

**WHY - MOP, Process To Success**

**By**

**Dr. Boonkiet Chokwattana**

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Many people do business in an ongoing *manner*, so what they have done in the past, they will do again in the present, as well as doing the same in the future. Believing success can always repeat itself, can be true in some cases, but may not be true in many other situations.

It is especially true in the present business world, where competitors *are much keener than those in the past*, also information technology is providing ever faster communications, and the GDP not growing as much as expected. So doing business at a slow pace, and changing things that you usually do one at a time, as well as *improving matters one by one, is no longer sufficient and fast enough*.

Many things, many concepts and many projects may have to be implemented simultaneously and all of them must be done in concert.

In planning, businessmen will write down the things they want to do next year, *but they* do not evaluate whether they are in alignment with *one another* or not. Some use balance scorecard approach so that all aspects of the company are *considered and*, some use a bunch of KPIs to monitor the movement and progress in numeric terms. Some just do the things that they can think of at a particular time, by doing all that they have planned, and keep their finger crossed, *believing* that they can make *the company* grow.

Hardly any assessments are made to determine whether or not they will achieve their goals. Because some will do the planning by themselves, or others will have to present to their superiors. Also there are those that gather numeric information from subordinates and put together to make a plan, and some apply business plan methods they have learned from school.

From my experience, I find that many people do not *evaluate carefully* if *their plans will work*. This is because many people do not identify either the magnitude, frequency, or *directions they have to take* in order to reach their goals. Sometimes, even if they do think *about all things I mentioned*, the goal they try to reach is not necessarily the ultimate goal of the company.

In most cases the ultimate goal of company is the growth of profit. Everyone who is involved in a company should aim at this goal, and should always remember the profit goal of the company, and they should participate in activities conducive to the success of the company, achieving the goal of the year.

This is how MOP comes in, Mission means a set of goals or targets, which are crucial and signify the success of the company. Usually we talk about sales growth. Reasonable sales growth means increasing market share, *position hike* in the market *place*, *bargaining* power with clients, and bigger advertising budgets, which is important for brand building.

Profit growth, on the other hand, makes shareholders and employees happy. Higher profit should *mean higher bonus and help to retain staff*. High profit means new investments, better support, better infrastructure, better human

resources, better employees' morale etc. So in case MOP *helps* create more profit, be sure that not all increased profit goes only to owners or shareholders, but also to the rest of the people *in the company* who help make Mission possible.

MOP concept is a *holistic* approach to business practice, because it starts with Mission and then analyzes the critical aspects of the company which I call "Critical Functions". Actually, I created the term "CF" and went through the process of identifying the CF. It occurs to me that CF is actually SWOT ; strength, weakness, opportunity and threat of the company. By having analyzed the SWOT, Objectives for the MOP year will have to be put forward for the year. Some of which could be the same for number of years, some of which can be changed to cope with the *identified* CF and to make sure that all objectives set will be in direct conjunction with the success of the Mission. A good deal of discussion should be *allowed* among the MOP team players to rationalize the objectives and find *relation* between objectives and Mission.

After setting objectives that the team is confident and *feel* feasible, MOP team has to come up with strategies. There are *times* when thinking of strategy, people usually do not differentiate between major and minor strategies, they also do not segregate long term, short term *or* ongoing strategies. They do not normally evaluate if the strategies are high or low impact, or high or low effectiveness. I always emphasize that the strategies should be *the* important ones and implement within one MOP year. Once strategies have been established, then the details of each strategy should then be listed or some have to be newly created. All strategic details would be

action oriented i.e. involving action and not just seeing or thinking. And I call the strategic details “Strategic Action” and the team should come up with a list of actions for one major strategy.

## Objectives

In MOP, Objectives are important tasks that you would do in order to achieve the Mission. The Objectives must have both a starting line and finish line, i.e. the bench marks of achievement such as the objective is to reduce the production cost, one must specify the production cost *at the beginning* and production cost *at the end of the MOP year*.

i.e. Production cost reduction from 10% - 8% of sales.

Other examples are :-

- 1) Increase sales of A product from 100,000 pcs. to 120,000 pcs.
- 2) Reduce administrative expenses from 25% - 23% of sales.
- 3) Increase workers' productivity from 10 pcs./man/day to 13 pcs./man/day.

All of the objectives must *deem* to be achievable in one year.

Some of the objectives take care of sales, target in Mission, some take care of profit, target in Mission, some take care of both.

No.1 takes care of Sales in Mission

No.2 takes care of profit in Mission

No.3 takes care of both in Mission

One objective, like Objective No.1 above, once achieved, may already satisfy sales target in the Mission if the sales target in the Mission is set *at* 20%, hence objective No.3 will act as supporting Objective to *Objective No. 1*

But in the case where one objective alone cannot help achieve the Mission, and where the objective is also doing a similar task, **the numbers in each objective cannot add up to make the target in the Mission.**

For example, if sales growth in the Mission is set at 20%, and one objective is set to increase average sales into stores at 10% and another objective is set to increase salesmen's sales into stores at 10%. These two objectives will not add up to help achieve 20% sales growth because they overlap but they do so in a *complimentary* way to each another.

In my MOP coaching, I found a case of a non supportive objective which I would like to describe in the following example :

It is about an entertainment center which revenue is a function of the *time guests* spend in the center and not the turnover of guests.

Mission is to increase sales in *the center* by 20%. First objective is *to increase* the food and beverage per bill by 20% which is supportive to Mission. But the second objective is to reduce the billing time to guests by 20% by using hi tech billing equipments. Hence, I consider *the second objective as non supportive*. This is the only example I found, because usually they are supportive, but also some are overlapping.

During MOP writing sessions, some teams find it difficult to set more ambitious numbers, especially when they look back at their past performance. If their past performance was good, they have more

confidence. If their past performance was not good, they do not have enough courage to set ambitious numbers for Mission and objectives. My suggestion would be to set an ambitious but reasonable number that you wish to have for the company and then go through a lot of thinking in terms of strategies and list of strategic actions very freely, proactively and positively without worrying that once the Mission is set, it cannot be readjusted. Usually after thinking with some encouragement from each other ; they would decide on an initial set of numbers. Then once they start the MOP implementing year , with the consistent guidance and encouragement of the MOP tutors, they can arrive very close to their Mission.

The objectives *should be set* so that they are all increasing or progressing and one should think thoroughly and assess if all objectives set once achieved will definitely contribute to the success of Mission.

### Objectives In Summary

- 1) Objectives are tasks that must be implemented and then altogether *once achieved will fulfill Mission.*
- 2) Objectives must have starting line and finish line in numbers.
- 3) Make sure calculatively and *intuitively that* the objectives help the success of Mission.
- 4) Identify objectives that take care of all targets in the Mission.
- 5) One objective can be supportive to another and in some cases their effects to the Mission *are combined* and not separated. So do not just add the numbers.

- 6) During MOP writing, set ambitious objectives' numbers, but through the course of discussion it is acceptable to adjust the numbers that the team feel confident that they can achieve.
- 7) Determine to achieve all objectives not just some.
- 8) During the implementing year, it is acceptable to adjust the numbers in one objective but make sure that you find new objectives to help achieve the Mission or increase numbers in other objectives to compensate.
- 9) The same objectives can be used for next year MOP by providing the numbers that can still increase significantly.
- 10) In case, the MOP team believe that the numbers in any objectives cannot be increased for next year MOP, the objective should be taken out of the MOP format and consider that particular objective as maintaining objective, and should be followed up so that the numbers are still maintained.
- 11) New objectives may *integrate strategies* and a list of strategic actions used in previous year objectives.
- 12) New objectives *for this year's MOP* may be similar to *the previous year objectives*, only looked at from a different perspective.

### 12.1)

**Previous objective**

Increase sales / store by 20%

**Present objective**

Increase sales / sales person by 15%

**12.2)**

**Previous objective**

Increase No. of invoices by 12%

**Present objective**

Increase No. of new customers by 15%

These are similar objectives, only focusing on different objects. Some strategies or list of strategic actions may also be similar.

13) Accountable person should be set for each objective. CEO of the company should be assigned as an accountable person for the important objective.

## Policy

In some companies, if you ask the employees, “what is the policy of the company?” You may find that they have hard time answering, or they may answer differently. This is due to the fact that many companies do not set a clear policy or some may have a policy but the communication with employees is neglected.

*Moreover*, in MOP, policy is considered as being a rudder of the company and is part of the process. It helps assure that the direction of the company has not been mistaken *and all the employees share the same policy*.

Policy in MOP is actually a *list* of policies to be *observed*, implemented, and be enforced in the MOP year.

Policy in MOP has to be in line with Mission and Objectives and each individual policy can be only for one year or longer.

### **Examples of Policy in MOP is as follows ;**

- 1) The company will focus more on consumer satisfaction.
- 2) The company is to improve and evaluate the effectiveness of employees.
- 3) The company gives more to charity.
- 4) The company is to increase IT capability.
- 5) The company will give extra bonus of ... month if the sales and profit reach ... baht and ... baht respectively.

- 6) The company will not allow smoking in the office.
- 7) ... etc...

## Personal Background

At the age of 58, I work day in and day out, but I would not like to say that I work hard, because “Work Hard” is not so positive a concept. I would rather say that I enjoy working seven days a week, which is like my father who used to say that work is his hobby.

I consider myself a hot tempered person. I would like to get things done very quickly. *During* my childhood, I had a lot of wishes *to do this and to do that*. I started to do quite a number of things I wished to do, but I lost interest overnight. I wanted to do body building, so I bought a set of weights, but I used it only once or twice. *I wanted to learn self-defense and went to class for lessons only once, and gave up. I only had wishes but never determination.* My mother in meaning well to me used to always *compare* me to other children who were better than me in class, and my father used to tell me that he was lazy in doing *housework* or some other personal things. I *took after them* both by being lazy and unable to compete in class.

I understand now that it is the work of my subconscious mind. My parents instilled messages into my subconscious mind, meant well, but *childish*

subconscious mind took it without knowing whether it is right or wrong, correct or incorrect. They are other things *my* parents and others told me that *affected* my subconscious mind unknowingly. Fortunately, my parents also told me a lot of good things, especially my father who gave me a lot of wisdom, good thoughts and philosophies *in working life*. My father was very receptive with good thoughts and philosophies and he did practice *what he had planned* right away, and never kept them to himself, he told *everyone*, he handed out memos to his executives about his experience and his thoughts and philosophies that he picked up from everywhere.

I believe that the first significant achievement in my life, is when I graduated with a Bachelor Degree in *Engineering*, from Worcester Polytechnic Institute, Massachusetts. I had always struggled in class because I always *went* to sleep *or* lost concentration, I cut classes because I did not want to get up in the morning. However, I managed eventually but with great difficulty.

*I had a major turnaround when I started working in International Cosmetics (Pias) Company Limited, which later became the current I.C.C.International Public Company Limited.* The capital of the company

was 3 million baht and the annual turnover was around 50 million baht. In 1972, I joined *the company*, working under my number three brother, Mr.Boonsithi Chokwatana, who was the president of the company, *and who is now presently, the chairman of Saha Group.*

I gradually *gained* better concentration in meetings and sense of determination was building up on me. I was still a negative thinker and had no self-confidence.

Then later my confidence started to show signs of emerging when I was rated first in a small class of Japanese language lessons, soon after joining the group. About *fifteen* years later, I was awarded the top position in my Speech training class. *In the speech training class*, I was among one of the older members of the class, also my position in the company made me the highest ranking member, so I was quite *well known* among the others. In the final exam, each student was supposed to make a speech *he or she* invented. I would always *tell* everyone that I have no face so I could not lose face, but this time, *it was not my face* but the face of the company that *could be lost*. So I took the afternoon off before the exam that would take place in the evening. I rehearsed and rehearsed, and that is how I learnt the meaning of

the word **Determination** . I received a trophy *on that day*, and since then many trophies have kept coming in, and as a result my confidence has built up.

Also, I used to go to *Transcendental Meditation* classes, and Universe *magnetic energy* classes to better understand my mind and soul. I believe that my understanding was very good but did not pursue any upper levels which would *had been* really enlightening to learn. Also, I went to a class to understand the subconscious mind , with the *initial intention to learn hypnosis*. But after the *class*, my interest *was diverted to* Positive Thinking and the Subconscious Mind, which was my interest before I attended the class.

I believe that positive thinking and understanding the subconscious mind *are complimentary to* one another. I have been giving talks on these topics many times in companies and institutes because I believe it is good for people to understand the *relationship* of positive thinking and the subconscious mind, *and it is very useful for people who understand this*.

When I flash back to my father who passed away fifteen years ago, I realize that he was a supremely positive thinker. He *had* mild personality, and never saw *him angry*, he never scolded anybody, and never said bad things about people or even animals ; always enthusiastic with new products, new ventures, and new *projects* of the companies. *Never have enemies only rivals, never take advantage of others, always make good friends* and most of all *work hard and be tolerant* and *always keep good creditability.*  
*These are words of my father.*

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1.30 A.M.

BKC