

E-News



Happy Holidays

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Dan’s Top 10 Growth Clogs ...And what to do to fix them! by Dan Trudell, President


With a new year a few short weeks away, I would invite you to reflect on your company’s performance this past year. Did you accomplish all you had planned to? If not, why not?

I have observed in many companies large and small the same obstacles or “CLOGS” that prevent growth and superior performance. I have borrowed “Dave’s” Top Ten list as a way to quickly share these with you. I also want to share with you some actions you can take so that next year you will come closer to achieving your companies growth potential!

10. Poor Communication -Time and again, when we interview people in companies, what seems so obvious to those in Senior Management (although sometimes Senior Management doesn’t know either) was either never communicated throughout the company or was misunderstood/ misinterpreted by the rest of the organization. High performance companies have multiple methods of *frequent two-way communication* to help every one understand what is expected and how we are doing.



9. Low Business Literacy - In the real world of “do more with less,” high performance companies understand that for their people to make good choices in their jobs everyday, a basic understanding of the business, how it operates and how profit is earned is critical. Further, how do people contribute to profitability in their own job? This is what I mean by business literacy. If people were asked in your organization how they helped make money, could they answer correctly? Do they understand their connection to company performance and growth?

 **8. Wrong or Missing Performance Measures**- Do you have semi -annual or annual performance reviews? How effective are they at improving performance in the next six months or 1 year? I have talked with many companies that feel their performance appraisal system has very little value and yet they continue to play the game! This leads to a great deal of frustration and de-motivation for the employee. Often, they see the process as being a ritual that one must endure to get a raise! An opportunity is lost when that occurs to create meaning and connection to company performance when the correct measures are in place.

Solution - *I have put all three of these together because they are related and cross reinforcing. Too often, good communication is taken to mean walking around engaging in small talk. Excellent business communication focuses on business performance at the job, department, division or organizational level. When everyone shares a common business literacy language and understands the drivers of performance for the whole business, anyone from the president on down can have a meaningful dialogue about the business and what needs to be done to improve results! Choosing the correct business performance measures creates focus on those areas that are crucial for success. This also helps develop shared goals and objectives company wide. Lastly, please do NOT confuse email, bulletin board postings and company newsletters with communication. You must create opportunities to talk face to face!*

7. Lack of a Partner Relationship Strategy- Today, many companies are developing strategic relationships with key companies in their value chain. These arrangements help both companies maintain focus, improve ROA and increase flexibility. Has your company examined its’ relationships with key suppliers? Are you a key customer of any of your suppliers? How important is your business to their long-term growth? Are you vulnerable to being displaced by a competitor of yours with one or more of your value chain partners? How quickly could you replace a key resource should a disruption of any kind occur?



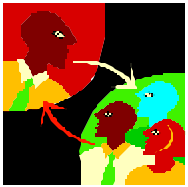
Solution - *Take time to step back form the daily grind and examine your critical partner relationships. Call those partners that are vital to your future success and invite them to spend a ½ day or full day discussing three questions with you:*

- How does our growth plan fit into their future plans?*
- How does their growth plan fit with our future plans?*
- What can we do to help each other and remove cost from the process?*

6. Lack of Customer Retention Strategy - There are only two ways to grow your business; one is to find new accounts to buy from you. This is usually where the bulk of time and attention is spent by most companies. The second way is to grow your existing customers; sell more products and/or services to those who you know and that know you! This is far easier as the relationship is already in place and far more profitable! What is your customer retention and growth strategy for next year?

Solution - Analyze the amount of resources you invest in new business development compared to customer retention and growing business from existing customers. Most companies find themselves way out of proportion in the ROI on new business compared to existing customers. Knowing this, would a shift of resources or a shift of time spent impact results? You decide!

5. Lack of Employee Retention/Growth Strategy- Today, in almost every business, competent, motivated people are critical to long term success. Many companies have lengthy hiring processes designed to identify potentially high performing individuals and attract them to the company. What doesn't happen then is a structured method of discovering whether that potential is being realized in the future years. It is too late to rectify problems that surface after the potential "star" has submitted their resignation.



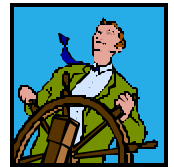
How do you know that the talent you hire and invest development time and money in is getting what he or she needs to be energized in the workplace?

Solution - A well-crafted employee survey, administered on an annual basis, can help you uncover issues that can undermine the best growth strategy ever devised. Issues like:

- Do we have the potential for high turnover in critical positions?
- How well are our leaders utilizing and growing our human assets?
- Are our people energized or just going through the motions?
- Are there policy issues causing friction?
- Are there unhealthy or potentially illegal activities going on?
- In general, are people energized or frustrated?

Specific questions can be developed to measure other factors important in your organization. Consider this the "annual physical" for your company!

4. Lack of Effective Leadership For all the studies, books and courses available today, one would think that leaders would be more effective than ever before. However, in my experience, there are still far too many "command and control" managers out there. Granted, there are times when that style is appropriate. Too many managers use power far more often than necessary. What happens as a result of overuse is a management bottleneck; people are unwilling to make decisions and take action without "running it by the boss". This is a major "clog" in being responsive to market and customer demands. What is the preferred management style of your managers, command and control or teach and coach?



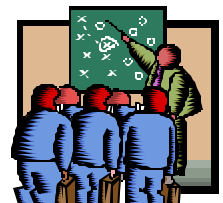
Solution - Leaders have two core responsibilities; one is growing people and two is managing tasks. The blending of the skills for being an effective leader is both science and art. However, if there is no template for what an excellent leader is in your company, you are doomed to live by the law of accident. Occasionally you may attract or develop an excellent leader, but it will be a chance occurrence. There are many fine books written on the subject, but very few have an action/development component to them. One way of developing leadership is through experience. Assign a high potential individual a project and coach/mentor him/her through to completion. Beyond that, outside resources may be required to develop leadership competence in the company.

3. Low Energy - When I walk into a company, I can tell very quickly the energy level in the organization. Do not confuse this with the activity level. In many companies, people are running around like the proverbial chicken with their head cut off! No, I am talking about energized, motivated people working at a quick pace, focused on accomplishing something worthwhile. The other "activity" based scene is usually in a panic, fire-fighting, reactive mode; just trying to keep up with the myriad of unrelated demands being made. An easy way to tell the difference is to listen for laughter! The high performance kind of energy and workplace is a fun place to be with a great deal of respect for each other! How would you describe the energy level in your company?



Solution - Understanding yourself, your behavioral preferences and motivators is the first step in creating an energized workplace. Knowing how you impact others and what others need to be effective is where high performance begins. Simple, inexpensive tools are available to help you with this self-discovery process. Knowing your own strengths and weaknesses and how to use others in your group to compensate for those is the key to effective teamwork. Contact us for a list of resources to help identify these critical attributes.

2. No Clear Strategy - Some would say that today the economy is soft, business is slow. There are I'm sure, some companies where that is the case. Many others, however, are doing quite well despite the apparent "softness" in the economy. One of the reasons I find for those who are doing well is a clear strategy of how they intend to win in the marketplace. They clearly understand who their primary customer groups are, what business results they improve for those segments and how they are different from their competitors. Is your company clear on how it intends to win in the marketplace? Does everyone in the organization understand? Does everyone know how to contribute to winning? (See numbers 10, 9 & 8!)



Solution - This is a reality check. Begin by analyzing realistically the competitive landscape. Why do customers buy from you? If they do not buy from you who do they buy from? Why? Who are the market leaders in your business? How do they bring value to their customers differently than you do? Once you answer these questions, you and your management team can determine how to allocate your resources to most effectively win in the market you have chosen. Often, companies find it useful to have an outside facilitator for this process to challenge their thinking and bring an unbiased perspective to the process.

1. No Vision - As Lewis Carroll wrote in *Alice in Wonderland*, “If you don’t know where you’re going, then any road will do.”



Where are you going with your business? What are your intentions? Are you on cruise control? Are you trying to grow revenue or maximize profits? Or are you positioning your company to be sold? What will be your legacy? Every successful team must have a goal to work toward. A clearly stated company vision provides the necessary unifying goal for the company to act upon. Do you have one? Is it clear? If we asked people in your organization what it is and, more important, what it means, could they answer correctly?

Solution - Without a vision of where we ultimately want to lead to, we are doomed to muddle around and try to survive month-to-month, quarter-to-quarter. Dare to take bold action...challenge yourself and your organization to be the very best at what you do. Start in a city or county and as you experience success there, expand your service area accordingly. Without a target to shoot at, you will miss 100% of the time! Don’t spend another year drifting...take action now to fulfill your potential!

There you have it, my top 10 “clogs” that prevent a company from achieving the growth that is possible. If you have answered the questions posed in each of those ten areas, you have an idea as to where to begin “unclogging” your growth pipe. For specific assistance, please give me a call (608-835-9288) or email me at dant@peakperform.net.

Peak Performance Associates is certified to deliver Strategic Success Modeling



Peak Performance Associates, Inc., a Madison area consulting firm, announced that the principle partners, Dan Trudell, Steve Lewin and Monica Le Grand Trudell were recently certified to deliver the Strategic Success Modeling process. Strategic



Success Modeling is a process to align the people-strategy with the business-strategy of a company. SSM allows a company to define what competencies are important for success in a given job or job family and then customize hiring & development tools to focus on those key competencies. Strategic Success Modeling process was developed by Bigby-Havis & Associates one of the pre-eminent Organizational Psychologists firms in the country.

“We’re really excited about Strategic Success Modeling process. This allows us to bring world-class competency modeling to all of our clients,” said Monica Le Grand Trudell, Vice President. “The Strategic Success Modeling process allows companies to define success, hire success and develop success!”

“This Strategic Success Modeling process is so flexible,” says Dan Trudell, President of Peak Performance Associates, Inc. “It’s like a “universal adapter” for competencies. If our clients already have been through the process of developing job competencies, we can take their existing competency or job model and map it to this system. This allows companies to really make their competency models come alive and have meaning for their company by integrating it into selection, development, and more.”

Peak Performance Associates, Inc. with offices in Oregon, Wisconsin and Cleveland, Ohio works with company owners and Presidents to focus their organization’s energy to accelerate revenue growth. For more information on Strategic Success Modeling, please contact Monica Le Grand Trudell at 608-835-9288 or monicat@peakperform.net.

Peak Performance Associates works with business owners and leaders that want to re-energize their company’s existing top-line revenue sources and exploit new growth opportunities in the future.

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