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Upfront

How to Waste Time and Lose Sight of Priorities
Are your meetings all they can be?

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PRODUCTIVITY

How to Waste Time and Lose Sight of Priorities

Are your meetings all they can be?

A senior executive at a global financial firm admits that he and his fellow managers spent more time choosing the company's holiday card than they did discussing strategies for their investments in the entire continent of Africa. Another firm reveals that 80 percent of their top management's meeting time is occupied by issues accounting for less than 20 percent of the company's long-term value.

These are just a few of the stories Michael C. Mankins discovered when his management consulting firm, Marakon Associates, and the Economist Intelligence Unit conducted a survey of the management practices of 187 high-value companies. Published last September in the *Harvard Business Review*, the study found that executives surveyed spent an average of 21 hours each month in team leadership meetings, of which 18 hours were consumed by operational concerns, leaving only three hours for important strategic issues. Furthermore, discussions on strategic issues were often hindered by disorganized or nonexistent agendas and inefficient decision making. The net result is unsound allocation of resources, delayed implementation of management decisions, and diminished profits.

How do you break these bad habits? The Dutch banking firm ABN AMRO, writes Mankins, ensures that immediate operational concerns do not crowd out long-term strategic discussions in meetings by holding separate operational and strategic meetings. By doing so, it has been able to devote more time to strategic issues of dealing with market consolidation and stiff competition while actually reducing the number of hours executives spend in group meetings.

The confectionary and beverage company Cadbury Schweppes has improved the quality and pace of its board's decision making by adopting a standard format for all information and proposals in executive council meetings and distributing them at least five days before each session. This shifts the focus in meetings from discussions to decisions. To keep the focus on decisions, Barclays bank adopted a set of standards for all strategic decisions. All decisions must be based on relevant financial or performance data, must be made after reviewing at least three alternatives, and must be implemented promptly and effectively. Although decisions undergo rigorous scrutiny, the standardized process streamlines the discussion and directs it toward a sound decision. A strict decision-making timetable also helps get issues resolved and off the agenda quickly.

Strategic planning is useless unless the decisions get executed and net results. ABN AMRO and Cadbury Schweppes view each strategic decision as a formal performance contract that specifies both resources and results. This allows no room for ambiguity and makes it easy for managers to track and evaluate implementation.

Mankins' insights are based on a recognition that management's time and focus are an organization's most precious resource. Next time your managers meet to decide on holiday cards, take heed. *–Ivor Holloway*

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