

## Jim's Profit Accelerator 48: Are You Dialing It Up?

The news continues to shout that if you want to take the risks of growth, your odds are the best in 20 years. It's not just the long path of strong growth facing the economy, it's that your customers have the confidence to stretch their wings. They see the big three economic engines throbbing at seven-year highs, driven by a nongovernment economy with a bright future:

- Stock Market
- Unemployment
- Housing growth

Are you dialing up the growth of your business? Here are three places to put your money:

**Investment 1: Upgrade Your Leadership Team.** Will your current team pull the business into the dramatic growth that's possible between now and 2020? Here are three quick measures:

1. As CEO, are you as involved in daily operations as you were in 2009?
2. If you were hiring today, is there a person on the team you wouldn't hire?
3. Does the team struggle to pick a few high-leverage topics and execute with verve?

By now you know that any **yes** answer shouts for attention. Now is the lowest-risk time for you to change things, for the good of the company and its valuation. Here's the next step for each yes answer:

1. Move half the daily operations questions off your desk to someone else. Start today. In 60 days, move half of the remainder to someone else. They'll grow, they'll infuse fresh energy into the organization, and you'll have the space to apply your experience more powerfully (or play a little).
2. Put that person on a 90-day plan to become who you need. It's a money-back guarantee, after the tough conversation. If they step up, you win. If they don't, you can get someone who will step up. You win.
3. If the team operates like a rescue team wading in a flood, you may need skilled outside help to move them to dry land.

In one of the companies where I worked, the management team nodded and did what dad wanted. When dad stepped back, they continued to nod, using the space to fight more. When we brought in new key leaders and refocused the team, growth and profit in this manufacturing business delivered the best results in four years.

**SPEED BUMP:** Past competence doesn't predict future performance.

**Investment 2: Exploit the Biggest New Growth Area for Your Business.** This is the one that really looks promising, but puts a lump in your throat because of the risk. Instead of waiting with half measures, like McDonalds, announce to your team that you're going for it. That will free them to find a path, make the adjustments, and take you there. And what a trip it can be!

McDonalds, facing sliding sales, is dithering, with weak moves like these:

- Removing antibiotics and hormones from their food
- Selling some company stores
- Launching a mobile app

Worse, they say that there will be no major response to the upscale shift in consumer taste, because they don't want to harm the 40 percent of sales coming from core items such as Big Macs and Chicken McNuggets! Does this make you want to stop in and buy a burger?

**SPEED BUMP:** Are you guilty of the McDonalds Error? (No big things on my watch.)

**Investment 3: Invest in Efficiency, if Not Growth.** Your competitor likely is doing both. Finding efficiency spots is the easiest way to reap these three benefits:

1. Grow sales
2. Block competitors from taking your customers
3. Increase the valuation of your business

Efficiency enables faster response to customers with fewer errors, if you shine the light there.

Improved performance makes it much harder for competitors to take business from you, because it raises the risk and cost of switching for your customers. And risk and cost are the first two boogeymen that buyers fear.

To make matters better, improved performance improves your profit, which drives EBITDA and valuation. Valuation measures the strength and appeal of your business, to employees and customers as well as potential buyers.

**SPEED BUMP:** Employees love being part of success. Give them that: it's job security.

Here are three Speed Steps. Invest now; you'll be glad you did.



**ACCELERANT:** If this letter doesn't prompt you to start dialing up your business this week, call me. Together we'll find it.

For more information on how you can accelerate revenues and profits in your business, please call or email me.

For more information, visit [www.grewco.com](http://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.

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