving in today's fast-paced business arena to uncover their secrets to success. Three common pillars underlying “clear vision” and “strong execution” emerged: effective decision making, alignment of goals, and clarity of roles. This paper explores these pillars and how the RACI methodology for creating collaborative relationships among multiple teams or team members can be used as a tool to support better enterprise execution.

Today's Workplace is a Complex Arena

During the industrial revolution, decisions were made by a small group of individuals and carried out by thousands of laborers. In the current era, knowledge workers are required to make decisions at every level. This means that when an organization grows, complexity grows—and as a result, decision-making processes become more complicated.

Personal needs also affect how individuals make decisions. Today's professionals have an increasing urge to succeed and grow. Their extrinsic desires to create differentiated, individual brands keep them motivated to achieve, influence and lead others toward a common goal. Because social media and constant connectivity are blurring the lines between professional and personal circles, there is increasing affiliation between coworkers and a need among working professionals to add value, be seen as adding value and be liked by colleagues.

How can organizations encourage enterprise transparency and alignment, while clearly defining the duties of each team member so individuals can add value, influence others and drive faster decision making?

RACI Provides Role Clarity

A methodology for creating collaborative relationships among multiple teams or team members, RACI (an acronym for who will be responsible, accountable, consulted, and informed about a particular goal) facilitates faster and more effective decision making. From high tech to healthcare, companies successfully executing in nearly every industry rely on the framework to bring clarity to new projects.

“The first thing we think of as we start planning initiatives is RACI. Without RACI, we don’t even know who to ask about what initiatives.”

Aashima Gupta, Executive Director of Digital Technology Incubation and Solutions at Kaiser Permanente

Organizations typically implement RACI in two steps:

1. A project leader identifies the key goals for the initiative, as well as the functional roles required to complete the goals
2. For every key goal outlined, a project leader assigns a project role to each of the functional teams or team members

RACI PROJECT ROLES

| RESPONSIBLE | ACCOUNTABLE | CONSULTED | INFORMED |
|--|--|---|---|
| <ul style="list-style-type: none">• Who takes the action• Person who completes a particular goal or leads the person who completes the goal• Responsibility level is determined by individual who is “Accountable” | <ul style="list-style-type: none">• Person with decision authority• Only one A per goal | <ul style="list-style-type: none">• Kept “in the loop”• Person consulted for input, information, insights and perspectives before a final decision is made• Two-way communication | <ul style="list-style-type: none">• One-way communication• Normally after activity has been performed, or decision has been made |

Goal Platforms Provide Alignment with Corporate and Individual Needs

As employees set new goals in enterprise goals platforms such as BetterWorks, they can improve goal execution by applying the RACI framework to key objectives. The following example illustrates how a fictitious high-tech bakery, “WeCare,” would use RACI to expand operations beyond the United States into Great Britain.

WeCare Case Study

As competition began to heat up in the U.S., WeCare needed to alter its strategic plan. Because year-over-year data suggested that 65 percent of the company’s U.S. sales (\$100 million in annual revenue) came from international customers, especially Europeans, and its brand remained strong, WeCare set two new aspirational goals:

1 | Launch operations in London by early 2015

2 | Book an additional \$2 million in revenue with 20% profit for 2015

To execute on its new growth opportunity, WeCare outlined a plan with steps to achieve the following:

- **Set up new stores in London**
- **Finalize menu selection and pricing**
- **Set up production supply chain**
- **Appoint chefs**

Executives tasked a core team of five employees to drive the opportunity while asking these same individuals to involve, motivate and quickly make decisions with approximately 30 other employees across the organization. Understanding that a bakery is a deeply interconnected workplace where collaboration is key to success, executives wanted to maximize participation yet still encourage rapid and effective decision making to meet WeCare’s new aspirational business goals.

STEP 1: QUANTIFY GOALS AND IDENTIFY KEY ROLES

Executives knew one core team member, Kelly Dart, had played an instrumental role in increasing the company's U.S. profits, and that Dart was admired by colleagues and keen to take a leadership role. A few conversations later, Dart was appointed Head of London Operations. He and executives then clearly defined roles for the other four members of the core team:

KELLY DART

London Head of Operations

CHERYL STANDS
Menu and Pricing

JANICE SMITH
Supply Chain

LAURIE LEE
Store Operations

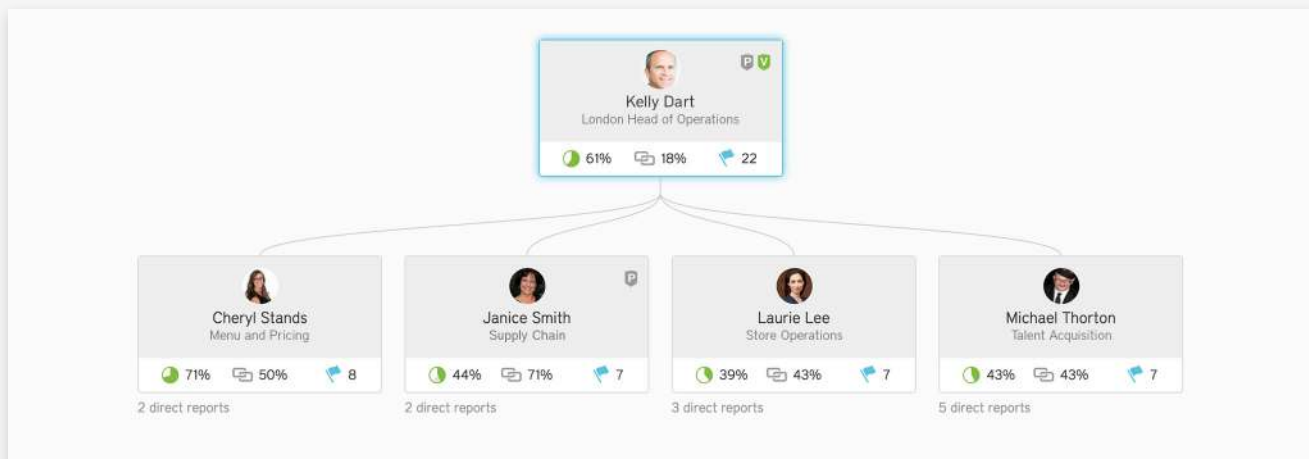
MICHAEL THORTON
Talent Acquisition

The core team first met to align on how it would achieve the common goals of "setting up a London store by the end of the first quarter and growing operations to book \$2M in top line revenue with 20% profit."

STEP 2: EMPOWER TEAMS AND EXECUTE EFFECTIVELY WITH RACI

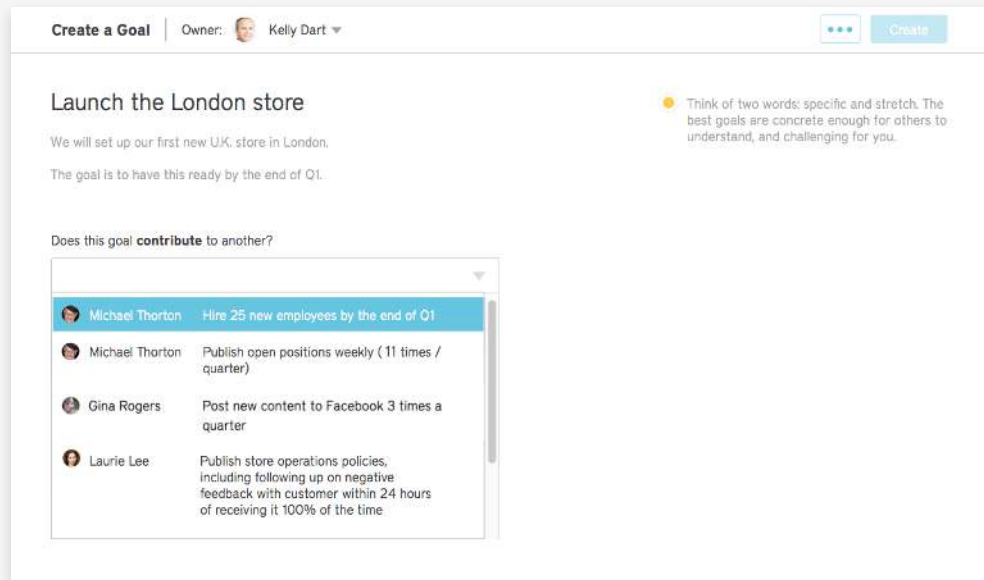
As strong as the core team was, Dart and the others knew the only way to meet the lofty goals by their deadlines was through tight collaboration and effective execution. The core team agreed to an execution plan that included these actions:

- Identify as many goals (or activities) and sub-goals as required, upfront
- Use the RACI framework to assign one person accountability for each goal, but expect many others to contribute to it
- Maintain visibility and alignment because both were essential to the team's success



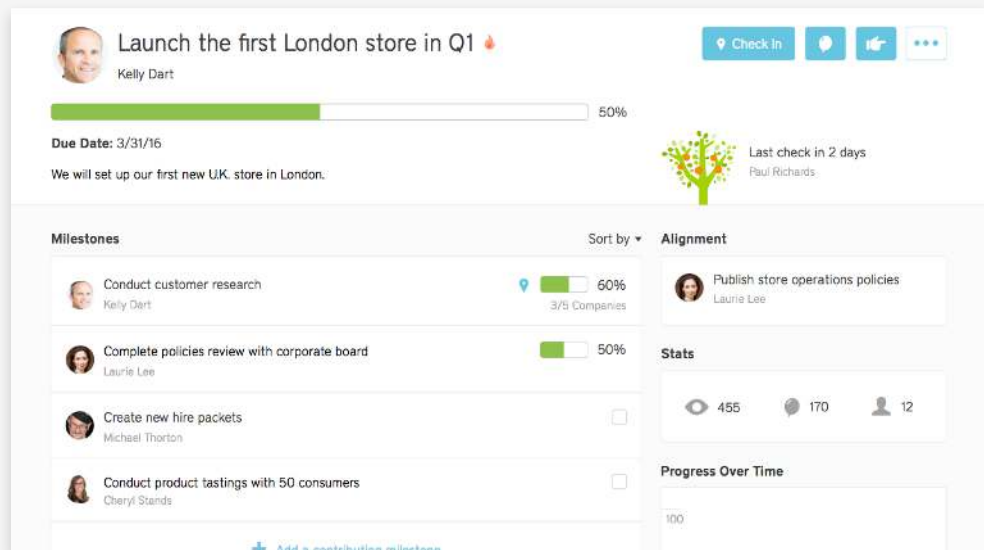
An effective execution plan includes clear accountability for each goal and visibility across goals.

In subsequent discussions, the team realized it must adapt some of its objectives as the projects progressed. Because the company used an enterprise goals platform, Dart and other core team member were empowered to set new goals and assign themselves as well as others—up, down and across the organization—as contributors to help accomplish them. Since everyone was aligned and had complete visibility into the top-level common goals, team excitement built as milestones were achieved.



Visible, aligned goals empower natural leaders like Laurie to influence the team to keep costs down so prices stay low while enabling Michael to hire talent through LinkedIn.

The core team also mutually decided the best way to keep team sizes for each goal manageable was to let the employees be accountable for the goal assign or reassign responsibility to team members, as required.



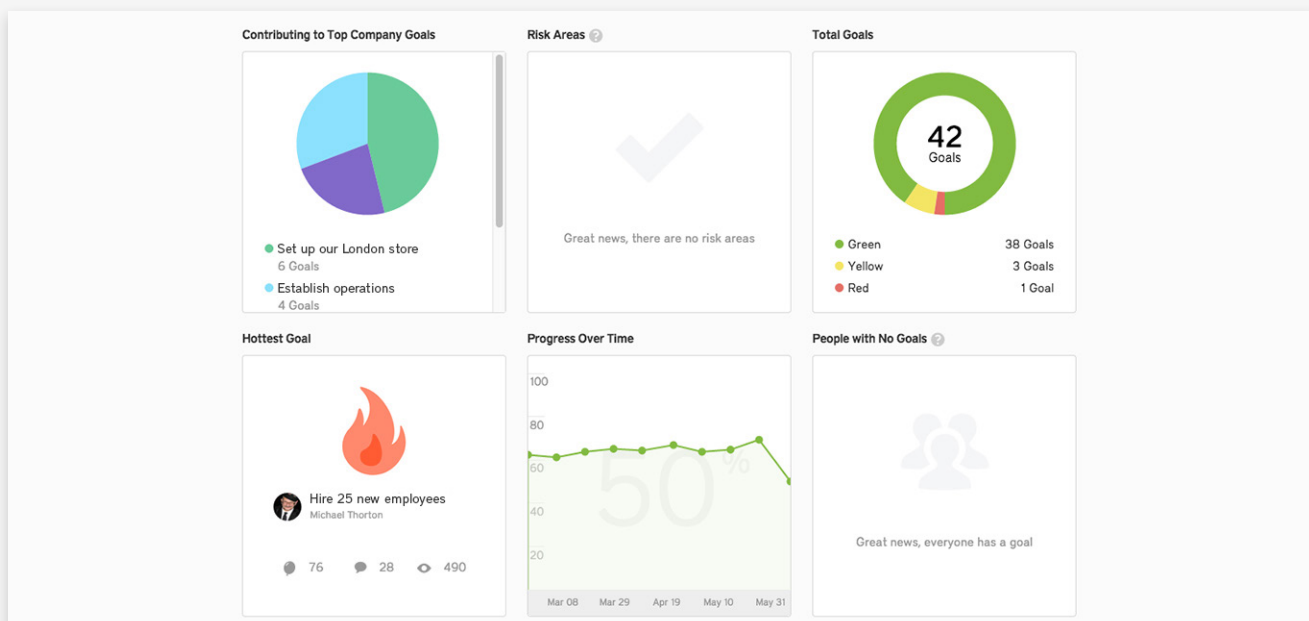
Responsible (R), Accountable (A), Consulted (C), and Informed (I) team members can follow goal progress online.

At the same time, everyone on the core team was aware that the most common pitfall of working in teams with diverse roles was slow decision making. Yet balancing collaboration with effective and timely decision making was essential to meeting tight deadlines. So Dart set clear engagement rules to eliminate time-consuming, cross-functional, consensus-building meetings that the core team could not afford.

He asked other core team members to identify employees responsible **(R)** and accountable **(A)** for deliverables, as well as those who needed to be consulted **(C)** and informed **(I)**. The latter group could digitally follow goal progress and be notified through updates, speeding the decision-making process and freeing time for goal owners who were accountable and responsible to focus on their deliverables. When informed or consulted stakeholders had questions about a goal, they could easily contact the responsible and accountable team members with questions or suggestions for improvement. Because users could also add followers or users could assign themselves as followers of others' goals in the solution, anyone who wanted to keep track of the project goals and milestones could stay informed.

STEP 3: REGULARLY MONITOR PROGRESS AND GUIDE TEAM MEMBERS, AS NEEDED

Using the goals platform, the core team also relied on dashboards to track progress regularly and guide the team where and when it needed further direction. The core team could quickly see which projects were falling behind and make corrections without jeopardizing project timelines.



Dashboards help teams quickly and visually assess goal progress.

RACI Template Offers a Solid Starting Point

RACI is a methodology designed to bring structure to project chaos, but organizations should be careful about overusing it because too much structure discourages empirical creativity, which is essential for growth. Organizations interested in implementing RACI to speed goal-related decision making may find that the following RACI template is a helpful tool to get started. However, the tool is most effective when introduced with RACI training to ensure that employees understand the responsibilities associated with each role.

RACI Across the Customer Lifecycle

| MILESTONE | EXAMPLE ACTIVITY | RESPONSIBLE | ACCOUNTABLE | CONSULTED | INFORMED |
|---|---|-----------------------------------|-------------------|--|------------------------|
| Pre-sales | Lead generation | Sales, Marketing | Marketing | Sales | Team |
| | Pitch | Sales | Product Marketing | Brand | Leadership |
| | Proposal | Sales, Operations | Sales | Finance | - |
| Point of sale | Create 'provisioning' case | Sales | Sales | Support | - |
| | Handover account to Account Manager | Sales | Account Manager | Account Manager, Customer Success, Solutions | - |
| Onboarding | Kick off meeting | Sales | Customer Success | Solutions | Account Manager, Sales |
| | Develop implementation/roll out plan | Professional Services | Customer Success | Sales | - |
| First 30 days check in | Ensure all products live | Product | Support | Customer Success, GAA | Account Manager, Sales |
| | Operational review with client | Account Manager, Customer Success | Account Manager | - | - |
| First Quarterly Business Review (QBR) / 90-day check in | Check engagement & make recommendations | Customer Success, Solution | Customer Success | Account Manager, Sales | - |
| | Prepare & present QBR | Account Manager | Account Manager | Customer Success | - |
| Ongoing QBR and check in | Review engagement scores periodically | Customer Success | Customer Success | - | - |
| | Track progress against critical success metrics | Customer Success | Customer Success | - | - |
| Renewal | Re-diagnose | Customer Success | Customer Success | Account Manager, Sales | - |
| | Pitch | Regional Sales | Account Manager | - | - |
| | Proposal | Regional Sales | Account Manager | - | - |

Organizations should also keep the following precautions in mind before implementing the RACI methodology enterprise wide:

- RACI should be used to drive clarity for the most critical things; not necessarily everything an organization does
- R and A are required for each activity, and ideally teams have only one A per activity
- The aim with RACI is to achieve directional clarity; not 100 percent accuracy
- RACI is ideal for due diligence, not guesswork

Faster Decision Making Leads to Better Execution

RACI is a powerful tool that organizations can leverage with an enterprise goals platform to develop leaders at all levels. While preventing conflict and confusion by clarifying team member roles, RACI enables teams to identify critical activities and align on the most important goals. It helps organizations empower the right individuals with the right goals to make the timely decisions required to thrive in today's competitive business landscape.

About BetterWorks

BetterWorks is an enterprise goals platform trusted by high performing companies to easily set, measure and cross-functionally align goals. Rooted in the Objectives and Key Results (OKRs) method for goal setting. BetterWorks uses Goal Science™ principles to inspire employees to reach their full potential with better clarity, direction and visibility on work that matters.

For more information visit www.BetterWorks.com

