

Jim's Profit Accelerator 1: Remember the Silver Medalists—or Do Business Faster™

Why can almost everyone name the fastest person on the planet? Usain Bolt made history, winning three gold medals at the 2008 Olympics in Beijing, set three world speed records, and repeated in 2012. Speed rules, but as we'll see, it wins more than gold medals. In your business, speed can make the difference between outlandish success and the grind of just staying afloat.

What do these have in common?

- Instant Breakfast
- Express lane
- Fiber optics
- Folks who jam in line at the airport gate to be first to their assigned seat

In spite of your mom's advice to slow down and be careful, the race goes to the swift. Always. Drop that nagging whisper that tell you that slower and careful wins in the end. It doesn't. It carefully comes in second, at best—and who remembers the silver medalist anyway?

Why do top leaders advise pulling the trigger with 70 percent information? Because greater certainty, which may feel good, usually blows your chance of success.

When one of my clients saw the leadership strategy that could jump-start his company's growth, he took the first step in hours, promoting a key employee with a 25 percent pay raise. (And he was out of town, so it was a phone call.) He didn't wait. It has unlocked profit growth beyond 30 percent and boosted everyone's pace and morale. In war, artillery is fired the instant a target fix is close. Gunners know that a quick adjustment sends the second shell exactly on target, while waiting risks letting the target escape.

Some of us equate speed with sloppiness, but they don't have to go hand in hand. Sloppiness comes when one of these Core Gears is missing: Strategy, Accountability, or Metrics. Without them, problems occur, whether you move fast or slow. With them, faster speed—and its remarkable benefits—are within reach.

- Award-winning Stanford Business School Professor Alexander Robichek filled a 90-minute advanced finance class after writing on the board: *Cash Now is better than Cash Later*.
- Toyota upended the manufacturing world by speeding its *time to cash*. Its Zen-like focus on cash was because there was no cash when it moved from looms to cars in the 1930s. Its breakthrough was to focus on speed to cash instead of cutting expenses. Legendary lean manufacturing was born out of shortening the time to cash.

Suppose you could Do Business Faster. Yes, DBF. What if you could inject speed into your organization? What if that meant less effort and more success—for you and your people? Well, you can.

Here's the starting gate: Picture your business as a high-performance car. Its heart is its engine and transmission. The engine includes vital activities like these:

- Leadership
- Sales & Marketing
- Financials
- Succession
- Transition
- Management
- Growth
- Management Team
- Goals
- Quality
- Customer Service

Your business doesn't exist without the engine, but the Core Gears in the transmission are more vital, since without them power will be wasted or not delivered to the wheels. Every bit of engine power, every "engine activity," is sorted and powered by the transmission.

The Core Gears of every successful business—the Core Gears of Doing Business Faster (DBF) are these:

- Strategy
- Accountability
- Metrics

STRATEGY wears many costumes, but it's always about where you're trying to go. The reason border collies exist is to aim sheep to food and safety, requirements for a successful life. It's a narrowing, not a broadening.

Your first strategy checklist:

- Can you reduce it to a sentence, if not a phrase?
- Is it about the essential people in your life—customers, suppliers, employees?
- Does it describe a niche that will reward you handsomely?

Essential: Some strategy is better than no strategy.

Real Time: Kantronics' core strategy depended on market expansion of existing products. Sales lagged, because changes in computers crippled the effectiveness of their peripherals. We shifted the founder to full-time product development, while I ran the company. He accelerated delivery of new products that saved the company!

ACCOUNTABILITY engages your people to move toward their strategy goal. It's a mix that includes leadership, management, coaching, problem solving, communication, goal-setting, delegation, and more. It's an out-loud look at what your people are actually doing, and how it moves your organization toward your goal—or not. Done right, it enables quick action by people and teams—nipping at them all (like a border collie)—to guide them on the path of success.

Essential: Accountability is the system that enables a quick return to the success path.

Real Time: At Triad Speakers, we built accountability among the four leaders who controlled operations performance. Time from order to shipment went from three-plus weeks to three-plus *days*, by a daily look at real problems and joint solutions among production, engineering, sales, and purchasing. It increased sales 47 percent year over year because customers came to rely on Triad to be on time!

METRICS may be the most misunderstood of the three core gears. Metrics are a system of measures, feedback, and quick-action adjustment. Without all three they are smoke. Key to speed is a range of reporting times and data depth, including daily, weekly, monthly, and annually, with data available to all quickly.

During a race, 100 telemetry sensors in a Formula One car constantly relay metrics like speed, pressure, and air flow in 7–10 milliseconds to data analysts at the factory, wind tunnel and engine manufacturer. All three are separate and as much as 400 km away. Application of this new data is ramping up race performance.

Essential: High-impact metrics that are timely, easy to understand, and available to all.

Real Time: JVNW used a short-form dashboard called a Scoreboard to power on-time installation of its beer tanks at customer brew pubs. On-time first-year production is critical for these customers to meet their startup debt obligations, so stakes are high. JVNW's on-time record was a key value, allowing higher pricing (and profit) for both JVNW and customer.

In Figure 1 we see how the core gears relate to each other, and where your organization is likely to stumble when one gear is missing.



Here's the analysis:

1. Lost in the weeds. (*Missing Metrics*)
2. Know where you've been, not where you're going. (*Missing Strategy*)
3. Spinning your wheels. (*Missing Accountability*)
4. Accelerating toward improvement.

How it works: Start with some kind of strategy outlining what you're trying to sell, to whom, and why they should buy from you. Engage that strategy with live accountability: who will do what, when? Drive on, confident that you can course correct quickly as you go, because you're tracking how you're doing frequently. Without all three in some form, you're underperforming, if not crippled!

These three skills for success will get you to the starting gate:

#1 Skill for Success: Act now. Even meditate that way. A meditation expert taught me that the best meditation starts now, accepts an occasional mental wandering, and knows that it can quickly return to the meditation. (In fact, that's the secret that any meditation pro will tell you.)

#2 Skill for Success: Prepare immediately. Yes, most of success is showing up and starting the race. Of course you prepare and practice. See # 1, above.

#3 Skill for Success: Adjust always. Blow up the idea that once you start you can't adjust. You don't believe it anyway, and it's just sludge in your engine.

REAL TIME: IMC, a specialty metal parts maker, lived or died by the consistent quality and timely delivery of its parts, which went into an array of finished products from computer tables to trucks. Its

customers depended on them so much that parts were immediately installed into customer products without quality inspection. When on-time shipment dropped from 92 percent to a catastrophic 72 percent, the answer was to rethink company management, as well as purchasing and production leadership. We rebuilt all three in six weeks, and in less than three months their on-time returned to 92 percent and stayed there. The solution engaged Strategy, Accountability, and Metrics to drive dramatic change that included each of these: Leadership, Sales & Marketing, Financials, Succession, Transition, Management, Growth, Management Team, Goals, Quality, and Customer Service.

Chip Kelly's success with University of Oregon football used all three gears to build a machine that attracted a record following. Its core was fast. Grab his idea and bring it home: Do Business Fast™!

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.

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