

Jim's Profit Accelerator 44: How Are You Using Your Power Fulcrum?

Hundreds of choices are made every day within every organization—including yours. Those choices are about what to work on, how to do it, whom to do it with, and so forth. The constraints of time and cost make these choices precious, and worth doing better and better.

Much can define an organization, but we rarely think of daily choices doing so. Yet what could possibly define it more? A few facts about these choices:

- **They are the firm's biggest capital investment.** Apart from debates about culture, what people actually “do” each day includes the direct costs of those employees, and their impact on all the passive capital equipment of the business (machinery, IT, know-how, market differentiation, customer loyalty, etc.).
- **They have a dramatic impact on results.** More than a tautology, what your people do each day determines the results of your firm. If not, why are they there?
- **They are the fabric of competitive advantage in action.** Competitive advantage is in the eyes of customers, driven by their experience and expectations. It is defined outside your firm but delivered daily by your people.

In spite of all this, my experience is that few firms effectively track the results of these choices, and fewer yet do anything about what their tracking shows.

SPEED BUMP: Simple results tracking is necessary but not sufficient.

Usually, whether the tracking relies on monthly financials or daily operating metrics, the results are reviewed in a hurried summary, followed either by “hmm...” or a plea for improvement. A week or month later, little has changed. This familiar story is easily illustrated if you think of a meeting you've attended where key points are summarized on the white board at the meeting's outset, and by the end those points have all moved to another list with names beside them. A month later (and every month thereafter) little has changed. Why is this?

Let's call the space when the results are shared with folks who could change them “the Power Fulcrum.” A fulcrum is the spot where power is applied with a lever, allowing a person to easily multiply strength. Think hand truck moving a refrigerator, or the transmission in a car. Both enable an otherwise impossible action.

Back to our story: In the results meeting, what's missing in action is a simple process that enables high-payoff action. It's called the Power Fulcrum. Making it work requires these things:

1. Leaders who can impact behavior.

2. Measures of results that they believe in.
3. Continuing urgency about action, not about the measures.

Strikingly, # 3 comes naturally out of #1 and #2. It is otherwise impervious to motivational tools, either threats or rewards. The key is “continuing,” which builds confidence in employees and customers that these issues will be resolved.

Accelerant: The Power Fulcrum works like rubbing sticks together to start a fire: Intense focus and repetition delivers a great result.

Once the three are in place, powering up the fulcrum only requires the discipline of consistency. That discipline means ignoring shiny objects that can divert money and time, thereby blowing up the “continuing” part.

In one of the companies where I worked, sales doubled when leaders of sales, engineering, production, and supply chain met briefly every day to see results and spot opportunities for action. “Who is going to do what” was clear in their public accountability, and they were thrilled with their results.

Here’s what it takes to bring “fulcruming” alive in your organization, regardless of level. Once you have the three requirements in place, schedule a holy time (nothing interrupts it) for the right people, and drive forward with these questions:



1. **How did we do?** Review the measures, looking for wins or action spots. Review prior action steps that are due for review today.
2. **What will we do about it today or this week?** Praise the win, and drill for the action like you’re drilling for oil. The action must be owned by a person or a small group and be specific enough to report progress or problems clearly and fast.
3. **What will it take to do what is needed?** Here is where additional resources are pulled in: other people, other equipment, and so forth. The tacit agreement is that if you don’t ask for it, you have all you need to do what you said you’d do.

ACCELERANT: Where can you set up a power fulcrum for your organization?

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 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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