

The Goal, and How Not to Miss It

Many years ago, I ran a successful SME. Those were some of the days when I would have identified my business with descriptors such as *flexible, agile, responsive, innovative, and fun*. But admittedly, these weren't the only descriptors I lived with. I also had *stress, panic, and pressure* to live with. The only way I was able to be successful was to create an environment in which the first set of descriptors became the ones that made a difference.

Regardless of what anyone says about the mission of their business being to do marvellous altruistic things, the real bottom line of business is to make money...and to make more of it than you spend. This means making the right decisions, at the right times, for the right reasons, and reducing the chances for problems. There are some lessons to learn about how to consistently do this.

Lesson 1: Ensure that all your employees have the same basic picture you have for the future of the company. The ability to have a clear picture of where you want your organisation to go in the future is important, but making sure that all the employees can see the same picture is critical. If your employees *don't* have the same picture you do, when faced with options, they may make a decision that will take you off track. And then the chances that your company will become the company you want it to become will be diminished dramatically.

Lesson 2: Have a good idea of what scenarios your company will encounter as it grows. Too often, we don't pay enough attention to what we may encounter as we try to grow a company. Paying attention to what your competitors are doing, what regulations may be put in force, and what your customers may need or want in the future can provide you with insights as to the decisions you will need if you are to stay on track and continue to grow your company.

Lesson 3: Build alignment and commitment to your organisational goals. One way to get things done in an organisation is to keep pressure on your employees to deliver; but this results in wasted time, resources, and efforts to keep everyone focused on the right things. A better way is to create an environment in which your employees *want* to do the right things, at the right times, for the right reasons. Getting commitment always results in better value than driving compliance.

Lesson 4: Have a plan. It is surprising how many CEO's of SME's don't have a real plan on how to grow their companies. A sound plan begins with a clear vision of where you want to go, and from that picture a set of actions are developed that will ensure that the goals are achieved. And regardless of what some consultancies may try to sell you; a good plan is nothing more than common sense, and it is something that you can do yourself.

Lesson 5: Identify contingency actions for when things don't go as planned. Many of the companies that *do* have plans forget to identify what they will need to do if something runs amuck; and the cardinal rule of business is that if something can run amuck, it will. Identify what could go wrong, and then build mini-plans to deal with those contingencies.

Lesson 6: Appreciate the efforts of your employees. I don't know of a single successful CEO who really believes that his (or her) company's success has been achieved without employees. You can have all the latest technology; you can have an endless checkbook; and you can have absolutely no competition; but without your people, there is no way you can achieve your vision. And if your employees don't feel that you appreciate all the efforts they are contributing, they will cease to contribute, and then you will be stuck.

Lesson 7: Test your decisions before you make them. Testing decisions need not delay the decision-making process, but will ensure that the decisions you make will be the most appropriate. Identify what you need to do, then determine *what else* will happen when you implement your decision. The whole issue of identifying potential unintended consequences of decisions can be a major lever to ensure that what you *want* to happen, will happen.

Lesson 8: Prioritise learning for yourself and your employees. It has been often stated that one of the key differentiators for organisational success is *how much and how fast your people can learn*.

Now guess what? You don't really have to do all these things, or for that matter, you don't need to do any of these things in the above list. But I can tell you from years of experience, if you decide not to do the things in this list, then the chances of your SME being around in the next year or two are slim to none.

James B. Rieley advises senior leadership teams from all sectors of business and industry, higher education, and government, and has written extensively on the subject of improving organisational performance through leadership.

The Goal, and How Not to Miss It: Questions to Consider

1. Do your employees really understand your vision of where you want the company to go and what you want it to look like?
2. How do you know this?
3. How often is your vision talked about as an agenda item in planning meetings...or any meetings?
4. Does your organisation do scenario planning?
5. Who in the organisation is involved in the scenario process?
6. Are your employees compliant or committed to organisational goals?
7. What is your evidence of this?
8. If your strategic goals are not attained, is there a set of contingencies?
9. Do your employees believe they are really valued for their contributions?
10. Is there a mechanism in place to actually test decisions before they are implemented?
11. How often is this mechanism actually used?
12. When revenues and profits slip, what programmes and/or initiatives are cut first?
13. What do you do to ensure that you and your people can learn?

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