Offsite Overview

northstar OS

Mid-year Leadership Offsite // Agenda, Framework & More

This guide will help you run a world class **Mid-Year Leadership Offsite** as part of Highland's **Northstar Operating System.™** Highland Academy and the Northstar Operating System were founded by Scot Chisholm.

If you'd like to join Highland Academy and get access to dozens of resources exactly like this, you can sign up here.

What is a leadership offsite?

A leadership offsite is a dedicated meeting away from the regular workplace, where leaders come together to align on vision, strategy, goals and work through key business issues. Offsites are typically known for focusing on medium to long-range planning, as opposed to the daily grind. It's an opportunity for the team to pick their heads up and see the forest for the trees.

Highland's *Northstar defines two types of leadership offsites:

1. **End-of-year Leadership Offsite:** Happens at the end of the fiscal year, typically November or December, and finalizes the Northstar and financial plan for the following year. The goal of this offsite is to ensure the company is fully ready to kick off the next year.

2. **Mid-Year Leadership Offsite (what this guide is about):** Happens midway through your fiscal year (typically June), and focuses on calibration of priorities and deep problem solving. The goal of this offsite is to ensure the company is on track to hit its end-of-year goals and metrics.

Offsites are also incredibly important for building strong relationships and trust across the leadership team. Offsites should feel collaborative and interactive, and create an environment where people can "drop their guard". They are a natural extension of the Northstar OS Leadership Team Meeting, which happen more frequently, but don't allow for the depth or the high-level planning that an offsite can.

How is the Mid-Year Offsite different from the End-of-Year Offsite?

The EoY offsite is about architecting next year's annual plan. You finalize next year's *Northstar, lock your financial plan, and peer-review team WhyGos. It's forward-looking and heavy on planning.

The mid-year offsite is about calibrating and unblocking. You're halfway through the year with real data in hand, so the questions are different: Are we on the right priorities? What's stuck, and how do we get it moving? You also stress test your strategic bets and evaluate new ones for next year's *Northstar.

Where does the offsite fit into the Northstar Operating System™?

The Northstar OS™ has three pillars: Operating Clarity, Operating Rhythm & Operating Standards.

Leadership offsites are part of your Operating Rhythm and happen twice a year. Once in the middle of the year, and once at the end. This guide focuses on the mid-year leadership offsite.

Click here to view the full Northstar OS™ Implementation by team size Guide.

What's the objective of the Mid-Year Leadership Offsite?

What? An expanded leadership team meeting, done offsite, to calibrate your priorities and deep-dive your hardest problems. Unlike the EoY offsite, you are not building next year's plan here. You are making sure you hit this year's, and gathering the strategic input that will shape next year's WhyGos when you create them later in the year.

When? Midway through your fiscal year. Typically June.

Details: The mid-year offsite focuses on confirming you're prioritizing the right things, press-testing your strategy, and getting your most stubborn blockers unstuck as a team.

1. Reviewing progress against company WhyGos, financial plan and health metrics.
2. Calibrating your strategy, including which Core Bets are coming into focus, dropping off, or being added.

3. Calibrating your annual WhyGos (rare, and handled with care given the bonus plan implications)
4. Deep dive on your single biggest blocker (or two, if you have time)

Everyone should leave on the same page, even if they disagreed with some of the decisions made at the offsite.

What is a Core Bet?

In the *Northstar OS, your strategy lives in your Strategic AIM (Approach, Impact, Market). Within this sits your Core Bets: 5 or fewer multi-year strategic initiatives that represent the biggest moves you're making to push forward your strategy. Core Bets are long-range by nature. As one comes into focus for a given year, it often becomes an annual WhyGo (a top-three company priority).

Each Core Bet has a strategy memo behind it that defines what it is, why it matters, how you plan to implement it, and the customer and financial implications. These memos (plus a business case analysis for any proposed new Core Bets) are the raw material for the strategy calibration you'll do at this offsite.

What is a Core Bet Charter?

The research behind each Core Bet is called a **Core Bet Charter**. It's a 1-2 page doc that makes the case for the bet and holds your thinking on it. A good Charter defines what the bet is, why it matters, how you plan to implement it, and the customer and financial implications.

The Charter does two jobs across the life of a Core Bet. When you're evaluating a new Core Bet, the Charter is its initial business case: the doc the leadership team reviews to decide whether the bet earns one of your five slots. Once the bet is live and sits in your *Northstar, that same Charter becomes its living doc: you update it as the bet evolves, for as long as the Core Bet exists.

Keep it tight. The 1-2 page cap forces clarity and keeps the focus on the few things that actually matter. The Charter was inspired by the project charter and A3 documents from Lean Six Sigma, where the size constraint is the whole point.

A Core Bet Charter should include:

- **Executive Sponsor:** The leader accountable for driving this bet across the org. Not the person who does all the work (a Core Bet spans multiple functions), but the single leader who helps orchestrate it. This person needs to be part of the executive / leadership team. The CEO can also be an executive sponsor, but avoid adding yourself to every Charter.
- **The Bet (what it is):** A plain-language description in a sentence or two. Written so anyone in the company understands it, not just the leadership team.
- **Why It Matters (the why):** The strategic case. How this bet pushes your strategy forward and ladders up to your vision. This is the heart of the Charter and the thing you most want the org to internalize.
- **Approach (the how):** Describe the multi-year shape of the bet, not a full project plan. Identify what target audience this serves and how that reinforces the market section of your Strategic AIM
- **Scope (what's in, what's out):** The boundaries of the bet. What it explicitly does and does not include.
- **Customer Impact:** What changes for the customer if this works. Who benefits and how. How does it move the needle on the measurable impact defined in your Strategic AIM.
- **Financial Impact:** What you're putting in and what you expect to get out, across the life of the bet. How does it move the needle on the measurable impact defined in your Strategic AIM.
- **Key Risks & Assumptions:** What has to be true for this to work, and what could sink it. Name what you're betting on.
- **Status & Progress (living section):** Where the bet stands today. The part you keep current once it's live: on pace or not, latest update, what's next.

Who participates in a Leadership Offsite?

Who? Leadership team (plus any functional experts you need to bring in for any of the sections)

The leadership team of the organization. But the CEO always reserves the right to pull other functional leaders into the offsite for certain sections. For example, if you're doing a deep dive on a particular Core Bet or a stubborn blocker tied to one function, you may want the relevant functional expert in the room for that section, even if they're not technically on the leadership team. This adds depth and technical knowledge to the conversation to help keep it on track. This functional expert would then leave the offsite when that section is over.

Who should lead the offsite?

The CEO is the ultimate leader and facilitator of leadership offsites. The CEO should be extremely well prepared and ready to bring knowledge and positive energy to the room.

That said, the CEO should make the agenda as interactive and collaborative as possible. It should not feel like one long top-down presentation. Every section should include some form of discussion, brainstorming, exercises, breakouts, etc. (see tab 3).

One simple way to change the voice in the room is by letting a different leader facilitate each section of the agenda. The CEO would almost act as a secondary facilitator in those cases and chime in with context as applicable. This requires additional prep with each leader, but it's a great way to give extra responsibility to your key leaders.

Bringing in a professional facilitator is another way to mix things up and allow the CEO to participate as more of an equal peer. In this dynamic, it's still important for the CEO to lead certain sections of the agenda and to play the role of secondary facilitator, supporting the one you brought in. There is too much nuance to the agenda and materials for the CEO to fully hand this role off to a third-party.

What's the duration, date and location?

Highland's *Northstar OS recommends a 2-day mid-year leadership offsite. The mid-year agenda is typically more intense than the EoY's, because you're deep in prioritization and problem solving as a team.

For a date, run your mid-year offsite midway through your fiscal year, typically June. This gives you a true halfway read on progress with enough runway left to course-correct. As with any offsite, 100% attendance is essential. Put the dates on the calendar early and get each leader's confirmation that they can attend.

For location, pick any place that's not your normal working environment. If you work in an office, do the offsite outside of the office. If you're fully remote, do the offsite in-person somewhere.

Ideas include: co-working spaces, conference/event centers, airbnb's, hotels, retreat centers, a partner's office, etc.

What materials do we need for the offsite?

You'll need the following items, at minimum, coming into the offsite:

- Fully filled out company Northstar doc
- Progress against all company WhyGos (🟢🟡🔴)
- Progress against all health metrics, versus target values (🟢🟡🔴)
- Core Bet Charter: the strategy memo behind each existing Core Bet

The CEO should make sure your company's *Northstar and all progress data are current and accurate before the offsite.

The strategy calibration prework (which Core Bets are coming into focus, dropping off, or being added) should happen in a leadership meeting beforehand, so the offsite is for decisions, not research. This means you'll need to update, or create new Core Bet Charters before the offsite, and give people time to read and digest beforehand.

You can find a full planning checklist on tab 2.

Planning Checklist

This guide will help you run world class **Mid-Year Leadership Offsite** as part of the **Northstar Operating System.™** Implementation of the Northstar OS is taught in the Highland community, founded by Scot Chisholm.

This section outlines your pre-offsite planning activities.

3+ Months from Offsite –

- ☐ Select date & duration
- ☐ Put on everyone's calendar
- ☐ Get firm commitments from every attendee
- ☐ Book offsite space
- ☐ Ensure your company *Northstar is filled out

1-3 Months Out –

Strategy Calibration Pre-Work
(should be done with the leadership team prior to the offsite)

- ☐ Determine which Core Bets are likely to come into focus next year and become annual WhyGos (top three priorities). These are your most important Core Bets right now.
- ☐ Determine which Core Bets are dropping off next year because they are complete, in great shape, less important, or not relevant anymore.
- ☐ Determine how many new Core Bets you will be adding next year based on open slots (Highland's rule of thumb is to maintain 5 total Core Bets at any given time)
- ☐ Determine a list of possible new Core Bets you might add. For example, if you have one slot opening up, you might have three interesting bets to explore before deciding which one gets the spot (and the company's focus).
- ☐ For each possible new Core Bet, draft a Core Bet Charter, with focus on the 'Why' and customer / financial impact.

Progress

- ☐ Ensure all WhyGo & Health Metric dashboards are built and getting updated
- ☐ Ensure you're Leadership Team Meetings are dialed in and you're tackling blockers together on a weekly or every other week basis. You don't want everything built up for the offsite.

Offsite Logistics

- ☐ Plan food and beverage for during offsite
- ☐ Book dinner reservations for Day 1
- ☐ Plan for a social / happy hour after Day 2 🍻

Within 1 Week –

Strategy Pre-Work

- ☐ Confirm the company *Northstar is fully filled out and current
- ☐ Distribute all Core Bet Charters for everyone to study in advance

Progress

- ☐ Pull progress against every company WhyGo (🟢🟡🔴)
- ☐ Pull progress against health metric target values (🟢🟡🔴)
- ☐ Identify which company WhyGos and health metrics are behind pace.
- ☐ Determine the #1 and #2 most challenging WhyGos and/or Health Metrics so far this year. The ones that matter a lot, but have been stuck in yellow or red status most the year.

Biggest Blocker Pre-Work

- ☐ CEO decides on the top 2 most problematic WhyGos or Health Metrics to dive into together during the offsite. The ones that have the largest impact, but have stayed yellow or red through the majority of the year.
- ☐ CEO informs the leader(s) closest to this WhyGo or Health Metric to give them a heads up.
- ☐ CEO asks leader(s) closest to this WhyGo or Health Metric to put together a one-page summary of the problem (as they see it), including their hypotheses of why the WhyGo or Health Metric is not on track.
- ☐ Send this one-page problem overview to the leadership team at least 24 hours in advance to read before entering the offsite

Logistics

- [ ] Share the agenda
- [ ] Confirm venue setup, food, and any reservations
- [ ] Finalize your personal prep as facilitator
- [ ] Pick up any supplies for the offsite

Offsite Agenda

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MID-YEAR OFFSITE AGENDA FRAMEWORK

DAY 1 - FULL DAY

TIME	SECTION	LED BY	OBJECTIVE
30 min	Settle In	NA	• Let people mingle & get breakfast
45 min	Opening + Grounding	CEO	• Welcome everyone • Run through agenda • Set ground rules • Run an exercise to break ice • Give an opening talk (CEO only) • Bring up the company *Northstar and focus on the Mission, Values & Vision section to start. Run through each. • Explain that the offsite will focus mainly on Strategy downward - calibrating core bets and priorities - but you always want to start with why the work matters in the first place. • Make the impact you're making tangible somehow: play video, stream in a customer, etc. Note: this is important context for the rest of the offsite. Always start with Purpose. Don't skip it.

1 hour	Review Company Progress	CEO (with help from CFO / COO)	Note: The goal of this section is an honest read of where the company is actually at mid way through the year. • Review progress against company-level WhyGos (top three strategic priorities). What's currently green, yellow, red. Where are you crushing it? What has been the most difficult this year? • Review progress against health metric target values. What's currently green, yellow, red. Where are you crushing it? What has been the most difficult this year? • Review progress against the Board-approved financial plan. How are you doing on revenue, expenses and cash flow? Remember, your financial plan is your most conservative case. Health Metric target values should be 20-30% higher. • CEO identifies the #1 and #2 most troublesome WhyGo or Health Metric that you will all solve as a team together during the offsite. It's the CEOs job to select. The deep dive comes later, this part is communicating the selection to the team as you go through the progress of everything.
15 min	Break	NA	
2 hours	Strategy Calibration Part 1	CEO, Facilitator or another leader	Note: The prework must have been done for this section to be successful. Look at the planning checklist for details.

			• Review your Strategic AIM in full (approach, impact, market). This is not the time for major changes. This section focuses on Core Bets. But you'll want to start by going through the whole thing to make things fresh in everyone's minds. • Discuss the group's prework decisions on: 1. Which core bets will come into focus next year (and thus, stay). Discuss these Core Bet Charters. Does anything need to be updated in anticipation of them becoming annual priorities? Do we have a way to measure progress if they become a WhyGo? 2. Which core bets are retiring, either because they were accomplished, or they are no longer relevant. Discuss any learnings from both successful and failed Bets. 3. How many new Core Bets will you introduce coming into next year when you refresh your *Northstar? <u>Note</u>: The Prework should have done the bulk of the work here. You are simply reminding everyone of where you all landed. • Now it's time to focus the group on new Core Bet opportunities. If you did the prework, a Charter was created for each new opportunity, and the group was able to preread these and digest before entering the offsite. • Facilitate a discussion on each new opportunity. What do people like about

			it? What don't they like about it? Make sure everyone gets to weigh in. Break for lunch and start part 2 afterwards.
45 min	Lunch Break	NA	Bring lunch in and eat together. Could watch a longer-form video that's relevant to your Northstar and/or offsite themes while eating. TED talk, interview, short documentary, etc.
1 hour	Strategy Calibration Part 2	CEO, Facilitator or another leader	<u>Note</u>: You should leave Part 2 with a clear view of what you'll elevate next year, what you'll retire, and what you'll add as new. • Now it's time to vote on what the team thinks are the best new Core Bets to pursue. • Vote anonymously. CEO does not vote. Then read out the results. Ask people to speak to what they voted for and why. • CEO always has the final say on what the company pursues as a new Core Bet. They can veto these results. However, if the prework and the offsite were executed well, it's likely they will agree with the results. Either way it makes the team feel like they were part of the decision, even if they didn't have the ultimate say. <u>Note</u>: How to deal with ties? It's common for the votes to be close, or for there to be a tie. In these cases,

			the CEO must be the tie breaker. But do not declare the winner in the meeting. That will make you look biased and undermine the work that was just done. Tell the group that both avenues are compelling, but we need to pick just one. You will consider all that's been discussed and come back with a decision within a week's time.
15 min	Break	NA	
1 hour	WhyGo Callibration	CEO, Facilitator or another leader	<u>Note</u>: The goal of this section is not to force a change of your WhyGos (although in rare cases you may make changes). The goal is to make any necessary refinements, especially to the outcomes, based on new information that you've received through the first half of the year. In rare cases, you will get a WhyGo wrong, and feel the need to cross it out, and select a new WhyGo that ties better to strategic priorities. This is OK, as you don't want the company focused on the wrong stuff. But avoid 'shiny object syndrome'. If you create WhyGos at the right altitude coming into the year, you'd need a titanic shift in your market or strategy to change them wholesale. Either way, any intra-year changes should be officially approved by the CEO and the Board of Directors, especially if your WhyGos help determine your Company Bonus Plan payout. • Facilitate the following discussion with your team:

			• Given the strategy discussions we just had, has anything fundamentally changed OVER THE LAST SIX MONTHS that needs to be taken into account? • Do we still feel these are the top three company priorities for the year? If not, why? Note: The reasoning needs to be excellent to even consider a change. Do not take this lightly. It's far more likely the weighting of importance between the three may have changed. See below. • Has one of the WhyGos become more important than the others? Can we elevate the importance of this WhyGo in the eyes of the company? • Has one of the WhyGos become less important than the others? Not enough to remove it, but the weighting has changed for strategic reasons. If so, can we focus the company more on the other two, while still ensuring we achieve this WhyGo at an acceptable level? Note: If the weighting has truly changed mid way through the year, and you use the Highland Company bonus plan structure, you can consider changing the weighting in the payout formula to reflect this. • Did we choose the right outcomes to measure each WhyGo? If not, why? What would be a better way to measure the success of the WhyGo? Note: Again, the reasoning needs to be excellent to consider a change at this

			point. But this is more common than a full WhyGo replacement. Common scenarios are: 1) the first half of the year you were baselining an outcome because you hadn't measured it before. By this point, you should have enough of a baseline to set a concrete outcome target for the rest of the year. 2) the level of difficulty of achieving the outcome significantly increased or decreased for some reason that was not visible when you started the year. <u>Note</u>: if you consider adjusting an outcome for the second reason, make sure you aren't just moving the goal posts to make everyone feel better. You would only consider changing a value if you were wildly off in your initial assumptions / forecast. Outcomes should be challenging but realistic. If you achieved your outcome in Q1, then it was way too easy. If you realized half way through you had zero chance of achieving the outcome this year, then it was way too hard. Neither is good for morale and building a high performance team. In these two extreme cases, consider adjusting the value to better reflect what's realistic by the end of the year.
15 min	Reflection	CEO or Facilitator	• Keep the filled out Northstar on screen • Reflect on the day • Open the floor to anyone who wants to speak
1-2 hours	Break	NA	• Usually a good idea to give people a

			large break before dinner
Night	Social hour + Dinner	NA	• Head to dinner & drinks! • If your team is small, and you rented an airbnb, bringing in a private chef is a pro move. Otherwise plan for dinner at a restaurant.

DAY 2 - FULL DAY

TIME	SECTION	LED BY	OBJECTIVE
30 min	Settle In	NA	• Let people mingle & get breakfast
30 min	Exercise	CEO, Facilitator or another leader	• Day 2 welcome, quick CEO reflection on day 1 • Run an exercise to warm people up for day 2
2 hours	Biggest Blocker #1	CEO, Facilitator or another leader (but includes all)	Note: The goal of this section is to unblock your most problematic WhyGos or Health Metrics. Your #1 and #2 were previously identified by the CEO at the beginning of the offsite. Now it's time for the team to dive into each one and solve whatever is holding it back. Complete with a corrective action plan that everyone buys into. This section can become passionate and tense because you're dealing with the hardest problems the organization is facing. It's important the CEO keeps the room constructive and everyone participating. If things get too hot, always feel free to call a 10 minute cool down break. But whatever you do, DO NOT shy away from the hard stuff. It can be the difference between success and failure this year.

			• Start with the #1 most problematic WhyGo or Health Metric. This entire two hour block is dedicated to the team workshopping a solution and corrective action plan. **<u>The flow for the 2 hour session</u>:** • **CEO Frame (5-10 min):** The CEO frames the issue and why this was chosen. Then explains what the group is trying to get out of this exercise. • **Problem Overview (10 min):** The leader(s) who are closest to the WhyGo or Health Metric give their take on why it has fallen behind. What is their hypothesis on the cause, or causes.This should have been prepared in pre-work and distributed to the team prior to the offsite. This section is for them to go over it with the team. • **Root Cause Analysis (1 hour:** **Step 1**: CEO puts up a Fishbone (Ishikawa) diagram. This is the tool for this part of the exercise. You can find templates online. The problem is the head, and the fish bones are all the possible root causes. Explain the diagram and exercise. **Step 2:** Give each leader 15 minutes to come up with a list of root causes (silently). Or, break the team into two's and have them do it together. **Step 3:** Then come back as a team and call on each person / group and start filling out the Fishbone diagram on the

			screen or wall. You're going for breadth. Forcing yourself to consider possible causes you'd otherwise skip. Most leaders will overindex on "People" as the problem, and ignore the system, measurement techniques, or the customer experience itself. **Step 4:** As a team, circle the most likely and most impactful top three root causes on the Fishbone diagram. For each one, apply the 5 Why's to go deeper. 4a. Isolate the root cause. Then ask the team "Why this is true" five times and record their answers. This should get at the systemic issues behind the blocker. 4b. Repeat for each of the three root causes. • **Corrective Action Plan (45 min):** Now that you've identified the real root causes as a team, it's time to create a plan to get this WhyGo or Health Metric back to green. The Corrective Action Plan should be no longer than one page long, and include: • The blocker: The WhyGo or Health Metric that's stuck, and its current status (🟡🔴) • Root Causes: Prioritization of top root causes that came from prior exercise. What are the deepest and most problematic that must be fixed in order to get this back on track.

			• Corrective Actions: For each root cause identify specific next steps to fix it in the fastest way possible. Assign an owner and a due date next to each action. • Resources / Trade-offs: Identify anything additional that's needed to fix this. Or, what you need to stop doing to focus on getting this back on track. • Get to Green: Identify the exact progress you'd need to see to mark this green again. Set a date by which you want this to happen. Note: Then use your leadership team meetings to follow up on this and hold people accountable until the WhyGo or Health Metric gets back to green.
1 hr	Lunch Break	NA	Add a longer lunch break here given the intensity of the prior session. Bring in lunch and let them eat outside or somewhere out of the room. Or, choose a short documentary that's relevant to your business and offsite themes and let them eat and watch. Either way, create some chill space for them to reenergize.
2 hours	Biggest Blocker #2	CEO, Facilitator or another leader	Repeat the exact same steps in the last section, but for your second most

		(but includes all)	problematic WhyGo or Health Metric. The output of this section should be a second Corrective Action Plan with owners and dates next to every action.
30 min	Reflection + Next steps	CEO or Facilitator	• Reflect on the day • Open the floor to anyone who wants to speak • This was an intense session of problem solving. Especially the second day. • Bring the whole thing back to where you started: Purpose. Help people zoom back out at the end and understand why it all matters. • Callibration & problem solving can be painful and long at times, but it will make the company 10x more successful.
	End of Offsite		