

Jim's Profit Accelerator 35: Is Bandwidth Slowing You Down?

Bandwidth isn't just about the Internet. In fact, the idea was in active use well before the Internet came into existence. In 1948 information theory mathematician Claude Shannon explained bandwidth as the maximum transmission rate that a conduit can provide without error. It's a small step to think of your organization as a communication path, and from that to you and your leaders as conduits of information and direction. Doubt it? Every executive I've met lives waist deep, surrounded by 360-degree fire hoses, trying to effectively direct the flow without drowning.

SPEED BUMP: Capacity to grow is enabled and limited by bandwidth.

We talk about organization capacity and individual capacity, or bandwidth, as essential to success, and worth investment to expand as needed. But why is it that we'll invest in machines, even computers, to increase production capacity or throughput but look askance at similar investments in individual bandwidth?

In fact, investment in machines and equipment is labeled as "Capital Investment," and investment in enhanced effectiveness for teams and leaders (bandwidth) as an expense. Even more confusing, the annual amortized cost of equipment is often less than the expense of paying the people that make the business work. Isn't that backwards?

In spite of the moaning about the complexity of managing people, or the fantasy of computer "intelligence," in our lifetimes the highest payback decisions and actions will be made by people, not machines. Let's look at enhancing leader bandwidth as the highest leverage investment that's available to Do Business Faster™.

(Secret Bonus: investment in people comes in small chunks that make it possible immediately. Investment in equipment comes in chunks that are often indigestible, even with aggressive leasing programs.)

SPEED BUMP: People investment can be paced to cash flow.

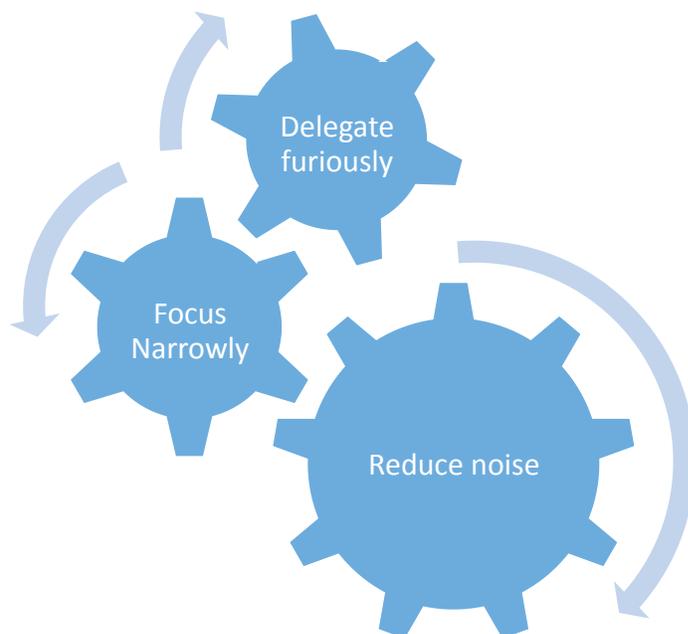
The three business elements subject to bandwidth are:

- Organization
- Teams
- Individuals

Here are the principles of increasing bandwidth, and they apply to all three elements—organization, teams, and individuals!

1. Reduce noise
2. Narrow focus (the Laser Principle)
3. Delegate furiously

BANDWIDTH BUILDER



1. **Reduce noise:** Electronics work relentlessly to cut noise, labeled “signal-to-noise ratio.” Improved functioning comes from only two sources: boosting signal or cutting noise. In working with people, boosting the signal produces either fear or distress. Neither improves quality, efficiency, or customer service. Cutting noise, however, can ramp up effectiveness with surprising speed. Noise isn’t just decibels; it’s clutter of any kind, because clutter forces unplanned interruptions on people. Cutting interruptions can dramatically improve morale and efficiency, since research has shown that it takes over 25 minutes for a person to return to peak efficiency after an interruption.
2. **Focus Narrowly:** The legendary power of lasers (they are used in surgery *and* they blind airplane pilots from a distance, etc.) comes not from the power of the light, but from aligning the bits of light (photons) to work together. If you’re missing the parallel with winning teams, you’re not paying attention. Now is the time to make the leap to leadership focus, for teams, individuals, and you. If you (or any of your people) are working on more than three objectives today, your odds of success are off the chart (as in “not happening”).

SPEED BUMP: What have you taken off your list today? Off of your teams’ lists?

- 3. Delegate furiously:** Let's try this test: List your essentials for this week. How many can you delegate (all or most) to someone else? How many are left for you? (Keep in mind that it's cheating to act like you're delegating and then helicopter parent the poor soul who thought she got the job.).

Here's an example based on 12 essentials for the week. Circle your answer in the "Keep" column:

Tasks to Delegate versus Tasks to Keep

Total Essential Tasks	Delegate	Keep
12	9	3
12	7	5
12	5	7
12	1	11

Your Score of "Keeps":

- 3:** Good start. Can you keep it to three all week?
- 5:** Look again at the list: How many can come off the list?
- 7:** Come on, you're going through the motions here. Look again.
- 11:** Cut the list in half; you're kidding yourself

The evil in task lists is the fantasy that you must do them. Delegation is a two-fer: the item is off your list, and in the delegation you often find that it can wait or die.

SPEED BUMP: Winners live with their limits.

Learn to say "not now" to most requests. Warren Buffet famously said that the more things leaders say no to, the more successful they'll be. You and I are no different, in spite of our dreams. Boost your chance of success: this is really cutting to the chase!

ACCELERANT: What will you do this week to boost your company's bandwidth?

Call me.

For more information, visit www.grewco.com.

Jim Grew is an expert in CEO-level strategy and executive leadership whose clients refer to him as the Business Defogger and Accelerator. Jim helps leaders swiftly discover the hidden opportunities within their businesses and exploit them for dramatic results. Nearly three decades of success as a COO and CEO coupled with his experience running nine thriving businesses provide the foundation for his consulting work as president of the Grew Company. He presents regularly to industry groups, mentors business leaders, and shares insights on his blog, BizBursts.com: <http://bizbursts.com/>. He holds BA and MBA degrees from Stanford University.