

Jim's Profit Accelerator 112: Information Flow: River or Spring?

Stunning fact: Good information is one-third of the equation of a winning company. The other two-thirds are powerful niche and irresistible value. Execution gets you into the game.

Most executives are flooded with information, and their quest is to find the gold in the river instead of just drinking the water. Most would rate their mining as weak or inadequate, in spite of what they say in public. How well they resolve this challenge has a mighty effect on their results and their happiness.

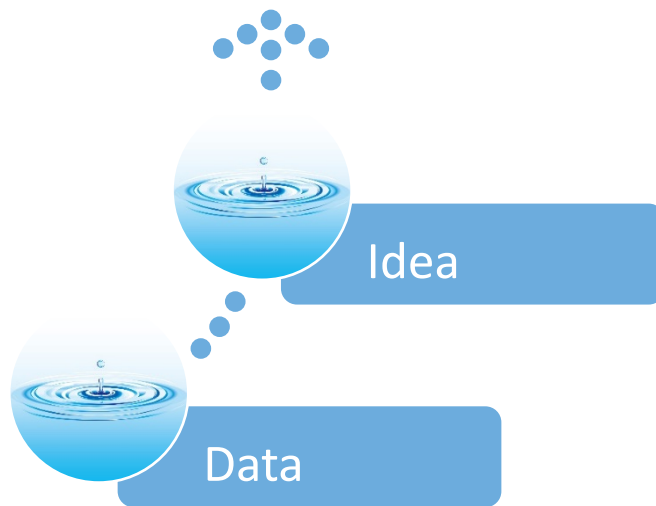
A company I work with struggled to see how they could grow, given the constraints all around them. The head of operations calculated how much their current operation could produce with existing buildings, crew, and equipment, and concluded that he was stuck with results that wouldn't support his family or his picture of how his life would unfold. It took more than an hour of challenging debate until he offered, "We'd have to change our product mix!" Well, yes. He was trying to drink his river, instead of stepping out on the bank to spot a river with more gold in it.

SPEED BUMP: Are you finding enough gold in your information?

Here's how it works in winning companies, in the three stages of growth.

1. **Early Stage:** CEO knows or can learn all that's needed for early success. His personal connections inside and outside the firm feed the flow, which is from him to his teams. He does the mining.
2. **Middle Stage:** Information flows mostly downward from a small coterie of leaders. They mine and pre-digest for mid-level managers, whose prime job is execution. There is limited flow back up to the top—and it's usually too late or incomplete to matter.
3. **Escape Velocity:** CEO figures out that data flow is richer and quicker from many springs, inside and outside the company, than any single source. Springs flow toward the top leadership team to parse, seek more data flow, and then choose the next implementation path.

The exceptional CEO charges all employees to be spring-finders, searching out rich sources of data and sharing up quickly to feed further growth.



SPEED BUMP: In the best firms, information flows mostly up, not down.

ACCELERANT: Which way does most of your information flow?

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.

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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