

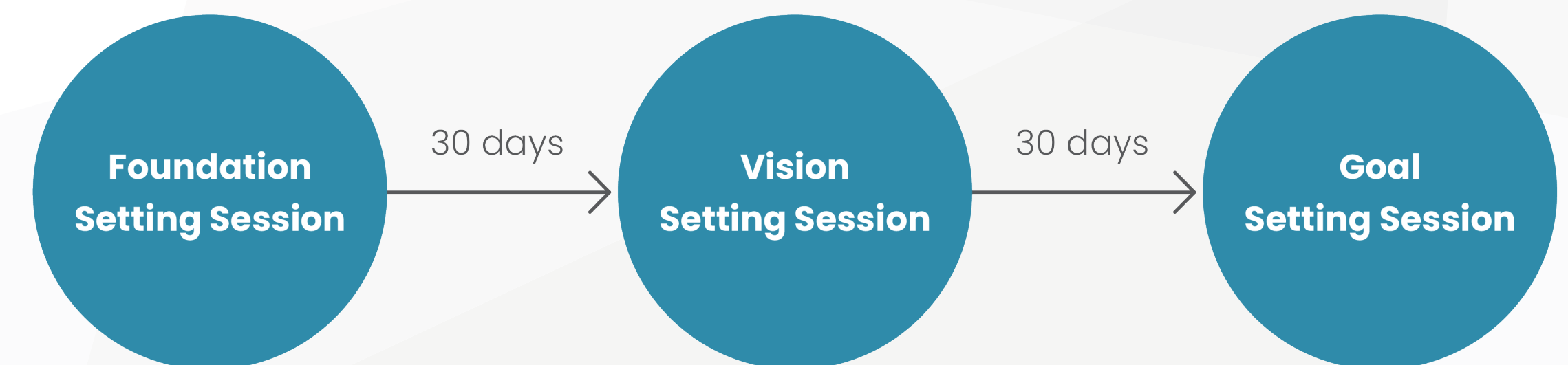


# Foundation Setting Session

Any organization can dramatically improve in 60 days by intentionally and systematically upgrading its Business Operating System. The Foundation Setting Session is part one of the three-step process we recommend for initiating your upgrade. During the session, you and your Senior Leadership Team (SLT) will begin to master four key time-tested concepts, tools, and disciplines:

-  Responsibilities Chart
-  Company Rocks
-  Company Scorecard
-  Weekly Team Meetings

Change is always challenging, and changes in an organization's [Business Operating System \(BOS\)](#) are no exception. It's important that the SLT begins this journey ready to experience immediate improvements. We recommend the ramp-up phase of a BOS upgrade consist of three sessions, separated by approximately a month. Between these sessions, SLT members practice what they've learned while continuing to attend to their day-to-day responsibilities.



# Context

A strong BOS contains all the essential concepts, tools, and disciplines an organization needs to scale its operations. We've identified five different BOS profiles with increasing levels of capability. The most advanced three (Designed, Holistic, and Integrated BOSs) are particularly effective at focusing, aligning, and helping teams to create thriving organizations.

Moving from an Intentional or Accidental BOS to a higher level requires persistent effort and a willingness to change.

## Foundation Setting Session Agenda

Our agenda for this first session helps the SLT lay the groundwork for the journey ahead.

### OBJECTIVES

The session starts with the facilitator (BOS coach or SLT member) introducing the five types of BOS, explaining why it's time for an upgrade, and sharing the meeting objectives.

### CHECK-IN

Next, each member of the SLT shares:

- Two recent wins (one personal and one professional)
- Their specific expectations for the day

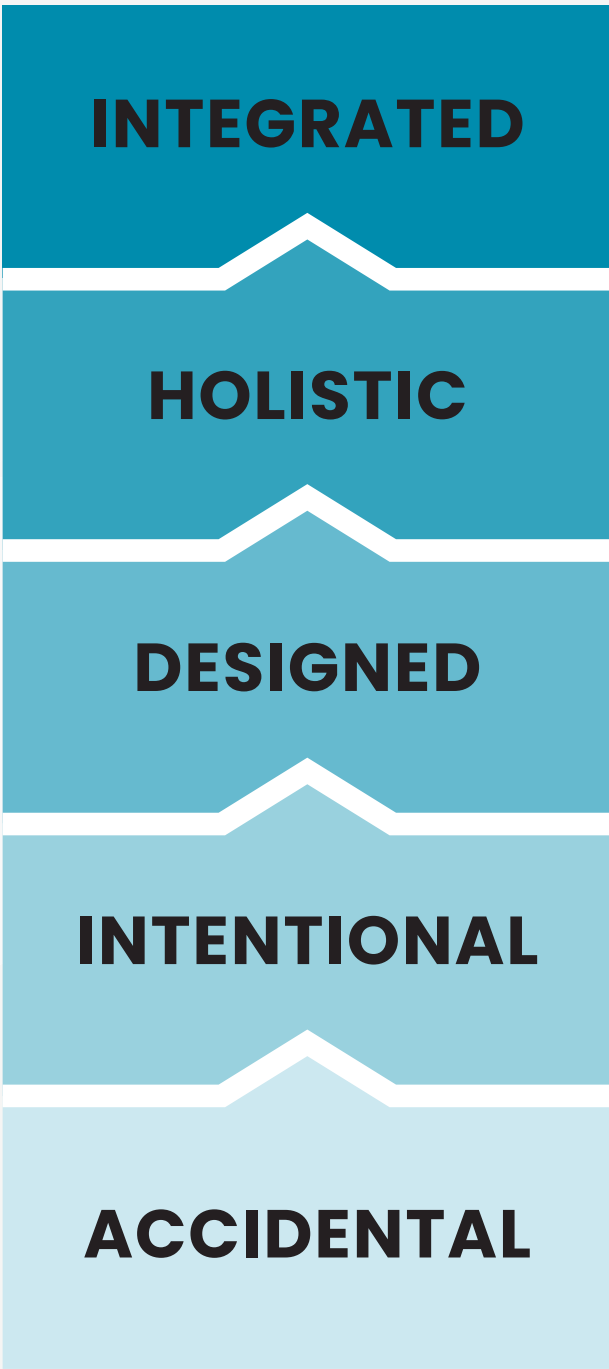
### HITTING THE CEILING

Here, we introduce the five [Stages of Development](#) typically associated with turning a business into an enduring company. We also explain why most organizations tend to alternate between periods of smooth development and unsettled states as they scale each of the stages. We call these transitional moments "hitting the ceiling."

The facilitator shares seven skills the SLT must master to deal with these challenges successfully:

- **Envision** — The ability to look into the future and accurately predict the organization's future. Envisioning enables leaders to set appropriate goals and targets that are both inspiring and likely to become a reality.
- **Simplify** — The ability to overcome the complexity inherent in a growing organization by simplifying the ways the organization thinks, communicates, and operates.
- **Structure** — The ability to effectively identify functions and organize enables leaders to implement the right structure for the organization, starting with its main functions (like Marketing) and continuing with all sub-functions (like paid search).
- **Culture** — The ability to create an environment that attracts and retains the right people. Organizations that value a healthy [culture](#) consistently put the [Right People in the Right Seats](#).

## Types of BOS







- **Focus** — The ability to spend more and more of the leaders' time and energy working on the business. This skill enables the organization to pursue longer-term, bigger-picture opportunities.
- **Process** — The ability to capture, document, ingrain, and optimize the core business processes. This skill leads to defining the way we do business at this organization.
- **Execute** — The ability to consistently and predictably get smart things done (GSSD) throughout the organization.

## RESPONSIBILITIES

We now introduce the first foundational tool: the [Responsibilities Chart](#). We review the best practices for constructing an effective and scalable Responsibilities Chart and then create its first iteration.

Our approach starts by defining the organization's primary functions (departments) without specifying who will lead each one.

Then we dig into the next level of detail by specifying each function's top Roles and Responsibilities. We then drill further into a department by defining its main sub-functions using the same method.

Once we have a decent first pass at the main and sub-functions, we place SLT members into each created Seat (a role or position), starting with the functional leaders. We also deal with potential irregularities, such as empty Seats, people sitting in several Seats, or people who need a Seat.

Don't worry about putting every person in the company into a Seat yet. We leave the task of completing the Responsibilities Chart (to the far reaches of the organization) as homework for department leaders.

## ROCKS

Next, we identify the immediate top 90-day priorities for the organization (Company Rocks) and one to five priorities for each team member (Individual Rocks). The facilitator collects Rock candidates from each member of the SLT and guides them through narrowing the field of Company Rocks down to three to seven. Then we address the Individual Rocks.

Ultimately, the entire SLT should agree on the top priorities for this period. Participants should [make their Rocks SMART](#) and complete them by the [Goal Setting Session](#), typically 60 days after the Foundation Day.

## DATA

Next, we introduce the **Company Scorecard**. Most SLT [Scorecards](#) contain 10–20 weekly-reported Key Performance Indicators (KPIs) that show an objective pulse on the organization's performance. Scorecards are works in progress. We recommend agreeing on up to three KPIs for each department. Each KPI is assigned an owner and a weekly target that helps identify when we may have an [Issue](#).



## MEETING CADENCE

In the last section of the Foundation Setting Session, the SLT agrees to commit to a suite of accountability, planning, development, and Issue-solving meetings that follow a fixed cadence. Our experience suggests that SLTs that can't commit to this discipline are unlikely to succeed in upgrading their BOS. The first meeting to master is the [Weekly Team Meeting \(WTM\)](#).

## CONCLUDE

Celebrate your progress and ask SLT members if the meeting met their expectations. Each SLT member rates the quality of the meeting on a scale from one to ten. Ratings assess the effectiveness of a meeting in terms of completing the objectives, resolving questions, respecting the time allotted, and meeting expectations.

## Hopefully Helpful Hints

**Perfection is the enemy of progress.** Attempting to produce the “perfect” Responsibilities Chart, Company Rocks, or Scorecard is counterproductive. Instead, focus on completing the first iteration to 80% strong and refining each over time.

**Apply the same process to complete the Responsibilities Chart.** During the Foundation Setting Session, we focus on the organization's primary and sub-functions. Depending on the stage of your business, most of these functions will be

comprised of three layers: department leader, team leaders, team members. The head of each department follows the same process in defining their department's sub-functions.

### Use a coach to guide your Senior Leadership Team.

While upgrading your BOS can be done from within the organization, it's a long, complicated, and often challenging process. We recommend engaging the services of an external BOS coach whose focus is guiding Senior Leadership Teams through the process. A neutral, experienced coach can convey critical information without bias and ensure that every SLT member's voice is heard and considered. A good coach is a teacher, a facilitator, and a guide that helps the SLT distinguish the forest from the trees.

## Takeaway

The Foundation Setting Session lays the groundwork for a successful BOS upgrade. Senior Leadership Teams build a Responsibilities Chart, identify Rocks, establish a Scorecard, and initiate a meeting cadence with Weekly Team Meetings. The Foundation Setting Session is the first stage of this journey — the Vision and Goal Setting Sessions round out the 60 days needed to be on your way to becoming a great company.

Want to dive deeper into these sessions? Learn more in our [Getting Up and Running Guide](#).

What's next? Visit the [90u Library](#) or [try Ninety today](#).

