

The background of the entire image is a vibrant, fiery explosion. A large, bright yellow and white core of fire is at the center, surrounded by a thick, turbulent ring of orange and red flames. Numerous small, glowing orange and yellow sparks or embers are scattered throughout the scene, giving it a sense of intense energy and motion. The overall color palette is dominated by warm tones of red, orange, and yellow.

OPTIMIZE!

**Develop an Operational Strategy to
Create a Highly Functional and
Effective Organization for Growth**

CARY PREJEAN

OPTIMIZE!

*Develop an operational strategy
to create a highly functional
and effective organization for growth*

CARY PREJEAN



Optimize!: Develop an operational strategy to create a highly functional and effective organization for growth

Copyright © 2024 by Cary Prejean

All rights reserved. No part of this publication may be reproduced, distributed, or transmitted in any form or by any means, including photocopying, recording, or other electronic or mechanical methods, without the prior written permission of the author, except in the case of brief quotations embodied in critical reviews and certain other noncommercial uses permitted by copyright law.

Jones Media Publishing
10645 N. Tatum Blvd. Ste. 200-166
Phoenix, AZ 85028
JonesMediaPublishing.com

Disclaimer: [OPTIONAL]

The author strives to be as accurate and complete as possible in the creation of this book, notwithstanding the fact that the author does not warrant or represent at any time that the contents within are accurate due to the rapidly changing nature of the Internet. While all attempts have been made to verify information provided in this publication, the Author and the Publisher assume no responsibility and are not liable for errors, omissions, or contrary interpretation of the subject matter herein. The Author and Publisher hereby disclaim any liability, loss or damage incurred as a result of the application and utilization, whether directly or indirectly, of any information, suggestion, advice, or procedure in this book. Any perceived slights of specific persons, peoples, or organizations are unintentional.

In practical advice books, like anything else in life, there are no guarantees of income made. Readers are cautioned to rely on their own judgment about their individual circumstances to act accordingly. Readers are responsible for their own actions, choices, and results. This book is not intended for use as a source of legal, business, accounting or financial advice. All readers are advised to seek the services of competent professionals in legal, business, accounting, and finance field.

12 11 10 9 8 7 6 5 4 3 2 1

Printed in the United States of America

ISBN: 978-1-948382-84-7 paperback

CONTENTS

Acknowledgement..... v

Forwordvii

Introduction xi

Chapter 1: Conquering Dysfunction1

Chapter 2: Commitment to Change 11

Chapter 3: Getting a Coach19

Chapter 4: Process, Process, Process27

Chapter 5: Navigation and Dashboards37

Chapter 6: Report Cards, Your Financial Statements.....45

Chapter 7: Empowering Your Employees, Step Back So
They Can Step Up.....51

Chapter 8: Strategic Planning To Building Your Business
Into The Next Level.....65

Chapter 9: The Secret to Life.....73

About The Author81

ACKNOWLEDGEMENT

I want to acknowledge Chuck Smith, my mentor and coach for the last several decades. His coaching and guidance have helped me navigate my path over the last 37 years. He's been a huge positive influence over my adult life.

I also want to acknowledge my friend and colleague, Chalmers Brothers, whose books and conversations over the years have given me inspiration to my ongoing learning and rigor in effectiveness.

Finally, to all of the business owners I've worked with over the years, both good and bad. You've been great teachers and helped me along the way. It is a privilege to do this work.

FORWORD

I met Cary Prejean not long after “the weekend that changed my life.” A little background: In 1987, my wife Betsy and I were living in New Orleans and had been married about a year. She was a second-year med student at LSU, and I was in my 3rd year with Andersen Consulting (now Accenture). At some point, some friends of ours, another couple, started talking about a weekend workshop that they attended in Baton Rouge and how wonderful it was and that we should definitely go, as other dates/times were available in the coming months. Every time we’d see them, it was always “Y’all need to attend this...” and “It was one of the best things we ever did...” and so on. My initial thoughts were 1) I’m not really sure what a workshop is; 2) I’m pretty sure I don’t need one; and 3) If I haven’t heard of it already, how good can it be?! (Looking back now, I find it amazing how much I was “sometimes wrong, but never in doubt!”) in my 20’s.

Our friends finally said: “Just go, we’ll pay for it, and if you don’t think it was worth it, don’t pay us back!” That got our attention, we scheduled our workshop and attended. To say that I got the rug pulled out from under me would be a giant understatement. The workshop was my introduction to the world of ontological coaching and was led by Chuck Smith and the late Jeff Spring. It introduced all of us to a powerful and empowering way of understanding language, conversations, the ways we perceive and interpret events and situations, how we build and

maintain relationships, our levels of self-awareness and self-worth, the moods and emotions we live in, the entire notion of “embodiment”... not to mention the actual ways that you and I and everyone – as individuals as well as in organizations – go about taking Action and bringing about Results in our lives and in the world.

Unbeknownst to me, Cary had attended the same program previously, and had also worked with Chuck and Jeff in other subsequent programs in Louisiana. We connected fairly soon after our initial program and it was immediately very clear that he and I both shared – and still share – a passion for working with organizations, working with leaders and leadership teams. His background as a CPA / business advisor and my background as a consultant meant that we were both jumping at the chance to apply these new ways of understanding in the world of business, and 37 years later we’re still at it! To my great joy, we’ve remained in touch over the decades, sharing books and programs and papers that have impacted us, going through sample handouts and activities describing how we help leaders and teams apply what we know to be powerful new distinctions, tools and practices.

The book you are reading, to me, is Cary at his best. If you know Cary, you’ll recognize and “hear” him in these pages. And if you don’t, you’ll get to know a leader, coach and CPA with decades of real-world experience who is straightforward, direct, to-the-point – and relentless – about who is ultimately responsible for the success or failure of your venture. You will learn about mindset, commitment, coaching, processes, healthy and effective delegation, financials and dashboards, and the differences between leadership and management.

You will also begin to see, possibly for the first time, the incredible orienting power of your narratives and stories, and how they

have always been directing your actions and contributing to your results... and how they continue doing so today. You will finish this book with new distinctions, new tools and new clarity about actual steps you can take, right now, should you decide you want to “get out of your own way” and take your organization “to the next level.”

If you are committed to deepening your self-awareness as the starting point for every other change or improvement you undertake, this book is for you.

If you are willing to include yourself as one of the reasons, one of the elements impacting “the way things are around here”, this book is for you.

If you are committed to being much more intentional and effective in how you delegate and interact with your team, this book is for you.

If you are committed to more purposefully designing and stewarding your company’s culture, this book is for you.

If you are committed to ongoing learning and growth – both as a leader and a human being – this book is for you.

It’s a genuine pleasure to help Cary bring this book out into the world, because I know it can and will make a meaningful impact on everyone who moves through these pages. Wishing you well, and remember: Never Stop Learning!

Chalmers Brothers

Naples, FL

March, 2024

INTRODUCTION

Think of this book as a conversation. I'm doing most of the speaking. And you're responding (speaking) if only in your head. Pay attention to what your responses are to the different topics, especially the ones you take issue with. There's probably some suffering that could use some resolution. When you look at it from another perspective, we're both speaking, I can only imagine your responses as I'm writing this book. You have your interpretation of what I'm saying as well as your response. The book is meant to trigger some new and different ways of looking at how you run your business and your life, new perspectives about who you are and how the world works on a human level. It's meant to invite you to a more effective way of being in your business that is much more rewarding than grinding it out over the years and hoping you arrive at a good spot.

Your business should be a place that energizes and inspires you. It should be a space where you experience a range of positive moods and emotions, such as ambition, joy, gratitude, and peace, all at once. Your business started out being a vision you had of what's possible. Do you remember your passion, ambition, and excitement when you got things going, made your first big sale and other milestones? You had butterflies in your stomach. You weren't sure of anything other than you were going to make it. You made things happen. You produced the desired results. You

were confident you were going to win. Over the years of grinding it out, has your mood changed? Are you hesitant to come to your business most days because of the problems that you know will be waiting for you? Are you getting tired of the long hours you're having to put in to keep things moving along? Are you frustrated that your employees just don't get it? Can only take things so far? This book was written for you, the business owner, who is going through the frustration of owning and running your organization.

At the same time, are you ready to recapture the optimism and ambition you had when you got started and were having big wins? Are you ready to be excited to come in to work? Are you ready to take weeks off while knowing your business is being well managed by your leadership team? That can be your daily life in your business. Read on if that's something you'd like to recapture. Read on if, like most business owners I know, you say you want to take your business to the "next level." The future is coming at you, ready or not, and faster than ever. This book attempts to help you get ready for that future. The future you can design and navigate your business into. Thanks for our conversations throughout your reading. I hope you enjoy them as much as I have in writing to you.

Setting Some Context For You

You're an entrepreneur. You see the world differently than more than 80% of the rest of the world. In my fourth decade of working with entrepreneurs I've observed most of the following traits in them.

- Visionary – They see a world of what can be. See opportunities where others see risk.

- Risk Takers – Comfortable with risk to accomplish their vision(s).
- Driven and Passionate - Take action, where most would hesitate. Great work ethic.
- Resilient - Don't see problems and breakdowns as insurmountable reasons to quit, as do most of the world. There are solutions to all obstacles in their thinking.
- Self Confidence - Tend to be independent and dominant. Like things to go their way.
- Adaptable and Flexible - Handle things as they come up rather than planning ahead.
- Innovative and Inventive – Constantly seeking new ways of getting things done, addressing problems that the market demands.
- People oriented – Usually great at networking and building relationships.

That's the positive side. Here are some of the downsides I've witnessed if strengths are not channeled.

- Sometimes lacking on follow through – they're very distracted with all the balls they tend to keep in the air.
- Tend to be impatient with most of the rest of the world. Usually in the form of a negative assessment "why don't they see it or get it."
- Don't like a lot of structure and rules to play by. Too restrictive. Most entrepreneurs are free wheelin' and dealin'. "I'll handle it when we get there."
- Don't like to be bothered by details, paperwork, repetitive chores, etc. How long does paperwork sit on your desk if you're left alone to do it?

- Easily bored with other people. “Not my agenda, why do I care?”
- Blind to true dangers. Tend to minimize all risk. “Stop being so negative. You worry too much.”
- Overconfident and arrogant. “I know what I’m doing. You have no idea.”
- Demanding on getting their way. Intimidating others. I’m sure you have plenty of events that come to mind.

So, what does that tell you about yourself? Did any of it make you chuckle and think, “Yep, that’s me,” remembering a situation that was humorous in hindsight but not very pleasant at the time?

And so, what you might be saying to yourself, is anything “bad” here? No. I’m not saying anything bad about entrepreneurs. I want to make some distinctions about what’s effective and what’s not effective. What works and doesn’t work. Getting you what you want vs. never getting there.

If you’ve been at it for a number of years, ask yourself if this describes your relationship with your business.

- You work very long hours.
- You’re always “on” about your business.
- You wind up having to handle most problems in your business.
- You wonder why your employees don’t handle things the way you do.
- You can’t take extended time away from the business. Can you take off for four weeks without ever calling in or checking your emails or messages?

- You wake up in the middle of the night wondering if things like taxes and billing and payables are being handled.
- You never seem to be able to catch up with your to-do list.
- You're frustrated with how inefficient your business operates.
- You don't understand why there isn't more cooperation among employees.
- You go to your business wondering what hot mess will be dumped in your lap that day.
- You're unsure of the future.
- You don't trust your team to handle things the way you would handle them.
- You seem to always be losing and replacing employees. Very few, if any are long term.
- Your typical week is a string of "putting out fires" most of the day, every day.

What is missing here? What can't you see here? What is there to learn here? Here's a hint: starting a business with an entrepreneurial mindset/skillset for you is easy. Managing and scaling a business is hard(er) for you because it's a different mindset/skillset. Good entrepreneurial skills are poor management skills because they are so opposite. Conversely, good management skills are poor and ineffective entrepreneurial skills. Which of your skills are the most productive and valuable for your business? Hint: it's not your management skills.

Would you agree there is strength in numbers? You can accomplish more with a good team than by yourself? It doesn't

take long in the real world to know the answer to that question. Here's another question:

How do I get a team of followers who will help me bring my vision(s) to fruition?

Ponder on that a while before moving on. Here are some clues about what not to do.

- You can't buy loyalty.
- You can't buy respect.
- You can't buy true followers committed to your vision.
- You can't force people to give it their all.
- You can't use fear to build and manage a highly effective team.
- You can't force your best people to stay any longer than they want to.
- Your bad mood, impatience, arrogance and heavy-handedness won't attract the best people.
- You can't bully people and build their confidence, effort or loyalty.
- You can't micromanage highly effective people.
- You can't accomplish great things if all your relationships are transactional.

I've seen entrepreneurs attempt all of the above. None of it lasted. None of it worked. Not money, not manipulation, not screaming, not demeaning people – none of it. What's amazing is the typical entrepreneur is totally baffled as to why people didn't respond. To the average entrepreneur, "spewing lava" all over an employee is just telling them what they're doing wrong, and everything should be okay five minutes later. Unfortunately,

the tongue lashings, cursing, screaming, belittling and generally making employees feel bad about themselves or diminished in some way has the opposite effect than intended. If you keep telling someone they're a screwup, they'll believe you at some point and act accordingly.

What do successful leaders do to attract and build a highly effective team committed to the vision(s)?

Notice I used the word "leader" rather than entrepreneur. All leaders make great entrepreneurs, but not all entrepreneurs are good leaders. Another good topic to study then is what is a good leader?

Leaders have a crystal-clear vision of how they can help others. They can articulate it easily. They are passionate about it. They love to talk to others about their vision.

Like-minded people will be attracted to the vision and the passion of the leader. The leader enrolls others in being part of the team that will implement the vision. The leader makes certain that everyone's role is clearly defined, and everyone knows not just the mission or vision but how it's going to be implemented. Leaders focus on getting the job done, not getting it done their way. They're open to and in fact, solicit input from the team on how to best accomplish parts of the vision. There are clear goals, and desired outcomes, not micromanagement on "doing it my way." Team members are entrusted to produce results in their own style and methods so long as they are in line with the bigger vision. Leaders care about their team. They ask if there's anything needed to accomplish tasks and get the job done. Leaders trust their team because they know the team members are committed to the same vision. Leaders don't criticize when mistakes happen. They seek to find out what happened so the team can learn from the mistake and improve their effectiveness.

Leaders are eager to acknowledge accomplishments, not get all the acclaim for themselves. Leaders support and elevate their people, not keep them in line. Leaders lead by example, not by rules for everyone else. Leaders are willing to share in the bounty of rewards and sometimes ownership of the vision. Leaders inspire others to become the best version of themselves. Leaders engender respect, loyalty and commitment from the team versus those who only show up for a paycheck.

What does all this mean? If you're more like the entrepreneur I described above, your success depends on your willingness and commitment to become a great leader. It's very simple, but very hard. Your old habits will not go willingly and will have a preponderance to re-emerge in high pressure situations. You can change, but first you have to want to change. You have to be **committed** to change. We'll cover that in Chapter 1. Almost every business owner I've ever met wants to take his or her business to "the next level." Who you are now won't get you to "the next level" in most cases. If you were the leader capable of taking your business to the next level, you'd be there already. What got you here won't get you there if you know what I'm talking about. We'll cover that throughout the book.

Another problem entrepreneurs face is the pace of change in the world, not just business. If you follow technology much, you're aware that what was cutting edge one year ago is now antiquated. Additionally, social moods change. Remember pre-COVID? Most people worked at their employer's location. After staying home for two years, many people don't want to go back to the 9 to 5 world of employment at their employer's office, plant, factory, etc. – a location that is not home. To make matters a bit more complicated is the two youngest generations now in the general workforce in the U.S. – the Millennials and Gen Z. They don't see, think or act like older generations especially when it comes to the concept of work and career. Businesses are

going to have to manage them differently to get them engaged and highly productive. How to keep up in a world that does not allow for rest? We'll cover that later in the book. For now, just acknowledge that change is the only constant, and to not keep up with it is perilous for most businesses. Anyone remember the key punch industry? Gone forever in just a short time.

One of the larger industries at the turn of the 1900's was the buggy whip industry. There were thousands of them because just about every household needed at least one. The development of the motor car was the death knell for the buggy whip industry. Very few survived with plunging demand. Some of the few that survived did so by innovating into other products with similar technology – like braided fishing line.

If you're still doing "what we did twenty years ago" and wondering why it's not working, here's your wake-up call. Time to innovate. Maybe it was too easy after a few years. You were good at making money and you became complacent. Or as I've witnessed here in south Louisiana, companies became dependent on the oil & gas industry. When oil and gas prices drop, so does business. My coaching to several clients heavily dependent on the oil & gas industry was to diversify as much as possible outside of the industry. Not give up business in the Oil Patch, just branch out into areas not dependent on Big Oil. Some did and survived. Others didn't and closed their doors in the energy downturn during the COVID lockdowns.

One of the main topics we'll be interweaving throughout is the power of communication. I won't delve into it here, but I have a question for you. What happened first before you started your business?

It was your decision and declaration that "I'm starting a business" that got things going. Language comes first, action and results

follow. Our country was founded on what document? Yep, a declaration. You're going to see that words have power, not just meaning. **Language is action.** We as human beings can't put language down. It's always there. You're telling yourself a narrative at this moment about what you're reading and filtering it through all of your beliefs, opinions, judgements etc. checking off the list.

Like it or don't like it.

Makes sense or doesn't make sense.

Good or bad.

Right or wrong.

Agree or disagree.

And that's just the primary filters. Your narrative then gives you a lot of already formed opinions on a lot of details. We don't have a direct biological experience of life. We have a narrative that tells us what we experience. And we are the narrators. Change your story and you change your experience. Some of our opinions, assessments, value judgement, etc. become so much a part of our narrative, we begin to see them as "The Truth" rather than some narrative we picked up along the way. Generally, this is a source of blindness and probably a good deal of suffering to go along with it.

So, what does that have to do with your business and becoming an effective leader?

Everything. You're going to have to work with people who operate out of a narrative experience of living. You're going to have to master how you communicate, both in speaking and especially in listening. Effective leaders are masters of having adult conversations that empower, enroll, and gain peoples' loyalty, commitment, trust and respect.

Effectiveness in communication has got to be your number one skill. It is the key to getting you what you want. It will bring you ultimate satisfaction. If you're like most entrepreneurs you're probably minimally effective here. Good news is there's so much more available when you become effective at communicating well. Still not sure? Think on this. Every decision you've made throughout your life has gotten you here. Agreed? Every decision was a choice in language first. You don't act without any language. Your narrative is constantly telling you how to act, react, what to like, not like, agree with, disagree with etc. The future is created in current day conversations. Everything that is happening now was created in a conversation in the past. That you're reading this book was a choice you made in the past in an internal conversation, or maybe someone you know recommended it to you. If you want to change your life, change your conversations. Start making requests, offers and promises that will get you what you want, rather than random, not really paying attention just getting through life choices.

With that said, let's discuss what may be your current company culture. Think of this scenario. You're working for a business where the focus is always "My business, My sales, My customers, My cash, My wealth, My lifestyles of the rich and shameless." Feeling very motivated about the owner's vision (unless you're the owner)? Not hardly. Good employees want to know that you care about them beyond the transactional paycheck. They want to know you care about them as much as you care about your business. As the saying goes, "They won't care how much you know until they know how much you care." Caring is one of the essential elements of trust. Trust is essential to the coordination of action between human beings. Yes, you can operate at a transactional level, but "next level" businesses require relationships based on good will and generosity on both sides. And generosity does not mean big salaries. Big salaries typically engender big entitlement

in my experience, not gratitude and good will. And I wanted to be clear that I'm not talking about "paying people" to operate out of good will and generosity. That's just more transactional relationship, something you need to evolve out of if "next level" is where you're headed.

Here's another question. Can you operate your business without employees? Unless you're a solopreneur, the answer is NO. Again, "They don't care how much you know, until they know how much you care" is apt here. Do your employees get that you care for them, that you acknowledge them, ask if they need anything for their job, how's the family or maybe some hobby they're keen on? How about "Good Morning" with a smile on your face? There was one business I was invited to visit with so I could explore working with the business owner. Walking into this business was like walking into a jail. No, there were no bars anywhere, the office was tastefully decorated and was very impressive from that angle. But the mood was so heavy. No one smiled or looked up. Conversations were strictly business. No laughter, no friendly camaraderie. Just bleak, tedious work. The owner was known to come in daily with a scowl on his face, acknowledging no one as he walked through the entire office and slamming the door behind him as he entered his office. Great way to start the day...if you're locked away for 20 years to life. He was communicating without saying a word. I'm sure you can imagine exactly what was being transmitted. After a few conversations with the owner and some of his key employees, I declined the engagement. The owner was only interested in "fixing his idiot employees." His cognitive blindness to his own narcissism was going to be much too difficult to overcome. From his perspective, he could never be the problem. After all, he started the business and still owned it. If he were the problem, surely, he'd know it. Like I said, cognitive blindness.

Where can you go to begin learning about effective communication?

Here's a strong recommendation. Chalmers Brothers has written two books, *Language and the Pursuit of Happiness* and *Language and the Pursuit of Leadership Excellence*. You can find both books at most book sellers or his website here.

<https://www.chalmersbrothers.com/>

Chalmers' books are used in leadership and coaching programs at Georgetown University, George Mason University, Harley-Davidson Motor Company and Newfield Network. Very readable, very interesting and captivating, and you'll have a lot of "aha!" moments. Excellent resources for your learning and transformation to become the leader your business needs to "get to the next level."

Confused? Frustrated? Bored? Excited? Wondering where the hell this all is going? Read on. It gets better.

CHAPTER 1

CONQUERING DYSFUNCTION

You've probably heard the adage, "The first step in solving a problem is admitting you have one." That's been my experience. Yet, I've seen business owners insist there is no problem outside of their "idiot employees who just don't get it, or don't give a damn." I can't tell you how many times I've been called in for an initial interview for an engagement and the conversation quickly devolves into a narrative about how the employees, with rare exception, are generally lazy, disengaged, lacking in attention and generally don't care about the business. Are there that many "bad" employees out there? That's what appears on the surface. Instead of asking the question, "what is the source of my employees seemingly bad attitude towards working here?", it is assumed that the employees came to work that way from day one. My experience is very different. Most employees come to a new job with excitement and positive energy to do a good job. That changes over time. So what happens to change their behavior? What appears with some casual conversations with employees are two major factors causing the "bad" behavior. One, they don't trust the owner. Two, the owner is seen as a poor manager. Shocking news to most owners. "What do you mean they don't trust me? I pay them, don't I? What do you mean,

I’m a bad manager? I started this company from nothing, and I’ve managed it all these years.” Yes, you pay them in exchange for the absolute minimum it takes to get a paycheck and not get fired. That doesn’t garner much trust outside of you’re trusted to pay them if they show up for work, your basic transactional relationship. Both sides are going to hand over “exact change” in whatever currency they’re dealing with. The expectation of the owner that his/her employees be grateful for the job they’re working at isn’t tempered with gratitude on the part of the owner for the success of the company attributable to the efforts of the employees. One of George Carlin’s bits contained this observation about today’s working class, “Most people work just hard enough not to get fired. They get paid just enough money not to quit.” Sad but true commentary on today’s work culture. How many of your employees are described here? Some, most, all?

Here’s another hard lesson for most business owners. What makes you a great entrepreneur makes you a bad manager. Just because you started and still own the business doesn’t make you best qualified to manage it. Let’s look at the skills sets for great managers vs. great entrepreneurs.

Great manager:	Great entrepreneur:
Lives by structure and precise rules to keep things running smoothly.	Likes to live on the edge with little to no structure or restrictions.
Wants steady, repeatable outcomes every time. Risk avoider.	Wants variety, lots of fast action. Always looking for next best thing. Risk taker.
Works well with pre-defined processes that are well documented.	Best work comes from inventiveness, resilience and innovation.

Focus on execution of detailed strategy.	Execution and implementation of details past the initial stages are left to others.
Strong leadership skills.	Strong self-motivation and initiative.
Great team player.	Maverick.
Excellent communicator.	“Why don’t you get it? Why can’t you do it MY way? Are you stupid?”

The skill sets are diametrically opposed. As I said earlier starting a business is easy for entrepreneurs. Managing and scaling a business is hard for entrepreneurs. The skillset is great at starting things, getting people excited, making things happen. The skillset is lacking in repetitive action, setting boundaries, rules and structure, follow through and being very team oriented. There are a very small fraction of entrepreneurs that can switch gears and be decent managers and entrepreneurs, but they’re rarely great at both. You’re probably not one of these types of manager/entrepreneurs. I was once told by one of my mentors to focus on honing my strengths. Working on one’s weaknesses only frustrates you and you never really get great at your weaknesses. You’re far more valuable to your business as a great entrepreneur. That’s what got the whole thing started. So how is this done well? A good team that follows not just you but your inspiring vision of what’s possible. You’re the leader, but you have to have a good manager(s) that handle the day-to-day operations so that you can be free to do your two main responsibilities.

1. Be the visionary of the firm. Scanning the horizons of what’s coming at you in the form of

- a. Opportunities to seize upon and
 - b. Perils to navigate around or mitigate.
2. Be the main revenue generator.
 - a. Your ability to network, make deals, sell your ideas etc. is what got you in business in the first place.
 - b. Focus on growing that to grow your business, next level style.

Besides, you really don't enjoy "managing" do you? Does your heart leap with joy to review reams of details in going over the granular details of accounts payable and accounts receivable? Are you enthralled at organizing work crews for different projects? Do you just adore a three-hour session on designing a new process for production or billing or just about anything? Uh, no. Your team can design all the processes so they can work well together. You stay out of the design, but have final say on the overall process in terms of results to be produced. By stay out, I mean don't attend the meetings where employees are coming up with the process. You'll only muddy the waters. Once processes are finalized, disseminated and in place you've got to trust your team to run them without you. As I like to say, **you have to step back so they can step up**. Warning. There will be mistakes made. I promise. Turn every mistake into a learning opportunity.

1. What happened,
2. What can we learn from this,
3. Is a process needed here, or does an existing process need to be amended, and
4. Carry on, I trust you.

You'll be amazed at the camaraderie, engagement, cooperation, and morale in your team when they're entrusted to accomplish tasks in their own way without having to call the boss in.

Your employees do their jobs day to day at a granular level. They know, as a collective, where the bottlenecks are and what it will take to fix things. You see things happen from an entirely different perspective. Your employees together know better than you what's working and what's not working. How many times have you called a meeting to "fix things" and the meeting goes something like you addressing the group, "This is the problem, and this is how we're going to fix it." Is anyone else going to offer a different alternative? Nope. The boss just told us this is what we're going to do. No one is going to speak up after a dictate has been handed down. Who owns the solution? Hint, it's not your employees. It's your idea without their input. You own it, but you're not going to implement it. How many of those issues actually get resolved in this manner? How many additional meetings follow and never solve the issue? At some point, it gets swept under the rug or has been accepted as "just the way things are" in dysfunction land.

There's a scene in the movie *Casino* with Robert DeNiro. DeNiro as casino manager, Sam "Ace" Rothstein, is talking to a not so bright casino employee. Rothstein points out that there are three ways of doing things – "the right way, the wrong way and the way I do things. And we do things my way around here." That's the setup in most of the businesses I've worked with over the last four decades. There was a scene where Rothstein sees two blueberry muffins with a big difference in the amount of blueberries in each. Next scene you see is Rothstein telling the chef in the kitchen that from now on he wanted the exact same number of blueberries in

each muffin. The chef replies with “Do you know how long that will take?” Rothstein is unrelenting with an “I don’t care how long it takes” reply. Get the picture? “My Way” isn’t always the best way, or the most effective way, or the most profitable way. Yet “My Way” rules are all over the place. The result? Broken processes. Multiple processes for the same thing, depending on who’s doing the process. Inconsistent results. Breakdowns. Bottlenecks. Chronic need for the owner to step in to resolve problems. In a word DYSFUNCTION. And who is the main culprit? Mr. or Ms. Business owner who keeps stepping into the situation without the ability to install a lasting solution, making snap judgments, never taking input from employees and causing the dysfunction to continue. Managing a business is not an entrepreneur’s strong suit. Ta Da.

A question I have for most business owners struggling to come to terms with their culpability in the dysfunction of their business is this. If you knew how to fix the problem why are we having this conversation? Truth is, if they knew how to fix the problem, the problem would be solved. I wouldn’t be needed. Again, the first step in solving a problem is admitting you have one. And the problem almost always is “the owner is the bottleneck.” The owner is the purveyor of dysfunction, not intentionally of course. The owner has good intentions in their meddling in areas their employees have more knowledge of. But good intentions don’t solve problems. Being self-aware of one’s own blindness, weaknesses, and incompetence in areas outside of your expertise is the problem to be admitted. You want to know who’s the biggest bottleneck in your business? Simply look in the mirror.

This is a hard pill for most business owners to swallow. Afterall, they started the business and grew it. They’ve achieved a certain level of success. How could they be the problem? Because the business has grown beyond the bounds of the owner’s

repertoire of competencies. The business is no longer a one man or woman show. There are other participants in the bringing forth of the vision. Without effectively enrolling, inspiring and supporting their participation with clearly laid out processes and procedures, the organization quickly falls into various levels of dysfunction. I keep using the word “dysfunction.” Most business owners I’ve worked with disagree with me at first. There’s no dysfunction they say, my employees just won’t cooperate, aren’t paying attention, don’t care enough, are too stupid (pick one or add your own). My reply is always to point out the number of errors, chronic breakdowns, and the number of times the owner has to step in to solve the crisis of the hour as prima facia evidence of a dysfunctional organization. Highly functional organizations don’t experience the chronic problems suffered by a dysfunctional one.

It’s a hard pill to swallow – you’re the cause of the dysfunction, you’re the bottleneck, your micromanagement is stifling your people, your “MY WAY” rules are like a stick in the spokes of a bike, your distrust of your employees’ ability to get things done is the main reason most aren’t engaged. The skillset that makes you a great entrepreneur makes you a bad manager. Getting the picture? You can’t get to the “next level” while you’re mired in dysfunction at the current level. What got you here, won’t get you there. You have to become the leader that will take your business to the next level. Who you are now won’t get you there. Confusing? Thinking, “I’m the same person I’ve always been.” Think back to when you first started your business. Could that guy or gal back then handle what you’re handling now? Probably not. You’ve had to grow and develop with your business. You’ve gained confidence in your abilities since you first started out. You’re not that person who started your business anymore. Once you can admit that and embrace it with a commitment to change, evolve, grow, you’ve taken the

first step to achieving that next level so many business owners talk about, yet never achieve.

Being self-aware of how you think, act and react out of the narrative that constantly tells you what you're experiencing is the first step in changing who you are. Being able to recognize what's working for you vs. not working for you gives you the ability to choose differently. You get to choose the narrative that's empowering and positive for you to grow as a person. You get to choose how you'll act and react rather than be at the effect of a narrative you weren't paying attention to and had no idea it was even there. How you're perceived by your employees and people in general is going to change for the better as you become more and more at choice about what's driving you. Designing your narrative to be empowering sounds simple, and it's a daunting task that takes time, practice and a good coach to work well. More on that in Chapter 3.

A great recommendation for you as you begin this journey is a book, *How to be a Great Boss!* By Gino Wickman, co-founder of EOS Worldwide and Rene Boer, who has over forty years leading teams in the restaurant industry. You can find it on Amazon, Barnes and Noble, Books a Million and most major book sellers. I'm going to be talking about EOS in the book. There are several great titles out of the EOS (Entrepreneur Operating System) library. The books are relatively short and easy to read with practical demonstrations of highly effective and well-functioning businesses.

Here's a link to a great summary of the book. <https://theprocesshacker.com/blog/how-to-be-a-great-boss-summary/>

Use the summary to gauge your interest in the book. Don't use it as a replacement of the book. There are tons of great examples in the book, not found in the summary.

Here are a quick couple of excerpts from *How to Be a Great Boss* summary that fits in well with our conversation.

Chapter 6 – The Five Leadership Practices

To become a great leader, you need to understand the Five Leadership Practices:

1. **Give Clear Direction.** Provide clear direction by conveying a compelling vision that focuses and motivates everyone in the organization to rise up, move toward it, and achieve it.
2. **Provide the Necessary Tools.** Give the necessary tools and support your people need to succeed, including training, technology, people, time, and attention.
3. **Let Go of the Vine.** Let your people go and work. Many leaders have trouble letting go of responsibilities and get in the way. You should trust that your people are capable of getting the work done.
4. **Act with the Greater Good.** Put the needs of the company and your people above your own needs. Your actions and decisions should align with the vision conveyed to your people.
5. **Take Clarity Breaks.** Take breaks to remain energized and confident for your people. Clarity Breaks is time scheduled away from the office to think and to work deeply on your business.

Chapter 7 – The Five Management Practices

To become a great manager, you need to understand the Five Management Practices:

1. **Keep Clear Expectations.** Set and communicate clear expectations to your subordinates for the following areas:
 1. Their five major positional roles and responsibilities;

2. The core values of the organization;
 3. Their rocks or key quarterly priorities; and
 4. Their key performance indicators.
2. **Communicate Well.** Communicate with your subordinates, and avoid making assumptions by
 1. Sharing positive and negative emotions;
 2. Asking questions instead of making statements;
 3. Rephrasing what you heard back to your direct report; and
 4. Have your subordinate repeat back to you what they heard.
3. **Maintain a Meeting Pulse™.** Hold regular meetings with your team every week for 60 to 90 minutes. These meetings should be held at the same time and day, have the same schedule, and start and finish on time. You should review priorities, analyze measurables, and solve issues.
 4. **Have Quarterly Conversations.** Hold face-to-face meetings with each member of your team to discuss priorities, roles, and core values. These informal meetings should be held offsite to better manage and strengthen each of your relationships.
 5. **Reward and Recognize.** Acknowledge and appreciate your people by:
 1. Giving positive or negative feedback within 24 hours;
 2. Criticizing in private to keep trust and praise in public to celebrate with peers; and
 3. Being their boss and not their buddy.

Next up...Commitment to Change.

CHAPTER 2

COMMITMENT TO CHANGE

You've decided that you need to change to bring your business to the next level. You're not only willing to change but you say you're committed to it. Let's define commitment. In my experience it's a very misunderstood word and is thrown around usually to indicate interest or curiosity in a subject. Commitment is hard for most people. Commitment takes work. Commitment takes rigor. Commitment requires accountability.

Here's my definition of commitment. "I accept no excuse that this does not happen." This is the hard part of commitment. You have to give up your excuses. How many times have you noticed that people either produce desired results or excuses why not? It can generally be said that the people producing desired results were committed to their commitments. People having excuses "why not" they didn't accomplish the desired results were never really committed to their commitments. Reasons "why not" are easy to come by. You've seen this in other people. They always have some reason for whatever stopped them. Generally, it's not their fault. Something out of their control prevented them. Something they couldn't foresee or plan for just happened. Nothing they could do about it. Think about all the times you've quit on something and you rationalized it away. The reasons "why not" are based on

a need for a narrative to explain away the failure to accomplish what was desired. The rationale is based on answering the question “why” didn’t you produce the desired results. “Why?” is a poor question to begin with. Ask someone a why question, and you’re asking them to make up a story. The human mind is always looking for a reason why something happened. It hates a vacuum of not knowing. When nothing is obvious, we make something up. It may sound very logical and reasonable. And it’s still just made up out of the ocean of opinions, judgements and narratives that are provided as our reality. One of the things I’ve observed over the years is you can always tell what people are committed to by the results that show up in their lives, especially the chronic undesired results (can’t lose weight, can’t keep a job, can’t make sales goal, fails to keep workout schedule) that just keep happening.

So, am I saying that obese people are committed to being obese? These days some probably are. For most obese people, my assessment is it’s a matter of being committed to eating for taste, out of boredom or just because they enjoy eating without restriction. This is juxtaposed to being committed to restricting and monitoring their caloric intake daily on a healthy, sustainable weight loss program with a healthier lifestyle and longevity and a high quality of life as the end goal. Pigging out or binging is a short-term commitment because it feels good. Maintaining a healthy weight as part of an overall commitment to wellbeing, fitness and longevity is a longer term and bigger picture perspective that doesn’t need results right now. It’s okay that it doesn’t always “feel good” because the bigger goal is so much more rewarding. It takes rigor – doing what it takes, especially when you don’t feel like it, to maintain your commitment. Keeping the end goal in mind will help you do that. It also helps to make the journey along the way more enjoyable. Now think of the obese person who just eats whatever, binges from time to time and has no

commitment to a longer-term healthier lifestyle. They're going for the "feel good now" fix. Some may even be fooling themselves into "someday" they'll go on a diet or change their ways or get fit. Most won't. There's no commitment to longer term possibilities, just short term "gains" in terms of it feels good to eat. They're "interested" in losing weight, not committed to what it takes to accomplish this goal.

Translate this to your business. You're seeing dysfunction, chronic breakdowns and employees who aren't engaged. You're working 80 to 100 hours per week. You can't take several weeks away from the business because of your fear your business would derail without you. So, are you committed to all of these negative results? No, like the obese person isn't committed to being obese. You're committed to keeping your business going, only you're using short term gains that are ineffective on a long-term basis to do that. That's why you feel like you're a hamster on a wheel at times. You shouldn't have to work the hours that you do, yet you're committed to doing things your way and not delegating. You get stuck with long hours as a result. Are you committed to having employees not being engaged, making the minimum effort to get paid and keep their job? No, you're just not committed to connecting with, nurturing and supporting your employees in a way that will have them engage with you and your overall mission. You're too busy being committed to "My business. My profits. My cash. My wealth. My lifestyles of the rich and shameless. and especially MY WAY." You're committed to a transactional relationship of "I pay you for doing at least this much work." A more effective commitment is something along the lines of

"I'm committed to help you, support you and encourage you to do the best job you're capable of.

I'm committed to supplying you with the tools and the training to do your best work here.

I'm committed to your personal welfare in terms of providing good working conditions at a wage reflective of the value you bring to the relationship.

I'm committed to a relationship based on goodwill and generosity, where both sides pitch in extra as a matter of routine.

I'm committed to open communications and honest feedback good and bad and expect the same from you."

Would you want to work for that company or the transactional one? I can hear you now. "I don't have time to have that with all 200 plus employees in my business." Agreed. But you can have that kind of relationship with your managers and direct reports. You can mentor them into having that relationship with their people. You can have that as a core value of your company – that employees are the most valuable asset your company has. And you'll nurture, support, and inspire them to their best work in the implementation of your vision that they're fully engaged in.

That will take work to create that kind of culture in your company. The further away you are from it will require more effort and time before you reap the rewards of it. Remember, leaders play the long game, not short term "feel good" gains. You must have a vision of what kind of workplace you want to cultivate. You must get your direct reports on board with it. You must become that leader. You must have patience as it all develops with your focus on what's happening as well as your end goal. Is it going to be easy? Only if you're totally committed to it. Total commitment makes everything easy. Remember my definition of commitment? Does that make sense to you? Are you willing to step into the gap with that resolve? "I accept no excuse that this does not happen." Accepting no excuse means you'll never have reasons why you didn't achieve your

goal. It may mean you arrive at a different time than initially anticipated, but you will arrive. You will produce desired results with that kind of commitment. Why? Because you accept no excuse that it won't happen. A man or woman with that kind of focus, commitment and drive will never be deterred. You will always find a way. Period.

Think of people who've accomplished great things. Do you think it was easy? Was it all just handed to them? I'll provide a few examples.

Thomas Edison is credited with the invention of the light bulb. Did he succeed on his first try? Second try? Hundredth try? Thousandth try? It is estimated that he and his team worked on over 10,000 different designs before coming up with the incandescent filament light bulb. When asked how he persisted in failure in making a light bulb, Edison replied, "I have not failed. I've just found 10,000 ways that won't work." That's the kind of tenacity and rigor that will carry you to success in keeping your commitment. Edison has become a shining example of tenacity, ingenuity, and commitment in American culture.

Gail Borden, Jr. had a keen interest in food preservation, as that was a major problem of the time. No refrigeration or preservatives were available. After years of experimentation Borden developed a method to preserve milk by removing water from it. This concentrated product could be stored without refrigeration. He received a patent for the condensed milk process in 1856, and in 1857, he established the New York Condensed Milk Company. He faced financial difficulties, skepticism from consumers among other challenges. The American Civil War brought contracts from the Union Army and the U.S. government. His product was highly nutritious and had a long shelf life, which was ideal for soldiers in the field. Borden's company later became Borden's Dairy and became a household name across the U.S.

Kentucky Fried Chicken or KFC as it's known today, had its humble beginnings in 1930, where forty year old Harland Sanders was running a service station with a kitchen and small dining area. Sanders had developed a recipe for fried chicken which became very popular in the local area. As the popularity of his chicken grew, Sanders realized that this could be the start of a very successful business. So, in 1952, at the age of sixty-two, Sanders set out on a crusade to franchise his recipe. He drove across the U.S. offering his recipe to restaurant owners in exchange for a percentage of the sales. He drove around the U.S. talking to restaurant owners about the "Colonel's Secret Recipe" and the popularity of the brand. The first Kentucky Fried Chicken restaurant opened in Salt Lake City, Utah in 1955, three years after he began his campaign. Imagine the tenacity and determination of a man in his sixties over 72 years ago, hawking a fried chicken recipe. Colonel Sanders passed away in 1980, but his legacy lives on as KFC, and is one of the largest fast-food chains, with thousands of restaurants operating in over one hundred and forty countries.

There are many stories of entrepreneurs committed to a vision and accepting "no excuse that this does not happen" who eventually achieved success. The "struggle" to succeed is the crucible that forges the metal for some to go on to greatness while consuming others. The difference between the winners and the losers is commitment. Plain and simple. Winners always find a way to succeed. They accept no excuse for failure.

So big question. What is your level of commitment to bringing your company to the next level? Are you willing to do whatever it takes to get there, including personal development? Are you committed to becoming the leader it's going to take to bring your business with you to the next level and beyond? Are you committed to embracing your employees as your business'

greatest asset? Are you willing to create the culture necessary to get to the next level by evolving yourself first?

Before you answer those questions. Check in with where you are now. Are you too comfortable to make a big change? How long has it been since you really had to make a big effort to get things done? How afraid are you of losing everything? Are you willing to give up a lot to get a much bigger reward down the road? This kind of change is going to require sacrifice. It's going to require a lot of hard work and tenacity. It's going to require a lot out of you in terms of personal growth and self-awareness. It is not for the faint of heart or the "guess so" crowd. There was a scene in "Karate Kid" where Mr. Miyagi and Daniel make a pact. Mr. Miyagi will teach Daniel karate but Mr. Miyagi's deal was this, "We make sacred pact. I promise teach karate to you, you promise learn. I say, you do, no questions." Miyagi then offers Daniel his hand with "Deal?" Daniel responded with "Guess so." Miyagi responded with "Walk on road, hmmm? Walk left side, safe. Walk right side, safe. Walk middle, sooner or later... Get squish just like grape!" "...same with karate. You karate 'yes,' or you karate 'no.' You karate 'guess so,' squish just like grape. Understand?"

Lukewarm commitment never lasts. Commit fully or not at all. Big question for you. Are you fully committed? If not, don't step into this. "Guess so" won't cut it. If you're really committed, keep reading. It gets better.

Another recommendation for this section is another EOS book, "*Traction: Get a Grip on Your Business*" by Gino Wickman. You're either all in or not at all. Where do you stand?

CHAPTER 3

GETTING A COACH

So far, we've covered admitting there was a problem – your skillset isn't suited for management and scaling a business. Your business is a perfect reflection of you and the culture you created in it. We've also discussed that you needed to commit to change in order to achieve your vision. Sounds easy, right? Uh, no. Your current narrative will fight to its last breath to have you not change or admit there's a problem. That narrative has to die or at least be seriously muted in order for you to move on. It's been there for most of your life and it's not going to accept a breakup letter.

I want to offer you an interpretation that hopefully will help you get the message in this chapter. Imagine you're the hero of a story. In that story, you set out on a quest. In the journey of achieving that quest, you're presented with seemingly insurmountable challenges and a hostile landscape. Now imagine coming across a harmless figure that offers you a word of advice on how to survive. You question this person out of a "what the hell do you know about any of this. I'm the hero of the story." Think about some of our cultural markers where the guide appears to the hero. Gandalf the Grey shows up at Bilbo Baggins house in the Shire to recruit Bilbo to join a group of dwarves in reclaiming

their homeland. Luke Skywalker visits Obi-Wan Kenobi at the beginning of Luke's quest. Luke later meets Yoda and thinks he's wasting his time with this fumbling, odd speaking little creature. The mentor is never the central character of the story. The hero is. The mentor can play a significant role in the story, but the hero is the true protagonist.

You never know where a guide or mentor will come from. But they tend to appear when you're ready for them. Question for you. Are you ready for a guide or mentor? Are you ready to accept help?

Here's a different angle on this conversation. How many world class athletes have gotten to where they are without a coach? I'll wait.

How about none of them.

So why do world class athletes (think Michael Jordan, one of my favorites) have coaches? With all the talent of a Michael Jordan caliber player, what could the coach possibly offer?

Phil Jackson, Jordan's coach at the Chicago Bulls, could see Jordan in action. Jordan couldn't. You can't see yourself in the action of being "you" in your business. A good coach, mentor or guide (pick your favorite term) can. More importantly than being an outside observer of Jordan in action, Jackson had been around the game longer. He had distinctions that Jordan didn't. He had strategies that Jordan had yet to learn. Jordan was the third overall pick by the Bulls in 1984. He was a great college player, but he still had a way to go to becoming the world's greatest basketball player in the history of the game. In high school, Jordan didn't make the varsity team as a freshman. He used that as motivation to improve his skills and work harder to achieve his spot on the varsity team. Even in the pros, Jordan outworked teammates, watched more game film than the coaching staff, practiced longer

than required and listened to his coaches to become the greatest player to ever grace a court. Yes, he worked hard. Yes, he was driven. Yes, he was gifted athletically. And the coaches helped to mold him and guide him. He couldn't have done it without them. When it was rumored that the Bulls weren't going to renew Phil Jackson's contract after the 1997-1998 season, Michael Jordan publicly announced that without Phil Jackson, he would not be returning to the Bulls. Wow. The world's greatest player at the top of his game announces he won't be back without his coach. Jordan knew the value of Phil Jackson so much that he refused to play without him. Watch *"The Last Dance"* on Netflix for a great story about the remarkable story of this era.

Think of all the successful dynasties in sports history. What makes them special? Gifted players, yes. A good owner with a great back office, yes. Having a coach who knows how to motivate players, elevate their game and bring the whole thing into a synergy of near perfection, absolutely. Think of all the great coaching dynasties over the last several decades. Love them or hate them, Nick Saban and Paul "Bear" Bryant at Bama, Bill Belichick and the Patriots, Phil Jackson with the Bulls and later the Lakers, Pat Riley with the Lakers, Casey Stengel and Joe Torre with the Yankees, Red Auerbach with the Celtics. Amazing dynasties that had players come and go. It was the leadership of the coach that allowed players to become stars and super stars of the game. The value of the coach is not to play the game, but to elevate the players to a higher level of play and coordinate the team to greatness.

So, what's all this sports talk got to do with your business?

Question: Do you have a coach, mentor, or guide to help you steer your business into the future? Generally, your banker, lawyer or CPA won't qualify. They have primary roles in helping you with limited areas of your business and are usually integral to your

business, but they don't generally encompass the scope of a coach. My guess is if you're reading this book, you don't have a coach.

So, should you get one? My answer is almost always yes. If you're comfortable where you are and you really don't want to proceed much further, then no, you probably shouldn't get a coach. Your journey is basically at an end. Be satisfied with where you're at.

If, on the other hand, you have places to go and you're not satisfied with your current circumstance, please listen up. A good business coach will help you up your game, be more effective, get your company working for you rather than the other way round, regain the ambition, joy and excitement you had when you first started out. Caution: it won't always feel good. A good business coach will be willing to deliver your "bad news." Where you're ineffective, where you're in the way (bottleneck), where you're blind in perspective, in general what's not working in your business, including pointing out a few "sacred cows" that are harming your business. You have to be willing to hear your bad news and take corrective action. It's part of admitting there's a problem and gaining traction to where you want to take your business. I must admit, it's a bit painful in the beginning, especially when you've been the primary stumbling block to your company's progress. Here's a blind spot for you to be on the lookout for when you hire a good business coach. Your business is like your baby. You want to protect your baby from harm so it's going to be hard to let go. You love your baby. It's a big part of your life and who you are. You definitely don't want to hear anyone say that your baby is ugly. No, a good business coach won't say it in those words, but that's what it's going to feel like if you've built your business through blood, sweat and tears.

A good business coach will help you see from a fresh perspective (once you let go of your narrative) how your business looks to a neutral third party. All the good and all the bad. Your "sacred

cows” (usually family members or employees you really like but aren’t effective and aren’t held accountable), if you have any, will probably be one of the first topics of discussion. You’ll hear how they are undermining your authority and the respect of your hard-working, committed employees. What’s working well – congratulations, and what’s not working well or not at all – roll up your sleeves, it’s time to go to work. You must trust that your coach has your best interests at heart (care about you), want to truly help you (sincerity), have the ability to help you (competence), and have helped similar businesses in the past (reliability). If any of those four pieces of trust are missing (1. Caring 2. Sincerity 3. Competence 4. Reliability), you need to find another coach.

How do you know if a coach fills those criteria? The same way you find out where’s the best steak house, car repair, dentist or doctor in town – you ask around. And in the days of our current technology, you’re looking for recommendations from people who’ve worked with this coach before. A one-on-one conversation would be ideal, and probably not going to happen very often. What ratings does this coach have? What recommendations are available on the coach’s website? Does the coach have a few references you can contact?

There’s also a matter of what’s not working in your business. Here are some areas in which you can engage a business coach to help you and your business.

- Financial.
 - Analyzing your finances and financial statements,
 - Developing a set of dashboards with your business’s KPI’s (Key Performance Indicators),
 - Arrange financing and banking relationships,
 - Strategic recommendations on becoming more profitable and improve your cash flow.

- Provide a layman's interpretation of your financial statements and what they say about your business in terms of financial strength, liquidity, profitability, and efficiency.
- Develop processes and procedures for organizational effectiveness.
 - Coordinate with your leadership team and employees to do this without your participation.
 - Final approval is for you to make but stay out of the way while they're putting it together and documenting processes.
 - Your leadership team and employees have a better understanding of the details of what needs to be done.
 - By having them put the process together, they'll "own" it.
 - Gives them an opportunity to work as a team.
- Employee assessments and team alignment
 - Technology of Predictive Index assessments
 - Better understanding of what drives people, how they show up in a work environment and what their strengths are.
 - Analysis of your team's best strategies
 - Workshops to accomplish team building and alignment of your people with your vision.
 - The best business strategy is only as good as the team implementing it.
- Personal Development.
 - Coaching increased effectiveness in your relationships
 - Develop consistent moods of ambition, peace, and gratitude.

- Redesigning your narrative for empowerment and clarity of vision
- Strategic Planning.
 - Designing your business into the future
 - Getting exactly what you want out of your business.
 - Achieving ultimate satisfaction.

There are plenty of good business coaches available, along with some not so good ones. Certainly, if you're interested in talking to me, please contact me. If I can't help you, I probably know someone who can.

How much does a business coach cost? Prices are all over the board. I'd say you're looking at a range of \$100 to \$500 per hour. Some coaches charge by the hour, while others charge a fixed fee for a predetermined set of deliverables.

In the end, it's like a relationship. There's chemistry or there's not. Maybe you don't need chemistry. I can tell you that it really helps. Take a lesson from the top athletes in the world. Get a good coach to improve your game and help you lead your company and team to the next level. Remember you're the hero of the story. The coach is there to guide you in uncharted waters. Think Michael Jordan as the hero of the story of the Bulls, and Phil Jackson as the guide. You haven't been to the next level yet. There are pitfalls and forks in the road getting there. A good coach can help you navigate your journey effectively. There is no overnight success. Success is hard work applied consistently over time by seizing opportunities and avoiding or mitigating dangers. That's the journey you're constantly faced with. It's better with someone who knows how to navigate safely and effectively.

Next up... Building an efficient mousetrap.

CHAPTER 4

PROCESS, PROCESS, PROCESS

Have you ever seen video of the flight deck of an aircraft carrier in full swing? Pretty impressive in my opinion. Launching various aircraft including jets with super-heated steam, using arresting gear (cables across the deck) to recover them, switching out aircraft between the hangar deck to the flight deck with aircraft elevators, prepping aircraft with fuel, weapons etc. All this on a moving ship, over three football fields long, that is pitching and rolling on the open ocean. It takes precise coordination of action by everyone involved from the pilots to the flight deck crews, deck handlers, air traffic control and aircraft handlers. Here's the really amazing part. Most of those involved are in their late teens to early twenties. Think of most of the people you know in that age range. Would they fit into that environment as they are now? Most can't put their phone down long enough to have a five-minute conversation, much less operate well in the environment of something like the operations of the deck of an aircraft carrier. So how does the Navy pull this off with a crew of mostly young people? Detailed processes and procedures with training, training, and more training. Everyone is trained to know their job and how and when it coordinates with other jobs in the process of launching and recovering various types of aircraft.

What does this have to do with your business? Think about how well things could run if you had well documented and detailed processes on everything done in your business. You could have everyone trained in them, and a process for constantly updating and upgrading them as needed.

Establishing and documenting core processes will free your business from the dysfunction of everyone operating by what they assume is supposed to happen. Think in terms of franchise operations. How do most fast-food restaurants operate with a handful of teenagers behind the counter? Because everything is simplified, documented, and followed by all. According to Paton and Gonzalez in *Process!* the benefits of establishing a strong process component in your business for execution and improvement will result in the following benefits.

- 1. Grow faster and more sustainably** as you generate more leads and close more sales while investing less in poor salespeople or marketing activities.
- 2. Attract and keep better talent** as you strengthen your People processes to recruit, interview, hire, onboard, and train great employees for your business.
- 3. Engage everyone in a culture of excellence** as processes provide a clear baseline for actions and results while encouraging people to perform at their best.
- 4. Have happier customers** as processes establish realistic product expectations, delivers consistently high-quality products, and gathers feedback to improve products.
- 5. Have more time** as the consistent right actions result in more time for everyone. Further, new employees can use documented processes to get up to speed faster.

6. **Get better at resolving issues**, as process will help you quickly and accurately determine the root causes of problems and troubleshoot them to improve results.
7. **Make more money** as robust processes produce consistent, reliable results, which results in more profit and will give leaders time to work “on” the business.
8. **Have a more valuable company** as the business’s value increases when profits grow. Note that your business is more valuable when it relies on processes, not people.
9. **Live a better life** as core processes support the founder stepping away from the day-to-day operations.

What are the costs of not adopting a strong process component? Again, Paton and Gonzalez lay it out in *Process!*

1. **Will struggle to find and keep great people who** want to work for companies that have a vision, provide expectations, and provides the processes to get the job done.
2. **Will stop growing** as lacking processes yield inconsistent execution and poor growth.
3. **May fall behind or become obsolete** as you must constantly review and update your processes, as the world can change around you and put you out of business.

I use a series of processes with clients I call The Well-Oiled Machine process. It entails three major components. Here’s a narrative from my website. <https://strategicbusinessadvisors.org/>

1. Actionable Financial Data - Managing by the Numbers

a. Dashboards – Where Are We?:

“Managing By the Numbers” requires timely and actionable financial information. The opposite of you being

drowned by complex reports and data you don't have time to study or you're getting it too late to take corrective action. Meet the happy medium. We set up weekly dashboards measuring your business' KPI's (key performance indicators). The dashboard in your vehicle tells you how fast you're moving, your remaining fuel, radiator temperature, battery charging, etc. Much like the dashboard in your vehicle, your dashboard reports will give you critical data on how your business is running. Like the dashboard in your vehicle, your business dashboard reports will give you warning signs when something is not going well, so you can take corrective action before things go sideways. You get all of your dashboard reports on the same day of the week. This should cut down your time spent on them to no more than one hour per week. You'll know how your business is operating in all the important areas of your business, including cash flow. You get current data so you can take corrective action before some crisis appears. Dashboards allow you to manage by the numbers and free yourself from chronic crisis management.

b. Financial Statements: "Any questions?"

Have you ever been given a copy of your financial statements by your accounting department and been told "Look them over and let me know if you have any questions?" You didn't have any questions because you didn't know enough to ask. We make a monthly analysis of your financial statements and present a layman's narrative of what your financial statements are saying about your business in terms of profitability, financial strength and liquidity and efficiency. We also compare your business to your industry standards to determine if you're outperforming or underperforming your industry peers.

You get a clear understanding of how your business is doing along with recommendations to improve its performance, financial strength and liquidity.

c. Financial Statements: “Stale and Past the Expiration Date”

Another stumbling block of financial statements for some businesses is that the financial statements are several months in arrears. Are you getting current financial statements? They lose value over time. What good are financial statements that are at least six months old? Not much relevance there. We make sure you’re getting current financial statements. We’ll examine the closing process used by your accounting department and put in any corrections or shortcuts needed to get you timely financial statements every month.

2. Identify and Eliminate Dysfunction

a. Stuck in Second Gear – The Evolution of a Growing Business:

You started your business because you are really good at something – sales, manufacturing, construction, etc. – and you are profitable at it. You built a business, hired a team over time and the business grew. At some point, you began to notice some dysfunction in the organization. The bigger the business became and the more employees you had, the worse the dysfunction became. Breakdowns and bottlenecks that never appeared before are now everywhere it seems. What happened? You’re not trained in business and organizational development. You’d find it boring and mentally restrictive. You hold meetings and put a “fix” on something that’s not working. But it doesn’t last. Want to fix it? Take yourself out of the process. Your time is much better spent doing what you

do best – bringing in business and envisioning the future of your business. Isn't that why you started your business? It's not your fault. Documenting effective business processes is not your expertise (unless that's the talent you used to start your business). You're a great entrepreneur. You see opportunities where others see risk. You act and make things happen. Do what you do best – grow your business. You really don't want to spend a day or two meeting over documenting a process anyway. That sounds less appetizing than having your gums scraped to most entrepreneurs. In the parlance of E.O.S., delegate and elevate yourself out of jobs that will be better handled by people suited to the task.

b. Your Employees – Cavalry to the Rescue:

Taking your business to the next level requires you stepping away from your role as “the company fixer.” We collaborate with your leadership team and employees to identify and eliminate the dysfunctional areas of your operations. Employees know where the dysfunctional areas are in your business. They struggle with them on a routine basis. We get all employees involved in the dysfunctional process together and let them describe the dysfunction from their perspective. We get them to talk about possible solutions and task them with documenting their part of it. Everyone gets a homework assignment to document their part of the process in outline or recipe form. Your only input is the results you want produced in whatever time and financial constraints involved. You can't make MY WAY part of the process. You can have your DESIRED RESULTS very much at the center of the process. In the end a detailed and well documented process is produced that the employees take ownership of. This ends the

dysfunction and improves employee coordination and morale. You don't have to waste time trying to "fix" this anymore. You have more time to do what you do best – grow your business. Your job in all of this? Trust your employees to handle this. Stop training them to wait for you to handle anything out of the norm. As rewarding as it feels at times to save the day, you're making yourself an employee of the business rather than the owner. Want more time to do what you want? Trust and empower your employees to handle things. Delegate and elevate yourself out of as much as possible so you can focus almost exclusively on being the visionary and primary revenue generator.

3. Strategic Planning

a. Dead Fish Can Float Downstream:

Have you ever found your business in a position or circumstance that you never anticipated? Have you ever noticed events that pushed your business in a different direction that you didn't see coming? Were you ever forced to pivot in ways you hadn't thought probable or even possible due to some market altering event? Have you ever experienced a sense of unease or uncertainty because the business environment seemed to be shifting under your feet? Many small and medium sized business owners get so wrapped up in keeping their business going (working in it and for it vs. working on it) on a day-to-day basis they don't examine the business landscape to see what's coming. It's similar to navigating an iceberg field without looking for icebergs. You're going to hit something. You just don't see it coming. This is what many small and medium sized businesses experience when they don't practice strategic planning on a regular basis. They're buffeted about by external forces. Sometimes

they wind up downstream. Sometimes they're trapped or dashed on obstacles.

b. Captain Your Own Ship:

We help you establish a long-term strategic planning process so you can plot a course for your business. We start with clarifying your conditions of satisfaction for your business as it is now and for the direction it's headed toward. We help you achieve clarity in identifying and getting exactly what you want. We help you establish your anticipated exit date – when you plan to retire/exit the business. We help you crystalize how you want your business to look – size, locations, annual revenue and profitability, products or services offered, etc. The long-range goal is broken down into intermediate and shorter-term goals and action steps. We make sure that your strategic planning team is on board with your vision and establish an environment that encourages their contribution. We also set up recurring meetings, at least quarterly, to monitor and assess progress, update and adjust goals as needed and reassess the game plan as new paradigms present themselves over time. The overall plan, all goals, responsibilities and milestones are documented. All meetings are logged in the form of progress and updates, with completed goals noted by date. You'll expand your horizons and vision over time as you accomplish more and more of your goals. The whole process over time shows the making of a masterpiece. Your masterpiece. The confidence and ambition that you'll experience is extraordinary. You'll reignite the passion you had when you started the business with the confidence of an experienced pro. What are you waiting for? Fortune favors the bold.

We'll cover all three parts of this process in detail over the next three chapters.

Recommendation: Get and read the book *"Process!"* by Mike Paton and Lisa Gonzalez. Also, the book, *"The E-Myth Revisited"* by Michael Gerber. Both are available on Amazon and other booksellers.

CHAPTER 5

NAVIGATION AND DASHBOARDS

You probably don't notice much about the gauges on your dashboard unless there's something registering a signal that something is wrong. The engine is overheating, you're about to run out of fuel, your battery isn't charging, the engine light comes on, brake system needs maintenance, your oil needs changing, and other systems are there to let you know there's a problem that needs to be addressed. My truck even tells me the tire pressure of each tire on the vehicle. You might glance at your dashboard every once in a while, but you don't spend hours analyzing it. Your dashboard helps you manage the vehicle while you're driving it, providing speed, RPM's, maybe what direction you're headed or the outside temperature. It also lets you know that everything is working well and can give you an estimated time of arrival using GPS apps.

Imagine no dashboard at all. You'd have to guess how much fuel you have. You'd have to check on oil levels, tire pressure, radiator fluid etc., etc. constantly to make sure your vehicle was in good condition. It could be said that dashboards are essential for effectively operating your vehicle.

Think of your business as a vehicle that's taking you on a great journey to a place you've envisioned. Does this vehicle

have a dashboard which gives you a quick snapshot as to how it's running that you look at routinely just to make sure everything is going well? If you're like most business owners, you're spending way too much time "looking under the hood", i.e. pouring over accounting reports and schedules, especially when something goes wrong with your finances. Why? Because you don't have a system of weekly dashboards that show you what's going on. You're flying blind most of the time and you're constantly getting hit with surprises in cash flow or you're spending hours going through receivables and payables in great detail rather than working on the business. The establishment of a set of dashboards delivered to you once per week will give you a 10,000-foot view of your business and will send warning signs to you if something is going off track. Hopefully, you've got a leadership team that can handle most problems, so you don't have to get involved. If you do have to get involved, dashboards will make you aware of the problem long before it gets to critical mass and your day is consumed "putting out fires" to fix the problem.

What dashboards should you have? There are some that are common to all businesses. There are others that depend on the type of business you have. I recommend that the owner and leadership team receive and review the dashboards listed below on a weekly basis.

Here are some dashboards that are common to most businesses.

- **Cash Projection** – six to ten weeks out. I'm amazed at how many businesses operate with no idea of what their cash flow looks like over the next six to ten weeks. If there's an "iceberg" in your path, don't you want to navigate around it or mitigate as much as possible? Or would you rather get blindsided on the day of a big payment (income taxes, insurance, property taxes etc.) that

sends you scrambling for cash? With good cash projections you shouldn't have to get involved if you have competent accounting staff.

- **Weekly sales with MTD, QTD and YTD vs. Budget**
 - If there's a problem in sales, you want to know about it ASAP. You can't do anything about poor sales this month on the 20th of next month. Is there a problem in billing? Are sales just "off" or is there something going on in terms of customer satisfaction, a turndown in the market or is the sales team "out to lunch"? What actions can be taken by your leadership team? Are there any key customers you can call on? If there's a problem, you need to have a plan to remedy the situation.
- **Accounts Payable** – How does your A/P aging look? Are you current with your vendors, especially key vendors? Is there a problem with any of your key vendors? The last thing you need is to find out you're on credit hold with a critical vendor due to slow or non-payment. Maybe some negotiating is needed to get better terms. Look to your leadership team first before you get involved. This is one of those areas your leadership team should be able to handle.
- **Accounts Receivable** – Receivables are important because of the ramifications to cash flow. Most e-commerce businesses don't carry receivables, so this may not be a dashboard for that kind of business. But for the rest of the business world, carrying receivables is a part of doing business. Here's a rule of thumb for your A/R. The older an invoice becomes, the less likely it'll be collected. Someone needs to stay on top of A/R. That person should know the accounts payable manager of

most customers and be in communication with them to coordinate the prompt payment of your invoices.

- **Tax Reporting** – Your leadership team should always be on top of all tax reporting and compliance. I've seen too many businesses go up in smoke due to unpaid or unreported taxes. The business owner is usually the last to know. You need to see a schedule with PDF backups of all tax filings and payments made online. These are a bare minimum of the taxes that should be reported on a regular dashboard.
 - Payroll Tax – state and federal (for each pay period – weekly, biweekly or semi-monthly)
 - Sales Tax – all jurisdictions (monthly filing)
 - Income Tax - state and federal (quarterly estimates paid and annual returns filed)
 - Property Tax – on all properties (annual schedule of properties with paid tax bills)
- **Inventory** – Your inventory dashboard should give you a good idea of how well you're turning over your inventory, what's selling well, what's slow and especially what's dead money. I've seen many business owners hang on to inventory that is slow moving or not moving at all. It's what I call dead money. Yes, your inventory cost you money. But it isn't doing you any good if it's sitting on a shelf for more than a normal sales cycle. Discount the dead money inventory and get your money back into products that will sell now.

Here are some dashboards that are useful depending on your business model.

- **Average cost of production for manufacturers** – Manufacturers' costs have to be constantly monitored. As

an engineer plant manager once told me, he liked to keep things nice and boring. Steady process of production where materials, labor and energy to produce are virtually the same for each piece of production. I've known several manufacturers that keep daily production logs and some even monitor costs on an hourly basis. Your leadership team should be on top of this. You just need to see that costs are being monitored and that there is little deviation from one production run to the next. So your dashboard should have a summary of units produced and the average cost of the following components of production. There should be a record of previous production runs so you can compare current statistics to the previous trend.

- Labor
- Materials
- Fuel
- **Work in Progress for contractors** – a summary of costs (labor, materials, equipment, subcontractors etc.) associated with each job and an estimation of the percent complete on the job. Most construction firms use a WIP (Work In Process) report to monitor jobs usually on a monthly basis. I recommend that you keep the reporting on a weekly basis for the following criteria.
 - By Job
 - By Project Manager
 - Total Company
- **Equipment Utilization** – For equipment dealers who rent their equipment out or for contractors that maintain an inventory of equipment used in their work, maintaining a weekly report on equipment utilization is highly recommended. The number of hours or days used compared to the maximum available, less planned

maintenance, should be monitored weekly with MTD, QTD and YTD history for comparison purposes.

- **Billing Utilization Rate** – Revenue generated vs hours paid for each employee and partner. For most professional firms (lawyers, engineers, accountants, doctors, physical therapists, etc.) this is watched closely.
- **Website Traffic – returning customers vs. new visitors** – e-commerce businesses know that traffic will determine sales. Monitoring traffic in general as well as returning customers vs. new visitors is key to marketing strategies and SMS and email campaigns.
- **Average Order Value (AOV)** – e-commerce businesses track the dollar value of the average order made on their website. This number is useful in analyzing trends and the effect of a change in tactics, i.e. raising or lowering the minimum sales amount to earn free shipping.

There are more of course. Every business needs its own custom-made dashboards to tell the owner how things are going. The accounting team would complete the dashboards for delivery to the owner and leadership team the same day every week. It shouldn't take more than an hour per week to review these dashboards. Comments between the leadership team and owner can be done by email within the group. The only time the owner needs to get involved is when a warning signal registers on a dashboard that the leadership team can't handle. This should be a rare occurrence. Your first line of involvement is only to ask your leadership team to look into a potential problem and report back ASAP.

If you have a good leadership team, you shouldn't have to ask much. One or more members of the leadership team should be on top of any warning signal and forewarn you prior to the

weekly dashboards (or concurrent with the dashboards coming out) what's going on and how they're solving it. If your leadership team is chronically lagging behind warning signs, they're not paying attention. That would warrant a "same page" meeting to get everyone on the same page.

Dashboards that measure your business's KPI's is a good practice to begin the process of you stepping back so your leadership team can step up. It helps to give you an overview of your business without you delving into the weeds in different parts of it. It lets your leadership team have the same perspective. It's a great teaching opportunity to review the dashboards with your team to show them what you see and how to solve problems with a good process. A good business consultant with some background in accounting and finance should be able to help you in getting the dashboards best suited for your business. Once your dashboards are set up, it's a great idea for the coach to get a copy every week as well. The coach will have an outside view of things as well as a wealth of experience in dealing with similar issues in other businesses.

CHAPTER 6

REPORT CARDS, YOUR FINANCIAL STATEMENTS

Here's a question for you. How often do you review your financial statements with a good coach who can give you a layman's narrative of what they're saying about your business? Are you even reviewing your financial statements? Do you have goals about your liquidity, financial strength, profitability, or efficiency that are a part of your financial statement review?

If not, relax. You're in the vast majority. But here's the downside of not knowing your financial statements inside and out.

You can't develop your business without knowing where you are now. You can plot a course for greener pastures only by knowing your starting point. Try driving your car down the interstate with side-blinders on and no dashboard. You can navigate up to a point, but you have no peripheral vision. You can't see what's coming at you from the side or behind. You only see what's in front of you. Works great for horse drawn carriages where the driver handles the peripheral scope of things. Not so much for you driving your vehicle. Not knowing your financial statements and what they say about your business is similar to driving with no peripheral vision or dashboard indicators. Sure, you can

drive forward, but you're vulnerable to perils coming at you and you have no idea if something in your vehicle is malfunctioning that needs attention. And worst of all, you may be headed in the wrong direction. Ask the joke about an airplane flying over the Atlantic goes, the pilot comes on and says "Folks, we're lost. I have no idea where we are, what direction we're heading in or if we have enough fuel to reach our destination. Good news is we're making good time." Recipe for disaster.

Most business owners have a vague idea about some aspects of what their financial statements are telling them about their business. For a good percentage of owners, it's just "numbers on a page" that don't mean much in terms of strategic planning or best options for the business. They'll check cash in the bank and sales, maybe glance at net income. They're limited to "do we have enough cash?" and "are sales up over last year?" Hardly an effective way to manage finances yet some get away with it. The vast majority of business failures are due to 1. Poor capitalization and 2. Bad management, usually because of a lack of knowledge of interpreting financial statements and data.

So, what's the big deal over financial statements and your ability to read them well? It will make a huge difference in your ability to make informed decisions about how to steer your company financially, operationally and strategically if you know what your financial statements are telling you about your business. There are three financial statements you should be familiar with – 1. Balance Sheet, 2. Income Statement (aka Profit and Loss Statement) and 3. Statement of Cash Flows. Let's take them one at a time.

Balance Sheet

The balance sheet is a report card on your company's net worth, liquidity and financial strength. There are a number of ratios to

gauge these ratios in your company. Some of the common ratios include:

Measurements of liquidity

- Current ratio (current assets divided by current liabilities).
- Acid test or Quick ratio (cash, cash equivalents, marketable securities and receivables [exclude inventory and prepaid expenses] divided by current liabilities).
- Cash ratio (cash and cash equivalents divided by current liabilities).

Measurements of financial strength

- Debt ratio (total liabilities divided by total assets).
- Debt to Equity ratio (total liabilities divided by total equity).

Calculation of Net Worth

- Shareholders' Equity for corporations.
- Partners' Equity for partnerships.
- Capital Account for individuals.
- Basically, this number is derived by subtracting total liabilities from total assets. Generally, the larger this number is positive, the better. Some businesses show a negative net worth. This is generally an indication of under capitalization, accumulated losses from operations or a combination of the two.

Income Statement

The Income Statement (aka Statement of Profit and Loss) is a report card on your company's profitability from a revenue, gross margin, and net operating perspective. It's also a good place to

compare your company's numbers against other companies in your industry.

Leverage Ratios

- Interest coverage ratio ($\text{Operating Income} / \text{Interest Expense}$)
- Debt service coverage ratio ($\text{Operating Income} / \text{Total Debt Service}$)

Efficiency Ratios

- Asset Turnover ratio ($\text{Net Sales} / \text{Average Total Assets}$)
- Inventory Turnover ratio ($\text{Cost of Goods Sold} / \text{Average Inventory}$)
- Receivables Turnover ratio ($\text{Net credit sales} / \text{Average accounts receivable}$)
- Days Sales in Inventory ratio ($365 \text{ days} / \text{Inventory Turnover ratio}$)

Profitability Ratios

- Gross Margin ratio ($\text{Gross Profit} / \text{Net Sales}$)
- Operating Margin ratio ($\text{Operating income} / \text{Net sales}$)
- Return on Assets ratio ($\text{Net Income} / \text{Total Assets}$)
- Return on Equity ratio ($\text{Net Income} / \text{Shareholders' Equity}$)

Statement of Cash Flow

The cash flow statement includes cash made by the business through operations, investment and financing. The sum of these inflows and outflows is the net cash flow. The cash flow statement is broken down into three parts.

- Cash flow from operations – net income (loss) from operations less non-cash expenses (depreciation and amortization)

- Cash flow from investment – is the result of investment gains and losses (equipment purchases / disposals as an example).
- Cash flow from financing – cash provided from debt and equity.

It's okay if your head is swimming at this point, especially if you're not used to dealing in this accounting/finance jargon.

Here's the good news. You don't have to be a financial statement pro right now. You will need to become one with a good financial coach. The coach will teach you over time how to read your report cards (financial statements) so you can design your business into the future or take corrective action when necessary. Your coach can help establish where you are financially and help establish goals about where you want your business to go in the future. The coach can help establish benchmarks of where you are now with financial ratios and define their meaning. With your input, the coach can help you set goals for these benchmarks for the future. That's part of what I call "designing your business into the future."

Rather than trying to educate you on the nuances of financial statements, which would take volumes you would probably never read, I highly recommend getting a good business coach with an accounting or financial background.

My basic message here is don't fret about this issue too much now. You didn't receive training or education on financial statement interpretation. You're not supposed to know, unless you have a degree in Accounting. It happens. My strong recommendation is to either, 1. get a coach to help you or 2. get an education in financial statement analysis so you can use your report cards (financial statements) to design your business into the future. I can promise you the coach is the cheaper, quicker, more effective choice, and do as you please.

CHAPTER 7

EMPOWERING YOUR EMPLOYEES, STEP BACK SO THEY CAN STEP UP

I've already cited a few examples of owners or executives insisting on "MY WAY" and the ineffectiveness it produces. I've mentioned a few times how my overwhelming experience shows that it's the business owner who is almost always the bottleneck holding things up, slowing things down and creating dysfunction in businesses I've worked with. So, what's the common dynamic? As I mentioned already, business owners hold their business like their "baby" and they want their baby protected and nurtured. They also have a hard time trusting that others will take care of their baby like they do. Here's the glitch in the machine. Have you ever seen otherwise well-meaning parents absolutely ruining their child(ren) by being overly protective and hovering over their every move? Never letting the child stumble or fall or fail in any way? Yeah, same dynamic. We learn from our mistakes, sometimes painfully. Our mistakes and the painful lessons get our attention, make us tougher, stronger and better equipped to take on the next painful lesson. Our mistakes and failures train us to pay attention to what we missed in the first place that led to the failure, or suffering, or both. In the proper culture, mistakes are learning opportunities.

Constantly insisting on MY WAY by a business owner doesn't teach the employees or organization what it is to fail, to make a mistake. No learning takes place. The organization becomes dependent on the owner to always step in to save the day. The owner becomes a captive of the business. The employees get the strong message not to try to resolve things, not to think outside the box and not to make the extra effort because you can't do it the way the boss wants it done. You can't do it MY WAY. On another level, employees get the message of "I don't trust you to handle this. You're stupid. You're incompetent. You're not going to handle this MY WAY, therefore don't even think about trying or you may get a reprimand or criticism from the boss." No, you may not be thinking this, but that's what gets "heard" by your employees.

Here's another kicker on the subject. MY WAY, is typically an inefficient and sometimes costly solution to the issue at hand. An owner who's telling the accounting department how to do accounting is usually a disaster. An owner telling employees how to do most things that the owner hasn't been trained in is rarely the best, most efficient or cost-effective way to get things done. Oh, it's the owner's way alright. But does that make it best, most effective, cost efficient? Uh, no, not usually.

An example of MY WAY that stands out in my memory is a business owner putting the weekly executive committee on hold while he worked with his graphic designer on getting just the right shade of blue as a background effect on the company website. They were using a projector linked to a laptop to put the webpage on a pull down screen so he could give her direction on the exact shade of blue he wanted. This went on for 45 minutes. The executive committee probably represented close to \$1,000 per hour collectively. After the meeting I asked the client if he was satisfied with the shade of blue he had selected. Yes, he was

pretty sure that was the exact shade of blue he wanted on his website. I asked if he realized the following.

- Not everyone sees the same colors. We all have our own unique perception.
- The blue he chose on the projector screen was going to appear differently depending on the viewing device (monitor, laptop screen, phone, etc.) used to view the website.
- He kept the lights on while picking the color blue, which lightened the shade in his perception. The color he picked was probably a deeper blue than he intended.
- Some people could care less about the background color on a website.
- Some people actually dislike the color blue.
- What message did he send to the executive committee who was forced to sit through his nitpicking the color blue?
- How much money and productivity were wasted in the time he took to select the color blue?

He was a little embarrassed in exposing his own blindness and commitment to MY WAY.

Giving up MY WAY is one of the first things an owner has to do in order to create room for his or her leadership team to step up and take over day to day operations. Again, until you step back, they will never step up.

You are the captain of the ship. You aren't supposed to go up the mast and unfurl the sails. The captain doesn't even turn the wheel that steers the ship. The captain coordinates the jobs that make the ship go. There's a pilot to help navigate on longer voyages. The captain doesn't do the jobs, just directs them. And does the

captain speak directly to crew members? Absolutely not. He has officers that take his commands and direct the sailors who carry out the orders. Imagine you're the captain of a three masted ship in the 1800's. Can you imagine the ship running well if you, the captain, constantly got in the middle of the sailors' chores and kept showing them how to do it MY WAY? What do you think that would do to the morale of the sailors? What about your officer corps on board? Do you think they'd get the message that they were incompetent and not trusted by you? Do you think that kind of micromanagement would engender the crew and officers to you as captain, or turn them against you? How much do you think the crew on board would trust you as their captain? What do you think would happen if an extra effort by the crew were needed to make things run smoothly? Hopefully, you're getting the picture. You can't have your business running smoothly if you're constantly in the way trying to make sure things are done MY WAY. Until you step back, they'll never step up.

I can hear some of the grumbling as some are reading this. "How can I step back when 1. they're incompetent, 2. can't do anything without me stepping in, 3. I can't trust them to follow through, 4. the place falls apart when I'm not around," and on and on. I've heard all of the "reasons why not" for letting the leadership team manage and run the business without the owner stepping in. I'm not suggesting that you suddenly step back and turn loose the reins without preparing your leadership team on how you want things run. That would give you all the evidence you'd be looking for that turning over the management of the company was a horrible idea. What I'm suggesting is that you transition over time by announcing that you're stepping back to free yourself of the day-to-day management to focus on your two main responsibilities 1. Visionary of the business (remember that's what got you into the business), and 2. Being the primary revenue generator. You'll need to be very clear with your management or

leadership team about the **RESULTS** you are expecting, not the way to produce those results. MY WAY has to die. No one is going to do it MY WAY because they're not you and more importantly they should have been trained in how to do things effectively and efficiently, which is rarely MY WAY. What are the RESULTS that would satisfy you within whatever time and financial constraints are associated with a process? That's your input into the process that is being delivered. Develop a process that will consistently produce these RESULTS.

Some cautions are in order here:

1. Expect errors and mistakes, especially in the first several months. These are new distinctions and standard practices for your management or leadership team. They're still going to be looking over their shoulder for you to step in and get things done MY WAY. They're going to be gun shy of taking bold moves or going beyond the norm, not because they're shirkers, but because YOU trained them to expect you to step in. The worst thing you can do is to step in and "fix things." They don't trust you now. You stepping in after transitioning to their management will only confirm their mistrust of you.
2. Treat all mistakes and errors as learning opportunities, not an excuse to brow beat someone into shame and embarrassment for making the error. A quick way to continue you having to step in is by "hang a body and ask questions later" method of problem solving (most popular business owners reaction to big mistakes in my experience). Ask questions calmly and without a tone of accusation. What happened? Was a process in place? If so, was it followed? If no process is in place, who is going to put one together (not you, business owner)? What can we as a department, company, team learn from this? What

wasn't seen or was missing that allowed or prompted this to happen? What training is needed to prevent this from happening again and for whom, if any? Think in terms of identifying the source of the breakdown, not the person. Think in terms of what we can do to prevent this from happening again. Think in terms of improved effectiveness and functionality for your business. Every mistake or error is a learning opportunity – even though it feels like you need to punish someone for doing something that threatens 1. your business, 2. your livelihood, 3. your reputation, 4. your identity in the business community, 5. your emotional well-being, 5. your peace of mind, etc. No one is trying to ruin your day, make mistakes, cause you grief etc. They're trying to do their job.

And at the same time, if there is an employee(s) that keep making the same mistakes despite training, education, etc., they're probably not the right person in the right seat. Learning opportunities are supposed to produce improved performance and a cessation of errors. Chronic errors by the same people despite training, learning opportunities etc. are an indication that person needs to be replaced. I'm not suggesting that you run a charity for the incompetent. I'm asking that you don't execute a body to make a point that you won't tolerate errors. Encourage learning, reflection, investigation, and improved performance. Isn't that what you want? Your emotional outbursts of making an employee "wrong" for something they did only hurt your organization and your identity with your employees. You want your employees to trust you, engage with their position in the company, take up your vision, be grateful to be part of the mission. Being scared of you will only have them looking for a better job elsewhere. My experience is that business owners who

use fear as a management tool wind up with the worst employees because all of the good ones have gone elsewhere. “People, dogs and money go where they’re treated best” is an adage I’ve seen throughout the last four plus decades. Be the boss your employees love, not the jerk they’re all trying to get away from.

Book recommendation: *How to Be a Great Boss!* by Gino Wickman and Rene Boer (2nd time recommendation). Here’s a quote from the first few pages of the book.

“Those bosses create an environment where people show up every day because they want to be there, not because they have to.”

Isn’t that what you want from your employees? They want to be there, rather than just show up, put minimal effort in to just get their paycheck. They’re basically mercenaries. Not your ideal employees. You want people who want to be there, who want to be part of your team, your vision, etc. That’s going to take a different “you” in most cases.

3. Be grateful for the process of your team stepping up so you can be freed from the daily grind of your business. Their efforts allow you to make what should be a much higher income than you’re presently generating and accumulate wealth. As I tell clients repeatedly, “your employees are the people that work to provide you with your lifestyles of the rich and famous (or shameless).” Be grateful that they’re contributing to your welfare. Lashing out at mistakes and being resentful that “they just don’t get it” will only get you more of the same. Most people want to do well and get some amount of acknowledgement for a job well done. They’re not looking for parades and large bonuses. They’re looking for a kind word of acknowledgement,

some public recognition and thanks for a job well done more than anything. Have you ever been in the kind of relationship where you were constantly scolded or berated for “not doing it right” no matter what you did? If so, how motivated were you to perform well? How willing were you to make an extra effort to get things done, resolve issues on your own, learn more so you could perform better or make a bigger contribution? Not so much I’ll bet. My guess is, if you were ever in that kind of relationship, you were looking for an exit. So are employees who are mistreated by tyrannical bosses. You’ve probably heard the expression, people don’t quit jobs, they quit bad bosses. You’ve heard of the golden rule, “Treat others the way you would like to be treated.” Yes, I can hear some of you thinking “the man who has the gold makes the rules.” Wrong golden rule. There’s a rule above the golden rule. It’s the platinum rule. “Treat others the way THEY WOULD LIKE to be treated.” See the difference? Imagine if people treated you the way you’d like to be treated rather than how they’d like to be treated. Would you be more grateful? Willing to contribute more or step up? Put in the extra effort consistently? Learn more to be a bigger contribution? Become a much more effective contributor to whatever the goal was? Yes, there are some that want to be pampered and treated like children. You don’t want children in your organization. Get rid of that ilk. You want responsible adults committed to making a contribution.

Visionary and Primary Revenue Generator

We need to review your highest and best use of your time and talents. Let’s start with a question. What was the impetus that had you start a business in the first place? I’m betting you had

some sort of a vision of you helping people while being able to generate a very profitable income by doing something on your own. It probably had something to do with your ability to do one or more of the following talents.

- **Sales.** You know how to be with people. You see opportunities to help with customer problems and you know how to have your offer stand out from the crowd. People are drawn to your persona and know, like and trust you quickly. It's not a forced manipulation. It's just you knowing how to have a conversation that elicits commitment from your clients.
- **Construction or contracting.** You know how to put together a building project (civil, to industrial to general contracting) and manage it well. You look at a project and you can see it being built in your mind. People can almost see the machinery in action in your head. If there's a part of a job you're not too familiar with, you know who to go to, that will be a pro at it. You know the building process, what the estimating and bidding should look like, what jobs are your bread and butter (and those that aren't) and how to price them for successful bidding. You know how to run a crew and how to coordinate the different crews with subs easily as different parts of the job come up. Your crews and subs want to do well for you. You make what others can't comprehend look easy.
- **Manufacturing.** You know how to manufacture some product(s) that had some marketing edge (high quality, special functionality, cheapest price, etc.). You know how to maximize productivity, minimize cost and get things made more efficiently than most. You know the pricing of the cost of manufacturing, where to source materials, what the process should look like and the market you're

producing for. If a better mousetrap needs to be built, you're the person for it. You have a reputation as someone who can manufacture damn near everything for better quality, better price, or get it done quickly.

- You're a master at networking and deal making. You don't even realize that's what you're doing. Deals are constantly made, sometimes with people you've barely known for more than an hour. You're always in conversation about what's possible, what's available, who can help, where and how problems can be solved. People look to you as a source of pulling things together and accomplishing goals. People gravitate toward you because they want to be part of your network, that you're constantly growing, connecting and putting people in touch with each other.

These aren't the only four, but they're the primary four talents I've seen over my years working with business owners. Which one describes you? Or is there another talent that describes what motivated you to go into business for yourself? The really talented business owners I've known make it look so easy, even though it's anything but. This group hardly sees what they do as anything special. They have attributes that make what they do seem apparent and obvious to them for getting things done. Have you ever encountered someone who can hear a tune they've never heard before and then play it on a musical instrument within a few minutes? Yeah, like that. Innate ability they were born with that is so natural to them it doesn't strike them as unusual. Some business owners are good at one of the four talents listed, but it takes work. They don't have an abundance of talent, but they make up for it in terms of drive, effort and passion. Which type are you? Naturally gifted or driven and passionate? If you're not sure, you're probably naturally gifted. The driven and passionate ones always know the hard work they've put in to get where they

are. That doesn't mean the naturally gifted owners don't work hard. They do. But the effort isn't as conscious of an effort.

And in the end, it doesn't matter. Something you saw had you take the leap of faith and strike out on your own. It was your vision of what's possible. That's also a talent that the average Joe Six Pack doesn't have. Joe Six Pack wants security and guarantees and not a lot of struggle or long hours. They see risk where you see opportunity. No matter what talent you had, you share the entrepreneurial spirit with others who have started their own companies out of that vision of what's possible.

Here's another question for you. How important is it for you to maintain a vision of what's possible for the future success of your business? I hope you're saying it's crucial, because it is. You need to constantly scan the horizon of what's coming at you and your business and guide it like a ship to the best route to get safely to your destiny. What opportunities are waiting to be seized? What threats do you need to avoid or minimize before they upend your successful business? No one else is going to do that for you. Not at the level you're going to do. You can have your leadership team contribute to opportunities and threats discussions, but IT'S NOT THEIR BUSINESS. They won't be looking with the eyes of an owner. Only you will. So can we agree that one of the two primary functions you have with your business is that of "visionary"? Can we further agree that NO ONE is going to be more committed or better at it than you in the confines of your business? Please say yes, even if it's to yourself. I can't hear your head nodding.

Here's a follow up question for you. How much of your time is spent currently on being the visionary for your business in terms of a percentage of the time you spend during a typical work week? Here's my guess – very little if any at all. Probably less than 10% and that's on the high end. Where are you spending

a lot of time doing things that are not in the realm of visionary (and hint, you're not that good at either), reviewing payables, reviewing receivables, trying to figure out cash flow, looking at employee benefits, looking at what positions or expenses you can do without, getting in the middle of logistics with shipping, receiving, inventory, purchasing, etc., getting involved in customer service. You know the drill. Things you're not trained in, but because it's your business, your baby, and you don't trust your employees to handle things MY WAY. Here's some bad news, MY WAY, is almost always one of the least efficient or productive ways to accomplish what needs to be accomplished. How much "visionary" time is getting wasted trying to make sure everyone does things MY WAY? Without the visionary function, you're flying blind – a good recipe to hit something hard. Something that could end your business. Remember the captain of ship example we talked about? How effective or efficient would it be for the captain of the ship to run around making sure that each sailor did every task MY WAY? Not very. Same thing for your business. So how do you break yourself of the addiction to MY WAY? How do you STEP BACK so your leadership team can STEP UP? This is a crucial shift in the way you "run your business" because you are absolutely needed at the visionary role. It's one of two highest and best uses of your time and energy, and it's one of the most valuable things you can contribute to the ongoing success of your business. Am I making sense yet? Are you still shaking your head yes? I hope so. "But how can I step back, when I don't trust my people to handle things?" That's the assessment that disempowers you. That's the bottleneck. That's your Achilles' heel. That's why you aren't at the "next level." That's what I call "stuck in second gear." You are the only one that can make the change. No one else. But it takes your commitment to change. Remember my definition of commitment? "I accept no excuse that this does not happen." It's going to take your commitment. You're going to have to remember what you're committed to

especially when mistakes are made and your MY WAY narrative kicks in with

“See. I told you so. They can’t handle it. They need to do it MY WAY because we know that works. They can’t be trusted. I need to handle things.”

That narrative will be with you until the day you die. You need to turn down the volume and replace it with a more empowering narrative. Here’s a more empowering narrative.

“Mistakes will be made. I know I’ve made my share of mistakes. What can we learn here? What was missing that this happened? I need to get input from my leadership team and see how they’re handling it. I need to see if anything is needed from me. This will be a learning opportunity that we’ll improve upon.”

See the difference? One is about blame, not trusting, and jumping in the middle of things insisting on MY WAY. While the second one is about learning from mistakes and improving while having the leadership team handle it. You stay focused on your primary jobs of visionary and primary revenue generator.

Speaking of the job of primary revenue generator, isn’t that the other primary reason you started your business? What is a better use of your time and talent outside of visionary? It sure isn’t customer service, making sure the shade of blue on one of the pages on your company website is the one you want (remember the business owner that held up the executive committee for 45 minutes), getting involved in accounting, shipping, purchasing, etc., etc., etc. My decades of experience have shown me that the first step in eliminating dysfunction in a business is getting the owner to disengage from the day-to-day management and

running of the business. The owner is typically the bottleneck (clinging to MY WAY) and usually the hardest to convince that “we have met the enemy, and it is us.” (quote from the comic strip Pogo).

What’s not your job? Everything outside of visionary and primary revenue generator. Yes, you work with the leadership team who actually manage and run the business so you can spend time doing your highest and best use, your most valuable contribution to the business, what you’re really good at – 1. Being the visionary and 2. Being the primary revenue generator. You most certainly need to work with the leadership team. You can LEAD the business from a 10,000 foot level. Your leadership team MANAGES it on a day-to-day basis. Think Captain of the ship analogy. Stay out of your line officers’ and sailors’ way. Just because you started the business and still own the business does not mean you’re best suited to manage the business. Remember the distinctions we reviewed at the beginning of the book about what skill sets make a good entrepreneur versus the skill sets of a good manager? Diametrically opposed. Do what you’re talented at for your business, not what you’re “not good” at that will take you away from your highest and most valuable contribution to the business. Have I made my point? Have we flogged this dead horse enough? Good. Let’s move on. We’re getting close to the end.

CHAPTER 8

STRATEGIC PLANNING TO BUILDING YOUR BUSINESS INTO THE NEXT LEVEL

I grew up on a farm in rural Louisiana. My father had inherited the farm from his father in 1955. My father had sold off some of the farmland in 1955-56 to finance him going to medical school with a wife and three children beginning in the fall of 1955. He finished med school and his one year of internship in June of 1960. We moved back to the farm that summer and I was trained over the next several years on some basics of farming. Don't worry, this has a point.

One of the things I learned was about plowing in the spring. Part of the cycle of farming after harvest was letting the land rest for a few months and then "turning the dirt" in late winter or early spring by "discing it" under. This prepared the field for rows being plowed before planting. Mind you, this was the early 1960's in rural south Louisiana. Most things done on a farm still required a lot of manual labor, including plowing a field for planting with a two-mule team and a steel plow. The secret to plowing the field correctly I was told was getting the first row as straight as possible. This was important because the rest of

the rows that followed would follow the pattern of the first row. Crooked first row, crooked rest of the field. The secret to getting the first row as straight as possible was told to me much like this.

You get a big red piece of cloth, tie it to a stake and plant the stake where you wanted the first row of the field to end. The farmer would guide the two-mule team at the designated starting point with the plow in the dirt, making a furrowed row, by fixing his gaze on the red cloth blowing in the wind at the end of the row he was plowing. No looking aside. No distractions. No minding the team. Just fixate on the red cloth on the horizon. If you could guide the team as straight as possible while fixating on the point of the horizon, you'd plow a pretty straight line. So long as the subsequent rows plowed flowed with the first row, you had a pretty good field for planting.

Okay, okay. Get to the strategic planning already.

The secret to the first major step of strategic planning is to pick that spot on the horizon and plant a big red marker there for you to navigate by over the coming years. Get it? Makes sense now, I hope? Question for you. How do you set your spot on the horizon? Great question. This will take some reflection, some time, a good coach and some willingness to "be in the question." You won't have an answer right away. If you do come up with an answer right away, it's suspect at best. Unless you've been doing this on your own before reading this far, you probably have a vague idea at best, about where you want to land. Let's begin setting that spot on the horizon that will be your guide over the coming years and decade(s).

The question I like to introduce my strategic planning clients with is this. "Are you satisfied with where the business is now, and are you satisfied with the direction it's headed in?"

Most owners are like a deer in headlights, indicating they hadn't given either part of this question much, if any thought. Before we proceed much further, I'd like to share my definition of "satisfaction" because it tends to be misconstrued fairly consistently.

Satisfaction is a matter of enough action.

What does that mean? Here's an example of what most people live out of in terms of narrative. "If only my life were *more, better, different, I'd be happy.*" Do you see the flaw in that thinking? Take a few seconds and write down what you think the flaw in that thinking is. Write "no idea" if that's what comes to mind. Write down something about what you see or don't see.

What's missing? What's impossible to ask for? What's impossible to achieve and satisfy?

Hint: define "more" "better" and "different" and in what domain of life. More what? Better what? Different what? Let's try some examples. Use the following nouns to complete "If only I had" "more, better, different (fill in the blank)."

Income

Relationship

Job

Sex

Physical health

Friends

Wisdom

Freedom

Experience

Love

Self Confidence

Dignity

Joy

Gratitude

Optimism

Patience

Drive

Commitment

Passion

Vision

Add to the list at will. Feel free to mix and match. Example.

“If only my life had more INCOME, better RELATIONSHIPS and a different JOB, I’d be happy.”

Go for it. You’ve probably got several of your own. Have fun.

Without a lot of clarity in these three areas in terms of what is “enough action” you’ll suffer a lot of frustration never achieving anything because you didn’t CLARIFY what is ENOUGH ACTION to produce SATISFACTION. Without clarity, you can’t 1. Ask for what you want, 2. Go after what you want, 3. Take action about what you want, 4. Achieve what you want. The clearer you are about what you want, the quicker you’ll be able to achieve it. Don’t believe me?

Think about things you wanted – really badly, especially before you attained legal adulthood. You were clear on exactly what you wanted, and nothing stopped you from getting it. Not money, not criticism, not difficulty, not time required. Nothing. You were committed. Once you’re committed, the hard part is over because again, commitment is “I accept no excuse that this does not happen.” “Trying” is hard. Commitment is easy. Think

about the things you say you want but haven't achieved. Think about the main or primary item you want but haven't achieved. How crystal clear are you on exactly what this is, and exactly how you'd go about getting it? If you've been fantasizing about it for decades, it's probably a "fantasy" that has no legs in the real world. You haven't been rigorous in the details of it in terms of what it would mean in detail. You've probably only focused on how fantastic the result would be, not the work required to attain the results. I've envisioned myself an adept dancer who can trip the light fantastic and make impromptu moves based on my partner's moves. You know, like the professional dancers who can dance well together even though they've never danced together before, had no practice and don't know what song is about to come on.

Reality is I've had some daydreams about the end result (dancing really well with women) and how cool that would be rather than the 1. rigors of learning, 2. what commitment it would take, 3. where I could go for a good coach, 4. the training involved, 5. the time and practice it would take, etc., etc., etc. I've never taken one action step toward this fantasy. Would it be fun to accomplish this? Would I have a huge payoff in terms of fun, fitness, a sense of accomplishment, etc.? Sure, but I have bigger fish to fry as the saying goes. I have other choices I've made, commitments I've made that crowd out things like being great at impromptu dancing. I'm satisfied not pursuing this fantasy. We all have some fantasies from time to time. The difference between fantasy and vision is clarity and taking action with a vision. Fantasy is never that clear except maybe parts of the results you'd enjoy. Fantasy never sees any real action taken to make it a reality.

On to the next step. Details.

Once you have a general idea of what would satisfy you, it's time to really go to work on the specifics in as much detail

as you can muster. The more details, the easier it will be to focus on what you want. It requires real thinking, not just having thoughts. So what is real thinking? Thinking requires questioning. Why? Because questions, done right, force you to come up with answers, perspectives and possibilities you didn't see before. Without questions, all you have is what you already know. That's called having thoughts. Think about all the times in your life that you've had big breakthroughs. Did the breakthrough come from something you'd been knowing about for several years? Or was it some new distinction you hadn't seen before that suddenly allowed you to make better moves, take more effective action, produce results that had been unattainable thus far? If you're planning on strategically designing your business into the future, do you think your current day set of distinctions, perspectives and narratives will be adequate going out ten to twenty years in the future? Think back ten years ago, or at least back to when you first started your business. Could the "you" then see what has come since? Could that "you" be running your business today? Have you picked up some new distinctions along the way which have increased your effectiveness? Has your perspective been upgraded with new experiences and lessons learned? If you're honest the answer is probably that the "you" now is more skilled than the "you" back then. Thinking forward ten to twenty years means you're going to have to be thinking like a future "you" to design something that will forward your business. You're going to need a different set of eyes to design the future and an enhanced level of skills to lead your business there. This is important. The more details you can define about where you're going, the better you can build that future. Have you noticed that I've been asking a fair amount of questions throughout? There's a good reason why I have. So what kind of questions will help you develop those details that are fuzzy "kinda, sorta" ideas now? Here are just a few examples.

- What will be your business's primary and secondary products or services offered that are beyond the scope of your present day offers?
- What type of skilled labor will you need to offer those services? (Sales, engineering, production, design, etc.)
- What is the concern(s) that your business addresses that is the concern of your prospective customer base? (Think Xerox's pivot to a document company from a copier company. Or IBM's shift from a computer sales company to an IT services company.)
- What revenue will your business generate in the future and from what revenue streams?
- What culture will your business operate out of or embrace?
- What kind of employees work for your business?
- How much money do you earn from your future business?
- How much of your time is required to keep it running (hint: less is more)?
- What is the geographic footprint of your business?
- What is the typical customer for your business and why?
- What is the average "lifespan" of your typical customer?
- What new equipment or plant is going to be necessary to produce future results?
- What financing or capital is needed to fund this capital expenditure?
- What retention programs does your company have to attract and keep great employees?
- Will your business be a distributor for larger manufacturers, or will it become its own manufacturer?
- What types of construction will your business have at its core offerings (construction firms)?

- For manufacturers, will your business hyper focus on one product or two, or expand into a multitude of manufactured products?
- How much will you outsource to other companies, if any? What areas of your business are under consideration for this, if any?
- How will your business embrace enhancements in technology, AI in particular, to increase its edge in the marketplace?
- Is there adequate future leadership coming up through the ranks of your employees, or will future management come from outside the business?
- Who is the most likely buyer or successor of you in owning your business (children, family, customer, vendor or supplier, competition, etc.)?
- What sales price of your business will accomplish your retirement goals? Have you met with a financial planner to lay any of this out? Have you met with an estate planning attorney to set up a transition out of ownership or leadership of your business?

This is a very short list of questions that you'll need to explore, reflect on and begin to answer in order to successfully design your business into the future. The answers won't be ready at hand. It will take work, reflection, time and you'll have to constantly revisit them in your progress. It's a big part of being the visionary of the business. You can wing it, haphazardly bouncing around and hoping your "gut" gets you to a good place, OR you can be thoughtful, rigorous and methodical about designing the business into the future that YOU CHOOSE. Or you can let the forces buffeting your business choose for you. The "choice" (pun intended) is up to you.

CHAPTER 9

THE SECRET TO LIFE

At the risk of being repetitive, I need to remind you of the secret to life and the back story behind my discovery of it. Thirty-five years or so ago, my mentor, Chuck Smith asked me if I wanted to know the secret to life. I of course eagerly said yes. His answer was “Get exactly what you want out of life. Be ultimately satisfied.” This was fantastic, I thought. I was excited to hear it. It wasn’t nebulous or an ethereal “something” that required luck or fate to have bestowed on you. I was clear that you could get what you wanted out of life by asking for it, pursuing it, taking action to achieve it. Here’s the missing part. What comes before the asking, pursuing and taking action? Hopefully you already have the answer. It’s **KNOWING EXACTLY WHAT YOU WANT** that opens the door to asking, pursuing and taking action toward what you want and satisfaction. We just spent a few minutes on the importance of knowing and how to get there.

This isn’t “rocket surgery” (combination of rocket science and brain surgery). Getting what you want out of life is easy when you know exactly what that is, down to the detail. The hard part is determining what it is you really want. That will take some time for reflection. The answers won’t come easy. If they do, you probably aren’t asking the right questions. It will also take time.

Your focus on the horizon is hazy at best if you haven't really been thinking about it. To begin thinking and focusing on it will bring some clarity. And it will take achieving some things you thought you wanted only to find you really didn't want them after all. You'll have to "kiss some frogs" along the way to finding what you're really passionate about and committed to. If it were easy, everyone would do it. It's not easy. That's why so few do this. It's work. It takes rigor and effort. Most wouldn't know rigor if it jumped up and slapped them on the rear. It means you do it even when you don't feel like it or it's not convenient. The lack of real commitment or false commitment (being interested or curious) practiced by many is their downfall. They tend to live in "reasons why not" rather than "commitment to results desired." They have great stories about how they were stopped, how their goals were unrealistic, how all these "other things" had to take precedence over the desired results. And they bitch, moan and whine about *"if only my life were more, better, different, I'd be happy. This ain't it."* They live in moods of resentment and resignation. They foster great victim stories about "reasons why not" rather than victorious tales of accomplishment.

What separates those that achieve their dreams from those that live in "reasons why not"? Think about it.

Here's a hint. Event versus narrative.

It's not what happens to us that molds us. It's how we respond to what happens to us that molds us. Makes us a success or failure. Have you produced the desired results or invent the reasons why not. Big question for you. What governs our response? Think about it. What drives the way you react to events, good and bad, that has you either produce your desired results or invent some story about how you tried but just couldn't get there because X, Y, Z circumstances (reasons why not)? What drives you to assign blame or ask what happened so your business can

learn? What has you act and react the way you do, sometimes “unconscious” or “thrown” so that you don’t really “think” until your automatic reaction is over and you’re wondering what the hell just happened?

Are you ready for the magic word? The word that determines how you live your life to either fulfillment and success or a mediocre (he or she tried really hard) “also ran” kind of existence?

Narrative. Perspective. Worldview. Linguistic structure.

Call it what you will. But it’s the story going on inside your head that has you react automatically to whatever stimuli or perturbations come into your senses. Maybe you’ve realized you had one and weren’t sure what to do with it or about it. Maybe you didn’t know you had a narrative and have been thinking you see reality as it is. Maybe all this doesn’t make sense to you at all. Any of the above interpretations is a story your narrative is telling you about the event of reading these words. Or, maybe you have a narrative that doesn’t look like any of these. It doesn’t matter. What’s important is that you realize:

1. That you have a narrative.
2. Your narrative determines how you see and exist in the world – especially the way you respond to events. Your narrative determines your reality.
3. Your reactions or actions to events or input or perturbations will shape your ability to navigate the world of other people and will determine your effectiveness or lack thereof.
4. Your identity will be formed in the listening of those who interact with you out of the actions or interactions they experience with you and out of their individual narrative.

5. Your identity in the listening and assessments of others will determine the level of trust and interaction that will exist in your relationships.
6. Your identity in the listening and assessment of others will determine the level of commitment you can elicit from others.
7. We as human beings are always “speaking” and “listening” at the same time. It’s the ocean of language we all live in.
8. Language is the part of us we can never put down (outside of injury or illness that makes us brain dead). Language is ALWAYS there giving you the story of what’s going on and how you should assess it, react to it and update your identity of others based on your narrative.
9. Your future is created by the conversations you have today. If you don’t like your present circumstance, learn how to have different conversations that produce a future that you want.
10. Language or your narrative is action. Nothing happens before language. Anything you’ve ever done happened in language first.
11. Language or your narrative determines the moods you live in and the emotions you experience with each event, and also impacts your body (macro-posture, way of breathing, movements) and biology (micro – cells and molecules, hormones, systems.)
12. Your mood determines the range of possibilities and actions available to you.
 - a. Positive moods have much wider horizons of possibilities and actions available to you versus negative moods and emotions which generally focus

on “reasons why not” and a victim perspective of life. These are also experienced physically, especially if we dwell in certain moods consistently, over long periods of time.

- b. Imagine being ambitious, joyful, peaceful and accepting of your current circumstance. What is available? A lot of possibilities and actions moving forward are at hand. These moods live in the meta mood of optimism, and over time, they begin to show up and also “live” in our physical bodies – we call this embodiment.
 - c. Imagine being resigned and resentful about your current circumstance. Both moods have “and there’s nothing I can do about it” as an anchor to the discourse. The actions available here are developing a good victim narrative about the “reasons why not.” These moods live within the meta mood of pessimism, and these also begin to show up physically as we embody them over time.
13. Learning how to manage your narrative, your moods and your reactions to life as it comes at you is the secret to being more effective, satisfied, ambitious, peaceful and joyful about your place in the world. It’s referred to as “becoming an adult.”

So, what’s this got to do with your business? If you’ve been paying attention, EVERYTHING. Everything that involves human activity involves language, including your business. Language (your narrative) generates your reality. You and your business’ future are determined by your current conversations that produce future events. Your business is a network of conversations. People making assertions and assessments which helps them

to make requests, offers and promises about the future. Each employee has a set of promises they keep in the performance of their job. Your business is seen as a set of promises that address certain concerns in the listening of your customers and the marketplace in general. Your job as visionary involves making complex assessments and declarations about the future of your business. Your job as prime revenue generator involves making offers to customers and getting an acceptance in the form of a promise to buy and a promise to pay for your goods/services when delivered. You're going to have to master the narrative that is your company if you're going to lead it anywhere. Yes, your business has a narrative. Your business, through its people has a way of seeing the world, acting in the world, reacting to different stimuli, etc., etc., etc. You want a different business that is more satisfying to you? You're going to have to change the narrative to one that produces results that satisfy you. Getting the message here? Yes, good job.

Fantastic book recommendations for this discussion (second recommendation in this book) are *Language and the Pursuit of Happiness* and *Language and the Pursuit of Leadership Excellence* by my friend and colleague, Chalmers Brothers. You can find the book at most book sellers including Amazon, Barnes and Nobles, etc. or Chalmers' website <https://www.chalmersbrothers.com/> Chalmers does a masterful job at making these distinctions in an easy to read and comprehend book that shows how much we're driven by the language we live in. I highly recommend it for anyone committed to personal growth and effectiveness in life.

We're coming to the end of our conversation. I hope you've enjoyed it as much as I have. I know there are a lot of questions you probably have right now assuming you read this far. It takes time to absorb this kind of perspective especially if you've been

under the illusion of thinking you've been "seeing reality for what it is" and thinking "everyone else sees what I see." What I really hope for is that this conversation has opened some possibilities for you, allowed you to ask different questions, expanded your thinking about what is so and maybe piqued you to learn more about the distinctions offered here. I hope you see that you don't have all the answers and you're willing to learn, that you're committed to pursuing a more effective and rewarding life. A life that allows you to pursue your passions, without getting burned out of constantly having to step in to save the day, and being able to take serious time off and live in consistent moods of ambition, joy, peace and gratitude. It's available. You just have to be committed to it (not just hope to, would like to, be interested in, find it curious, etc.). It's really that simple. Hope to see you there.

Let me know your thoughts and comments. Here's my email cary@strategicbusinessadvisors.org Don't blast me if you want me to read what you wrote. Be a responsible adult and tell me what you liked or didn't like and why. Make specific reference to what I said and we'll have a great conversation. Go off on me and you'll never hear from me. So if you're up to an adult conversation, please email me. I'd love to hear from you.

ABOUT THE AUTHOR

Cary Prejean, a native of Louisiana, is the founder of Strategic Business Advisors, LLC with over thirty-five years of experience as a CFO in industry and as a CFO consultant. His background includes a bachelor's degree in accounting, a CPA license and he's a certified ontological coach with Newfield Network. He is also a certified partner of Predictive Index, a software company specializing in assessing behavioral drivers for people, especially in a work environment. He works with business owners to help them lead their business into the next level with a process he's labeled the "Well-Oiled Machine" process. He has worked with hundreds of businesses and thousands of people from all walks of life in effectiveness, leadership, team building and strategic planning.

Learn more at: <https://strategicbusinessadvisors.org/>

OPTIMIZE!

Your business should be a place that energizes and inspires you.

It should be a space where you experience a range of positive emotions, such as ambition, joy, gratitude, and peace, all at once.

Your business started out being a vision you had of what's possible.

Do you remember your passion, ambition and excitement when you got things going, made your first big sale and other milestones? You had butterflies in your stomach.

You weren't sure of anything other than you were going to make it. You made things happen. You produced the desired results. You were confident you were going to win. That can be your daily life in your business.

The future is coming at you, ready or not, and faster than ever. This book attempts to help you get ready for that future. The future you can design and navigate your business into.



CARY PREJEAN, a native of Louisiana, is the founder of Strategic Business Advisors, LLC with over thirty-five years of experience as a CFO in industry and as a CFO consultant. His background includes a bachelor's degree in accounting, a CPA license and he's a certified ontological coach with Newfield Network. He is also a certified partner of Predictive Index, a software company specializing in assessing behavioral drivers for people, especially in a work environment. He works with business owners to help them lead their business into the next level with a process he's labeled the "Well-Oiled Machine" process.

Learn more at: StrategicBusinessAdvisors.org

