



Jim's Profit Accelerator 141 Get Fresh Eyes without Firing Your Leaders

“Fresh eyes” is a hoary leadership fundamental that’s out of reach of most CEOs. The cliché is that a business facing extinction justifies radical and swift change, usually including top leadership. The payoff is either death or soaring success (*insert your favorite successful turnaround story here*).

The promise is dramatic change in the company’s fortunes, which can be pictured as raising the curve: bursting past the current path of growth to a new higher starting point. But what if you could move up your growth curve without the risk of damaging your company?

SPEED BUMP: A jump in results requires a jump-sized change.

Here are three examples of jump-sized change:

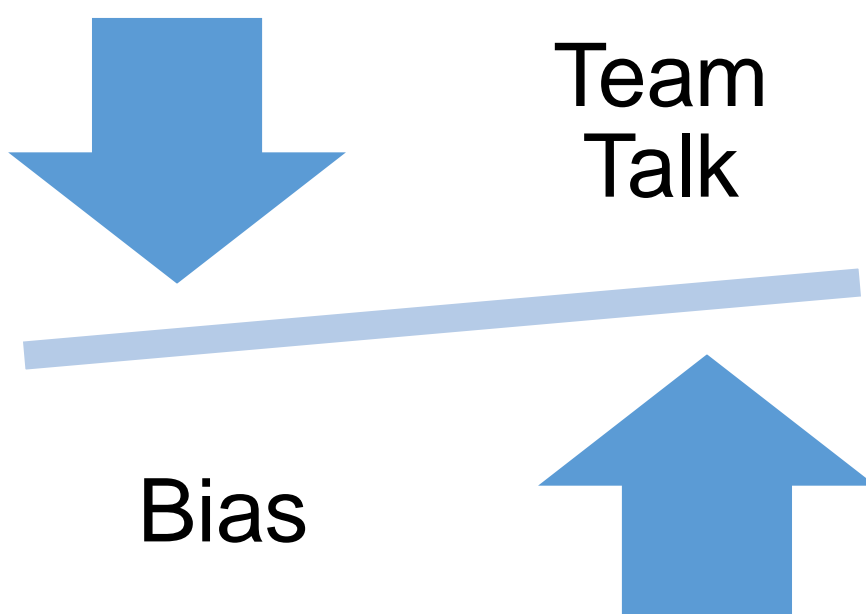
1. **Accelerate promotions:** You’ve designated folks to move to new positions. Promote them sooner than you planned. They’ll have to learn to adapt anyhow, so why wait?
2. **Replace yourself with an executive team:** Stay as a member of the team; even lead it. But challenge them to set priorities and decide what major initiatives need to be executed. Then follow through: execute, adjust, execute, and so on.
3. **Execute your most radical plan:** Cut your *thoroughness quotient* from 95 percent to 80 percent. Thoroughness quotient? That’s the point where you decide that the evidence and thought justify action. To change your thoroughness quotient, replace your need for “truth” with a focus on ruthless resilience. That’s right: accept the fact that no significant plan will be executed without some adjustment. Focus on the probable adjustments now, and coach your team toward rapid and purposeful adjustment instead of rock-solid plans.

SPEED BUMP: If you think you’re doing all that makes sense, you need fresh eyes!

Note that all these actions are around the leadership team and its behavior. The right team likely will find a strategy that can work. The wrong team’s odds are declining as you read this. Doubt it? A recent McKinsey Quarterly survey of 2207 executives reported that 60 percent thought that good and bad decisions were equally likely in their companies. That’s being wrong half the time! More than 70 percent of mergers fall short of their planned results. A major problem is internal bias in the leaders of the group, frequently not recognized by the leader with the bias.

Here are three biases, all of which can be reduced to reality by frank discussion within a committed team (these biases are discussed fully in Nobel prize–winner Daniel Kahneman’s book: *Thinking, Fast and Slow*):

1. **Pattern-recognition bias:** Since we're pattern-seeking by nature, the tendency to jump to identify a new situation as one we've seen this before often hides differences crucial to success.
2. **Action bias:** "Bias toward action" is a favorite job descriptor, but that bias can fuel silo separation from reality, unless it's diminished by outside perspective such as customer discussions.
3. **Stability bias:** This pulls for no major change. It's driven by such powerful urges as anchoring or loss aversion. Anchoring subtly ties past experience to future plans, without adjusting for changes in reality. Loss aversion means that trying and failing is experienced as much more painful than trying and succeeding is pleasurable.



SPEED BUMP: Push your team to discuss reality sooner and more frankly.

In a manufacturing company that I led, our production manager used a daily update meeting with team leads to focus quickly on real wins and today's problems. He posted yesterday's key results on the board, covered them rapidly, and then pulled out today's top problems—all in a 10-minute meeting. He was successful because his focus was consistently on finding a way, not finding blame, and he insisted that all the support folks in the company join the meeting every day. The result tripled earnings in one year.

ACCELERANT: What's your jump-sized change?

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

A note on **SPEED BUMPS**: Use them to click quickly with an idea that can immediately be implemented in your life as a business leader. Think: “How can I use this today?” or “Who can use this?”

For more information, visit www.grewco.com.

Jim Grew, the Business Defogger and Accelerator, helps leaders discover hidden opportunities within their businesses and exploit them for dramatic results. Jim has led 9 businesses, worked in 31 companies at C-level, and is an expert in strategy and executive leadership. He presents regularly to industry groups, mentors business leaders, and shares insights in his Executive Letter (above). Jim holds BA and MBA degrees from Stanford University. In his new book, *The Other Side of Succession*, he shares how to plan for the future by growing your business now.

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