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Title: 5 disciplines of an entrepreneur to move a company to the next level

A small company's ability to become a mid-sized company results from the application of five basic disciplines. While these disciplines may seem counter-intuitive to an entrepreneur during the start-up phase, they are critical in the growth phase.

Entrepreneurs frequently start companies to fulfill a creative desire without a lot of structure. Once their business is validated with enough sales to break even every month, some structure is necessary to move the company to the next level where profit is maximized with rapidly growing revenues. That structure is represented by these five disciplines.

Meetings – All companies need a structured method for employees to communicate with each other. Daily huddles, weekly staff meetings and monthly planning sessions provide a critical communication structure for a company's growth. The adage that you can't communicate too much applies here. These meetings keep staff focused on what's important today, this week and this month. Otherwise, the organization will constantly run in a "reactive" mode.

Meetings are intricately linked to goals and key indicators. Daily, 15-minute huddles focus on yesterday's numbers and today's problems and opportunities. Weekly, one-hour staff meetings focus on incremental progress toward monthly goals with a discussion about the "real time" needs of customers and employees that developed over the week. Monthly meetings start with an analysis of last month's progress on goals and then the company sets goals for the coming month.

These regular meetings also create opportunities to reinforce the company's mission, vision and goals. Employees rarely say that they hear too much about the direction of a firm. When used properly, meetings should also save company time because they prevent emergency, reactive discussions.

Key Indicators – Whatever gets measured will improve. Therefore, growing companies need to first identify the key measurements that they need to monitor. Then these measurements must be posted for all stakeholders (employees,

executives, shareholders, etc.). The team will not move forward together if they are not aware daily of their progress toward priorities.

To be effective, companies should measure five key indicators and post them. The five measurements vary by company, phase in the business life cycle, industry, current goals.

Departments or functions should monitor their own measurements as well, which feed into the company key indicators. And, employees will perform best when they understand the one key measurement for their position and how it ties into the department and company objectives.

The benefit of developing key indicators will be that nothing can be measured without a process to complete a task. Therefore, key objectives will be achieved more often when a process exists that produces tangible results that can be measured.

Goals – Goal setting is not difficult for most companies. Breaking down goals into manageable increments is difficult though. Executives and shareholders tend to enjoy the long-range goal setting in business. Three or five-year goals are necessary for every organization to grow.

On the other hand, employees are more comfortable with shorter-range goals – daily, weekly, monthly.

Therefore, the discipline of breaking down long-range goals into annual goals and that can be measured monthly, weekly and daily is necessary to grow a company. Every growing company needs one excellent goals developer to facilitate this process to break down goals and measure the results.

As an example, a company may set a long-range goal to grow sales by 33 percent per year. That should equate into an annual sales forecast that is the total of the monthly sales goals. However, sales managers and sales representatives function at their highest level when sales are measured daily and weekly.

Well-Grounded Understanding of the Mission Statement – In a well-developed growth company, each employee can spontaneously recite the mission statement and readily tell about customer experiences that exemplify the statement.

Most companies write a mission statement. Some operate from it every day with widespread knowledge of its real intent. Many just create words for a piece of paper.

The purpose of a mission statement is to crystallize the company's purpose in the marketplace. The crystallization cannot occur without widespread understanding of its intent.

A company whose mission statement is crystallized will provide a copy for each employee's workspace. With this visibility, the statement will become the standard for making business decisions.

Firm Vision – An entrepreneur's biggest nemesis is getting bored with the daily operations of the company. To forestall the boredom, entrepreneurs will change the vision of the company on a regular basis.

Growing companies, however, need to use their management team to define a firm vision that results in a statement that is posted with the mission statement. As a result, the temptation to change directions will be minimized. Employees and executives must then be empowered to hold everyone in the company, including the founder, accountable to the vision.

While the success of a start-up is based upon the creativity of an entrepreneur combined with vision, the success of a growth company resides in some structure, such as these five disciplines. To this end, the founding shareholder will want to diversify the management strengths of the company by hiring people to support him/her who will incorporate these disciplines into daily routine.

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