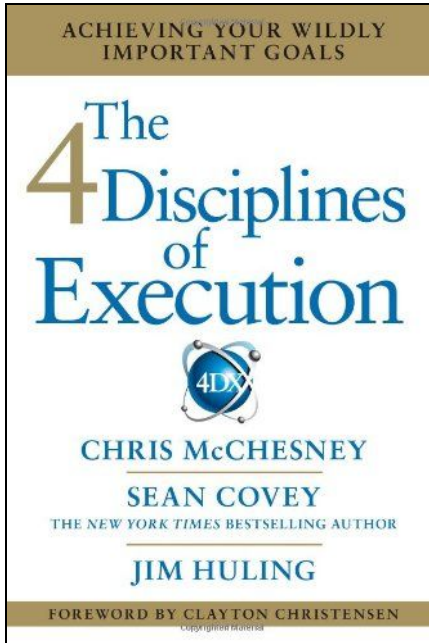**Favorite Quote:**
"A bad system will beat a good person every time."
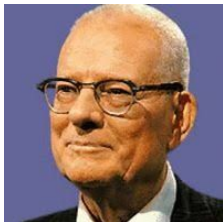*—W. Edwards Deming*

Summary: The 4 Disciplines of Execution (4DX) framework is not a silver bullet. It is a treatment to get a lot of people to do a certain thing, differently. It providers rules for creating a winnable game around a strategic bottleneck.

The 4 Disciplines of Execution

1. Focus on the Wildly Important
2. Act on the Lead Measures
3. Keep a Compelling Scoreboard
4. Create a Cadence of Accountability

How to do it: 4DX is managed via a weekly meeting in which 3 things happen:

1. Report on last week's commitments
2. Review and update scoreboard
3. Make commitments for next week

"Anytime the majority of the people behave a certain way the majority of time, the problem is not the people. It is the system, and the leader needs to own that."
—W. Edwards Deming

Urgent VS **Important**

Whirlwind (The Day Job) **Goals (New Activities)**
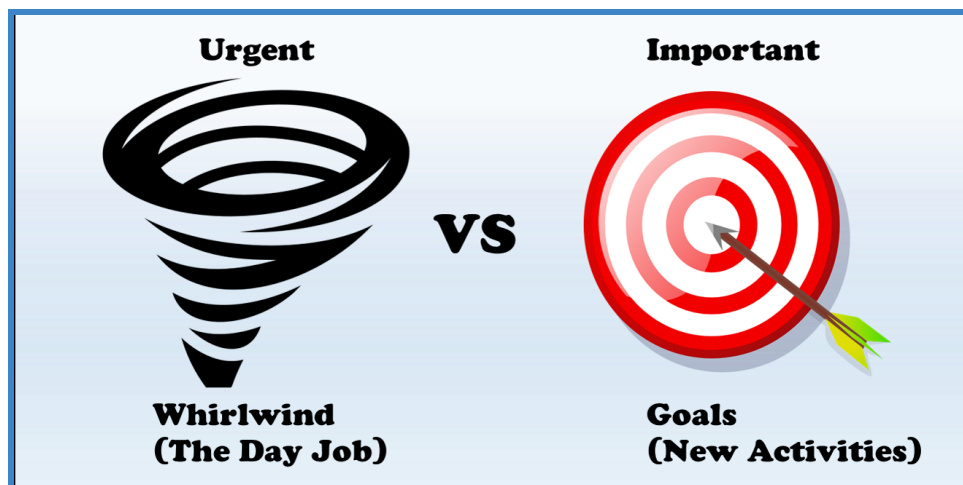
Top Takeaways from the book:

1) There are 4 disciplines:
   a. Discipline 1: *Focus on the Wildly Important*
      ■ This is further defined as the Wildly Important Goal, or WIG.
   b. Discipline 2: *Act on the Lead Measures*
      ■ Also known as leading indicators or input metrics. They must be predictive and influenceable.
   c. Discipline 3: *Keep a Compelling Scoreboard*
      ■ Make it simple, make it visible, help everyone know if they're winning.
   d. Discipline 4: *Create a Cadence of Accountability*
      ■ Arguable to hardest part and where most companies break down. There needs to be a recurring meeting to assess performance where over- and under-performance is recognized.

2) All urgent day-job work is referred to as "The Whirlwind" which consumes most (if not all) strategic energy. Therefore, they encourage a **"Whirlwind +1"** framework which includes one Wildly Important Goal (WIG) per team.

3) Avoid the temptation to dictate the leading measure goals—let the team decide.

4) 4DX is managed via a weekly WIG meeting in which 3 things happen:
   1) Report on last week's commitments
   2) Review and update scoreboard
   3) Make commitments for next week

Leadership Strategy & Execution
- What do leaders struggle with more: coming up with a strategic plan or *executing* on that plan?
  - Executing!
- If you take MBA / business classes, do you study more strategy or execution?
  - Strategy, mostly. Two types.
    - Stroke of the pen: what you can do with money and authority.
    - Behavior change: different, better, more consistent
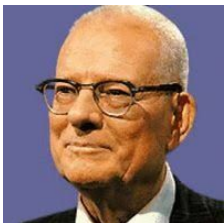
"Anytime the majority of the people behave a certain way the majority of time, the problem is NOT the people. It is the system, and the leader needs to own that."

—W. Edwards Deming

Two Types of Strategies

STROKE OF THE PEN
- ✓ Capital Investment
- ✓ Expansion of staff
- ✓ Change in Policy or Programs
- ✓ Strategic Acquisition

BEHAVIOR CHANGE
- ✓ Improved Customer Experience
- ✓ Process Adoption
- ✓ Higher Quality Services
- ✓ Faster Responsiveness
- ✓ Operational Consistency

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What gets in the way of behavior change?
- The day-to-day urgent stuff, aka the whirlwind
- Constant battle: Goals (new activities)/Important vs. Whirlwind (day job)/Urgent
  - Goals: you act on it
  - Whirlwind: it acts on you

Social proof: there are over 200,000 teams using the 4DX today
- Complexity is the enemy of execution.
  - 4DX creates a framework for simplifying strategy.
- Execution has two best friends: *simplicity* and *transparency*
- 4DX is more about acute treatment, not an overarching operating framework for the company
- They've completed 3,000 org implementations over 15 years to write this book

Stephen Covey:
- "Best practices are a dime a dozen, but principles are GOLD."
- "Say easy, do hard."

Discipline 1: *Focus on the Wildly Important.* It is counter-intuitive because you will have to say no to a LOT of good ideas.

[above slide is titled wrong]

Case study: reference to Comcast
- Challenge: internal system failures resulting in customer delays.
- The idea of reducing impact minutes (29,000) was translated into a compelling goal + scoreboard
- Where it otherwise, it super hard to execute on a concept.
- Target: "WIG" - Wildly important goal
  - Starting line, finish line, deadline.
  - "X to y by when"
- Goal: reduce impact minutes from 29,000 to 12,000 by year end
- Rule: each team at the front line needs to have one WIG
  - Whirlwind +1. . . *That dog can hunt.*
- Marriott is another case study and has repeatedly crushed it.
- Broke the operational goal down into **Duration + Magnitude**

Case study: NASA
- "What are the fewest battles necessary to win the war?" e.g. go to the moon
- Before Kennedy, NASA had 15 metrics and a conceptual goal
- What changed? Accountability + morale/engagement went WAY up
  - Switch in people's mind: GAME ON

LEAD vs. LAG measures: lead is the <u>lever</u>, the lag is the <u>rock</u>.
- If you feel like luck is playing a big role in your life, you're lookin at lag data.
- Humans inherently focus on LAG measures. They are also easier to measure. Just step on the scale.
- Same with grades: report card?
  - But ow many parents know what the kids *homework* average is?
- Hard part: Let the individual contributors decide the goals/LEADS

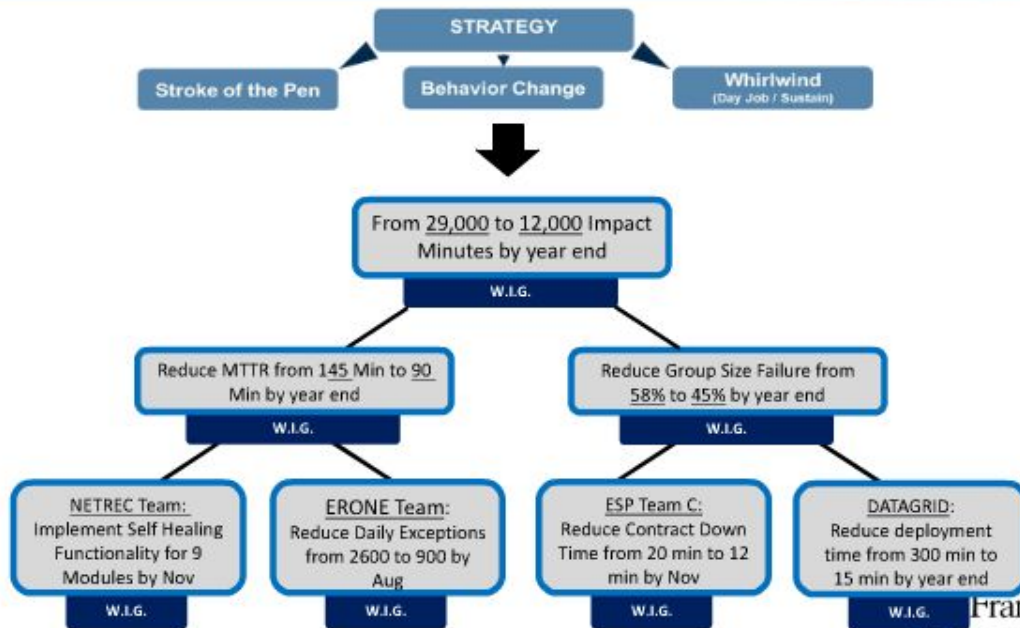## Discipline 2: Act on Lead Measures

Lag Measure (WIG):	Lead Measure:
Increase # of new accounts	Qualified prospects
Reduced accidents	Compliance to safety standards
Increase same-store-sales	Reduction in out-of-stocks
Reduce plant shut-downs	Preventative maintenance
Improve customer service	1-on-1 coaching w/ phone reps.
Improve project cycle time	Project management standards

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Discipline 1: Keep a Compelling Scoreboard

STRATEGY

Stroke of the Pen | Behavior Change | Whirlwind (Day Job / Sustain)

From 29,000 to 12,000 Impact Minutes by year end
W.I.G.

Reduce MTTR from 145 Min to 90 Min by year end
W.I.G.

Reduce Group Size Failure from 58% to 45% by year end
W.I.G.

NETREC Team: Implement Self Healing Functionality for 9 Modules by Nov
W.I.G.

ERONE Team: Reduce Daily Exceptions from 2600 to 900 by Aug
W.I.G.

ESP Team C: Reduce Contract Down Time from 20 min to 12 min by Nov
W.I.G.

DATAGRID: Reduce deployment time from 300 min to 15 min by year end
W.I.G.

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Discipline 1: Keep a Compelling Scoreboard

STRATEGY

Stroke of the Pen | Behavior Change | Whirlwind (Day Job / Sustain)

Downtime
W.I.G.

Duration
W.I.G.

Magnitude
W.I.G.

Self Healing
W.I.G.

Reduce Expectations
W.I.G.

Contract Down-Time
W.I.G.

Deployment Time
W.I.G.

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Discipline 2: Act on Lead Measures

- Let the working teams decide the lead measures
- The whirlwind is SO intense. They'll forget it in 3 days. It needs to go from a conceptual idea to a targeted scoreboard.
- "People play differently when **they** are keeping score." GAME ON.
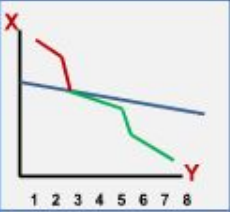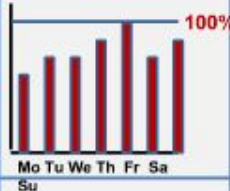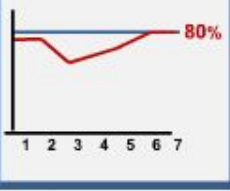

Discipline 3: Keep a Compelling Scoreboard

Compelling (Players) Scoreboards:
- Are Simple
- Are Highly Visible to the Player
- Have the Right "Lead" and "Lag" Measures

Two requirements: 1) Getting the result, and 2) getting the **talent/capability/skill** to get the result.
In sales, sure you're measuring calls and contracts, but are you measuring the TYPE of calls?
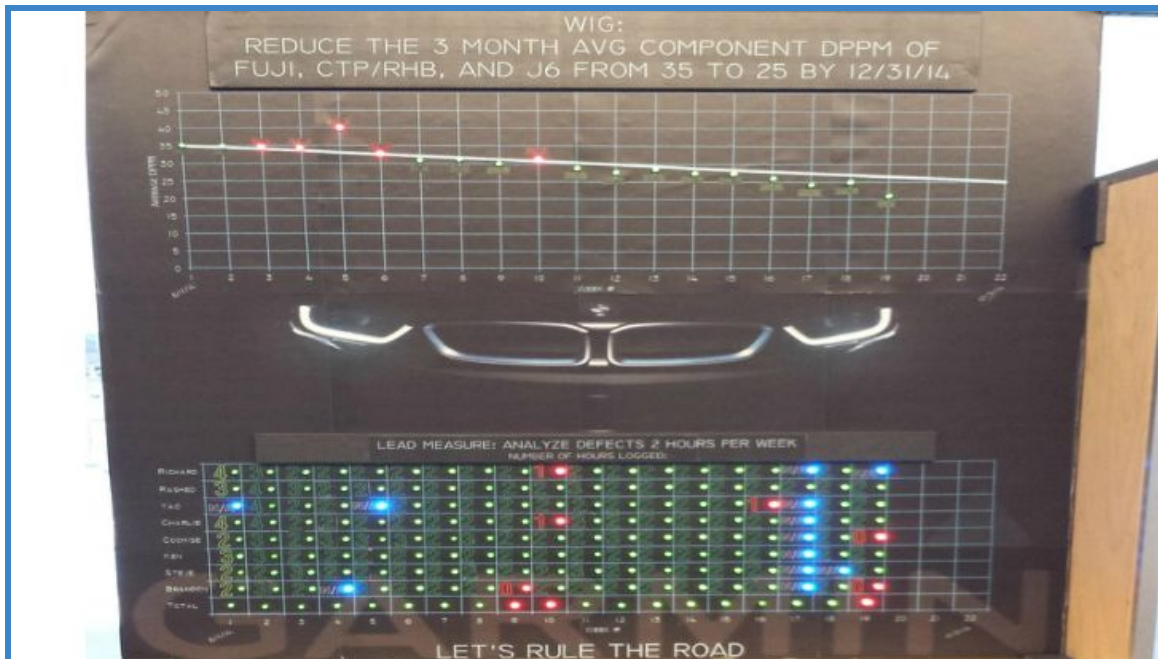

Example of Garmin's Scoreboard

On the importance of employee engagement
- The #1 driver of employee engagement is ==whether they know they're winning==. Engagement is about the WORK. It's not about what you can give them. Work and winning are inherently gratifying.
- Q12 is good for understanding underlined turnover. Engagement is different. People quit for X reasons.
- Engagement is about PROGRESS. Small wins.
- When played correct, 4DX should feel like a high-stakes winnable game. It's the playoffs.
- Frederick Herzberg

Urgent VS **Important**

Whirlwind (The Day Job) — **Goals (New Activities)**
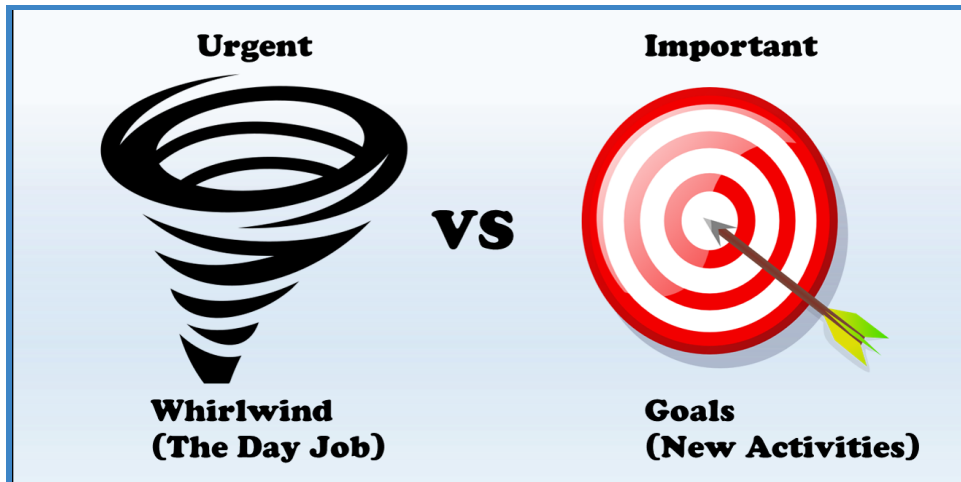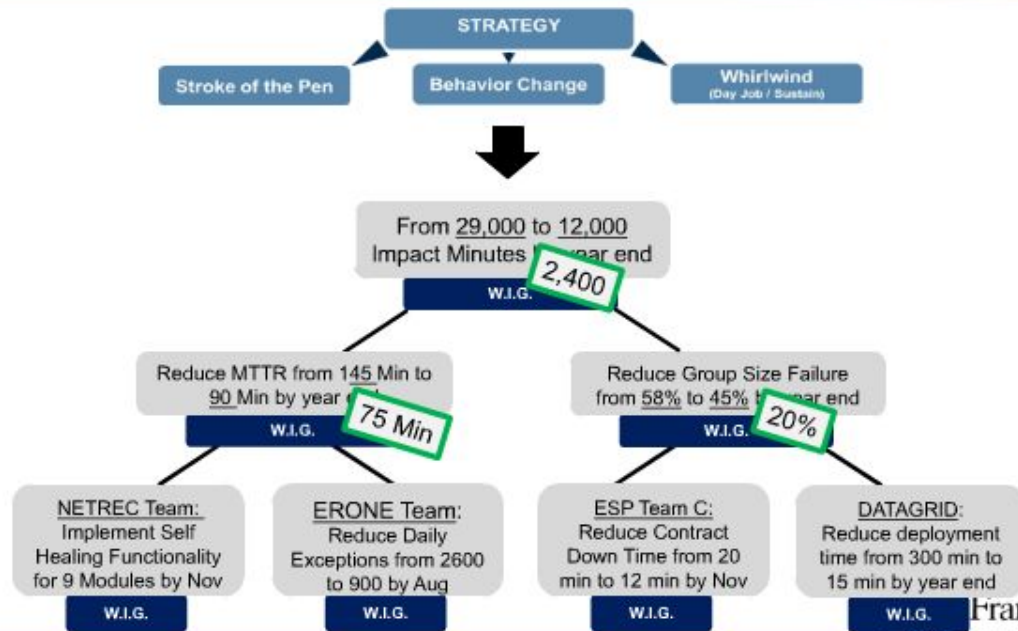
The ever present headwind:
- There is no strategy work that feels more urgent than the day job.
- The whirlwind will consume all.
- The 4th discipline is *how you play the game.*
- It is a commitment to doing non-urgent WIG-related work.
  - It's a promise to your team. When they fail, it feels almost like an integrity thing.

Example at Comcast—all 46 teams to report out.

Discipline 4: Create a Cadence of Accountability

STRATEGY

Stroke of the Pen | Behavior Change | Whirlwind (Day Job / Sustain)

From 29,000 to 12,000 Impact Minutes by year end — 2,400
W.I.G.

Reduce MTTR from 145 Min to 90 Min by year end — 75 Min
W.I.G.

Reduce Group Size Failure from 58% to 45% by year end — 20%
W.I.G.

NETREC Team:
Implement Self Healing Functionality for 9 Modules by Nov
W.I.G.

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Reduce Contract Down Time from 20 min to 12 min by Nov
W.I.G.

DATAGRID:
Reduce deployment time from 300 min to 15 min by year end
W.I.G.

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Discipline 4: Create a Cadence of Accountability

What are the 1 to 3 most important things I can do **this week** to impact the lead measure?

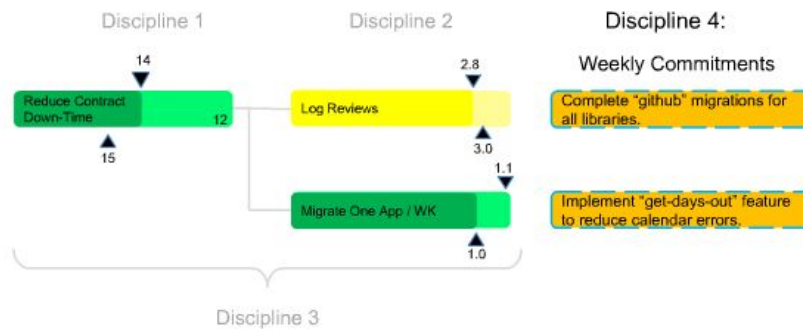FranklinCovey
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8-month check in and report out.

Story of leader who saw the fantastic results, but resisted the temptation to pat himself on the back but instead admitted he couldn't defend or explain the results. I really liked this. Absence of ego. He was seeking the truth and questioned the results even though they reflected extremely well on him.

"4DX tends to work best above the team level, e.g. Director, VP"
- Is this right for us?
  - Goal deconstruction = 1 day of work
- Is the timing right?

References I didn't know
- [Rockefeller Habits](#) (also: [this](#))
  - **Clear Vision (Goals) + Discipline (Routine) = Success**
- [Frederick Herzberg](#): Motivation-hygiene theory
  - [The Power of Small Wins, *Harvard Business Review*](#) (May 2011)
- Herzberg (1987) describes the:
  - <mark>Growth factors</mark> (or motivators) as "achievement, recognition for achievement, the work itself, responsibility, and growth or advancement," which are intrinsic.[4]:13
    - Intrinsic factors include "orientations toward money, recognition, competition, and the dictates of other people, and the latter includes challenge, enjoyment, personal enrichment, interest, and self-determination."[7]
  - <mark>Hygiene factors</mark> (or dissatisfaction-avoidance), which are extrinsic to the job, are "company policy and administration, supervision, interpersonal relationships, working conditions, salary, status, and security".[4]
    - This extrinsic factor "refers to doing something because it leads to a distinct outcome, something external you expect to receive, and the latter refers to doing something because it is inherently interesting or enjoyable, an internal reward."