

Luttrell on Leadership

The Evolution of Planning at a Successful Engineering Firm

by
Mary Luttrell

"I wasn't a big advocate of planning," was the first comment by Iver Skavdal, president and CEO of Winzler & Kelly (W&K), as we talked about his company's history with planning when we wrapped up a strategic planning project recently. Winzler & Kelly, founded almost 60 years ago in Eureka, now has corporate offices in Santa Rosa, ten other offices from Portland to Guam, and 300 employees. Not only has W&K been a financially successful firm, it has also won several business and industry awards such as "Best Places to Work" from North Bay Business Journal and Zweig Letter's "Hot 100 Fastest Growing Firms in the Country." CE News has ranked the firm as one of the "Top 50 Best Engineering Firms to Work For" five years in a row, and ENR Magazine ranks Winzler & Kelly annually in the Top 500 Design Firms nationally. The firm's Candlestick Point/Hunter's Point Redevelopment Project is featured in this month's edition of Engineering Inc.

Luttrell: What has been your experience with planning at Winzler & Kelly?

Skavdal: I don't like unproductive time, and I used to associate planning with bureaucracy and documents that sit on a shelf. When I was just starting my career with the firm, up in the home office in Eureka, I observed the managers and leaders go off on planning weekends. They came back to work, and nothing was said about what took place. I didn't see anything that came of it.

Then in the mid-nineties, things here started to get more complicated. We had expanded, there were new owners (I was one of them), there was a

recession, and we had three offices, not just one. We realized we had to get more coordinated in running our business.

We tried different approaches and consultants, and learned as we went. We settled into a system of a three-year planning cycle, doing it ourselves with internal leadership. We involved our top leadership group of about ten people, and developed a formal schedule and process. We did an annual operations plan and every three years we did a "strategic plan." The plans were then shared with the company's leadership.

Luttrell: How would you describe that era of planning?

Skavdal: They were good plans. They served us well. However, I would now say they were operational, not strategic, more of a "triage-type planning." We addressed our weaknesses and made plans for correction. For example, in 2002, we identified a need for a dedicated HR function. We subsequently went out and found someone to do that for us, and it has been very successful. The operational planning we did helped us to establish a good infrastructure and good business practices.

Luttrell: What were some of the benefits of that planning?

Skavdal: When I first started participating, before I was the CEO, I was a skeptic. Then I began to realize that the plans had made a difference. We didn't exactly follow our plan, but it set our minds to our goals and intentions and to solving major problems. Perhaps most important, when opportunities came along, we were ready to go; we didn't have to gather the troops and get consensus. We could move quickly on opportunities for growth and expansion that came our way. I would say it was a very internally focused type of planning. The advantage was that we knew our problems and found solutions. We didn't have to bring outsiders up to speed, and we were disciplined enough to do it ourselves.

Ironically, the disadvantage was also that we were very internally focused. As the leader, it's hard to facilitate and participate at the same time, and the plans become identified with the individual who led the planning process.

Luttrell: So that brings us to the current era in your company's planning.

Skavdal: Yes, in 2008 we decided to change the process. We knew that 2009 was a planning year in our three-year cycle, and we spent six months in 2008 planning the planning. Our board of directors wanted to see a new process that would include re-setting the vision for the company. We decided to use an outside facilitator/planning advisor. We took planning at W&K to a whole new level, and it's been the most effective of all the planning methods so far. We increased the number of people involved and the level of internal participation, from research surveys with employees and clients to the final roll out introduction of the strategic plan.

We now have a plan that is the first truly strategic plan in the history of W&K. It sets our strategies for the next five years, and we believe that through these strategies we will get the results we want. We have published the plan and shared it with all of our employees through our newsletters, the intranet, and town hall type meetings.

This strategic plan is being implemented by the entire company. It is widely embraced and implemented every day in every way by every person.

Luttrell: How would you describe what you learned and your current views on planning?

Skavdal: First, I would say that the end product, the plan itself, is not something to take literally. I learned that the process of planning itself creates renewed energy and commitment and passion in the company. You can live off of that energy and passion for a while and then you do the process all over again. I'd say the "battery life" is about three

years. The more people you can engage and scoop up into the planning process, the more powerful it will be.

I learned not to get too caught up in the details of how every piece of the plan will be implemented. It's more important to identify strategies and move forward. Sometimes you create opportunities and sometimes they just come along.

To be honest, I still don't like planning, but I do value the planning process and I couldn't imagine going forward without a plan. Planning is hard work, and you have to keep doing everything else at the same time. It causes you to really look at the strengths and weaknesses of yourself as a leader and of the company as a whole. There are risks involved, particularly regarding the possibility of differing values and goals. But my fear of going forward without a plan is greater than my fear of doing a plan! It's actually a paradox: it wasn't fun, yet it *was* fun. It was a lot of work, but it was worth it. Mainly, it got us thinking out into the future. 2009 was a tough year to do this. We had to work hard to engage and involve people. This week we are having a meeting and we will hear reports from six different people on the status of our six key strategies.

Luttrell: What word of wisdom on planning do you have for other companies?

Skavdal: I recognized that I had to lead the planning process. In doing so, I got personally renewed and recommitted. Here's what I would recommend to other leaders:

1. Take it seriously.
2. Plan the planning process.
3. Think strategically about whom to include.
4. Use a facilitator if you haven't done planning before.
5. Take the right amount of time to do it right, no shortcuts.
6. Start simply if you've never done it before and build confidence and credibility in the process. (There are cynics and skeptics everywhere.)

7. Celebrate when you complete it!
You have to own it and feel good about it.

Including people in the planning process and publicly rolling out the plan was very important. There's a lot of fear in the workplace these days, and our employees feel a lot of security knowing that the company has a plan. Thinking about the future is good for morale. I recently spoke about our planning process and "culture of success" at an HR conference. Having a Strategic Plan helps us recruit and attract good people. In acquisitions, it's attractive to the other company. It inspires people and has energized the next level of leaders in our company.

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Mary Luttrell helps companies turn challenges into opportunities, resolving complicated problems and issues. She is known for her ability to create inspired yet practical plans of action. She is a specialist in strategic planning, marketing, organizational development, meeting and retreat facilitation, and leadership coaching. With more than 25 years of consulting experience, Ms. Luttrell is a Certified Management Consultant whose firm was named one of the 100 Leading Management Consulting Firms in North America by industry analyst James Kennedy. To receive her white paper, *The Four Cornerstones of Business Success*, contact Ms. Luttrell at 707-887-2256 or thecoach@sonic.net.