


candor



*dare your company
to run smarter*

candor:

dare your company to run smarter

Shari Burk

Published by Big Smarite®

1752 NW Market st. #950

Seattle Wa 98107

bigsmartie.com

International Standards Book Number: 978-0-578-04915-1

Printed and bound in the United States.

Copyright © 2015 by Shari Burk

Notice of Rights: All rights reserved. No parts of this book may be reproduced or transmitted in any form by any means, electronic, mechanical, photocopying, recording, or otherwise without the prior written permission of the author. For information on getting permission for reprints and excerpts, contact shari@bigsmartie.com.

Table of contents

Section 1: Why do so many strategic initiatives fail? What are the right questions to ask? Is there a lesson from the history of branding?

Section 2: Why isn't your company reaching the next level? Do you have the right tactics? How do you know you are making the best decisions? How can an old approach get you new results? What do useful guidelines look like and where do they come from? What else do you really need to know that no one will tell you?

Section 3: How can you really know where you are as an organization? How can you understand the reality of your situation? How do you stop fooling yourself and evaluate your assets honestly—personal leadership, leadership team, financials, physical and human resources, technology, brand and marketing assets, sales, operational, and unique core drivers?

Section 4: Is there an effective way to advance your organization? How do you streamline all areas of your business to meet your goals? How can you equip senior leadership to implement effectively?

Section 5: How do you use a decision criteria to save resources? What is the best way to evaluate new ideas? How can you effectively evaluate your brand image?

Introduction

There are a lot of brilliant entrepreneurs out there, and at some point—despite their impressive tenacity and competitive nature—they usually hit a ceiling. The excitement of moving their company to the next level becomes frustration. Naturally, they blame their staff. Morale declines, frustration increases, the cycle repeats. The entrepreneur rolls up his sleeves again and comes up with new and improved ideas, but still doesn't see the results he's looking for. He is driven to advance his organization, but what can he try next?

I've worked with businesses for years and have witnessed this many times. Some make it and some don't. This book was written to share the approach I have seen generate success.

You need a solution that is fast and straightforward. The market moves quickly, and there is no long-term advantage in avoiding reality. I offer raw honesty in a concise format, because that's exactly what a business leader needs.

Section 1

Why do so many
strategic initiatives fail?



According to executives, nearly half of all strategic initiatives fail.

Various studies conducted since 1995 consistently show executives will admit their strategic objectives have failed on some level almost half the time. I am not surprised by the failure rate, but I am thrilled by the honesty. When we can admit a problem, we can begin looking for a solution.

There are two reasons strategy fails. Either there is a flaw in the strategic plan, or the strategy fails in execution. The root cause of both failures is confusion around about what strategy is, and what it is not.

Conceptually, strategy answers the question of “Why.?” Strategic objectives will answer the question of “What?”. Tactics answer the question “How?” The trouble comes when strategic objectives and executional tactics are also considered strategy. We’ve all seen a set of tactics presented as a strategy. This is a classic mistake, but one that can be avoided when these concepts are understood as separate but connected elements

in an overall business framework.

Most business leaders are very comfortable with the idea of creating a plan for executing strategic objectives. They know how to break a broad objective into smaller objectives, and then assign the necessary tasks and deadlines to individuals to accomplish those goals. It sounds like a straightforward process, and impressive when the plan is presented in a whiz-bang slide deck. Yet those same business leaders are surprised when the execution of that plan doesn't quite proceed as they'd intended, or at least about half of them are.

Unfortunately, without answering the "Why" question first, there are no criteria for evaluating those objectives, or how they will be executed. So the leader can either do nothing because he cannot make a clear-minded decision on his own, or he'll do what most leaders do, make the best guess he can and hope it doesn't fail. Suddenly, it becomes apparent where the high failure rate of strategic initiatives comes from.

After years of observing weaknesses in traditional

strategic approaches, I've developed a better method, a proven method, that will clear up the confusion and optimize a company's business resources. I've attempted to share the thought processes behind that method in this book, and will begin with one of the most glaring examples of where companies have run amok in separating the "why" from the "what" and "how" of branding.

A very short history of brand

It's generally understood that brand, as the term is now used, began in the twentieth century. Linguistically it has a long history, but as it applies to the stakeholder's image of a business, it has a fairly short one. All its diverse origins and evolutions could be investigated, but it's not necessary to go that deep into history to gain an effective understanding. Simple definitions are the most useful.

An academic would be disappointed without years of research and pages of references, but smart business demands only the essential elements be evaluated and applied. That's the difference

between people who like to talk about business and those who like doing business—theory vs. hands-on implementation. Often, it is also the difference between a useful consultant who has the track record to evolve your company and one that has an impressive-sounding theory about “how one might grow one’s business.” Use caution.

The short story about “brand” goes like this: As the mass-produced products from the industrial revolution came to market, it created an identity problem in the local store. The question arose: How does one differentiate a new, modern product (like a healing salve, for instance) from the local product everyone has trusted for years? The problem of communicating the unique value of any given product was born. Eventually this created an entirely new industry category that became part art and part soft science, which is now referred to as branding.

Brand equity, brand personality, brand valuation, brand experience, etc. are all useful terms and they help us discuss many crucial aspects of the sophisticated marketing approaches we have

developed over more than a century. Brand does have a strong upside and has fueled economic engines around the globe for years.

It also has a downside. As the idea of brand evolved, it grew in strength as a separate entity from the business itself. This caused a dual vision for those who were in charge and misperceptions grew. The ideas of business and brand became more and more disconnected. Separate departments formed with separate directors. Silos began to emerge within the corporate culture with conflicting agendas and goals. Branding's power grew to a point where the old ways of running a unified business were left in the dust.

Unfortunately, branding lost its head and became ego driven. It seemed to be able to generate its own power with little accountability to the rest of the company. The old way of doing business appeared to be dead.

A perfect example of this would be Coke. In blind taste tests there is no obvious favoritism, according to results published in the October 14th issue of the

journal *Neuron*, but in taste tests where the brand is visible, Coke is preferred by 75%. Coke is a powerful icon worldwide.

Making a needed product that performed well and satisfied its user was no longer the priority. In fact, belief in the strength of branding made us consider whether a quality product was even necessary. Even those of us who made a living by marketing and branding started to drink our own Kool-Aid. We no longer felt the need to actually tell the truth about the products or offerings, because the brand was the thing that people would buy. There was no need to obsess over the product; that was the old way of doing things. Now all we had to do was tell the potential buyer what to think through great branding. With enough really smart creativity, we would motivate the purchase.

The hard thing for me to admit is that it actually worked for a period of time. Most of the buyers jumped on the branding bandwagon and were genuinely influenced by the grand illusions presented by marketers.

What could fill that huge gap in logic?

Emotion. Our affluent culture offered us, as consumers, far too many decisions to make in a typical day. We were grateful for anything that could speed up any of those decisions, especially one that is emotionally charged.

It's impossible to know all the reasons why our culture, at least for a time, fell prey to the egotistical message of the Brand. But I'm pretty sure it has something to do with the fact that we evolved to a place where we had the affluence and leisure time to move higher up Maslow's hierarchy of needs, without the discipline to do so.

Here's what I mean by that statement: We, as a culture, had been working really hard—toiled through the infancy of the industrial revolution and a couple of world wars—and then the fabulous time-saving, pre-packaged goods rolled into our homes and made our lives a breeze.

That's the point at which we became lost in the pleasure of our reprieve and quickly forgot why we had worked so hard. We wanted a well-deserved

break, a little time to bathe in our newly won luxury. We lost touch with the bigger goals and meaning of life. Without a more noble pursuit that humans naturally long for, we were left with stuff, experiences, and purchases that we then used to make us feel alive and important. In that context, an exciting brand illusion appeared to be just the thing we needed. Good branding could offer us the time-saving, pre-packaged replacement to a meaningful life. Thankfully, this shallow solution was not going to last forever.

So now, we come full circle. We, as a culture, have begun to awaken and realize that without a reason for being, we will end up in a lost, pointless existence. Now, everything has shifted. We want more—more than just “stuff” for the sake of having it. We want more than the emotional high of associating our personal worth with the brands we choose. We want less jargon and more for our money. We want to save the trees, save the planet, save the children, and educate the poor, and we want a product that does what it claims it will do. Or we’re out.

This is an exciting time for those who prefer telling the truth. It's encouraging that we are all demanding more from the products and offerings we spend our money on. It restores a little faith in human nature. But it will also increase the demands on the business owners to pay attention to their customers.

What does the empowered buyer demand?

The buyer's thinking has shifted and it's important to take a look at this change. There are statistics to confirm it.

In 2014, GlobeScan, a syndicated service based on global public opinion research that tracks societal issues around the world, reported on rising public concern about the environment: Sixty-one percent of consumers globally say they are very concerned about environmental problems, compared to 56 percent in 2012. In a 2011 study, GlobeScan reported that 31 percent of social media users said they had rewarded a socially responsible company while 23 per cent said they had punished a socially irresponsible company by criticizing them online or boycotting their

products.

It's no surprise that there is currently a strong belief that a company should be rewarded for being socially and environmentally responsible. But there is an even stronger belief that a company should be punished for harming social and environmental health. A study in 2007 revealed that the consumer's sense of empowerment is increasing rapidly. Over the previous few years, there had been strong and steady growth in mainstream activism in most countries. Forty-five percent of Americans polled consider themselves mainstream activists on some level.

Now, that's a sense of empowerment.

When it comes to companies reporting their activities, leaders worldwide hold two interesting perspectives. While most admit to having purchased something, or invested in a brand, based on a corporate social responsibility report (CSR), 35% strongly agree and 41% somewhat agree that businesses use sustainability reporting to improve their image and is, therefore, unreliable.

These statistics indicate there are a growing number of individuals around the world who feel they can apply pressure that will force companies to authentically comply with their desires. And they are right. Companies desperately need those who will purchase their products or services. There is no business without someone to do business with.

It is interesting that the sixties helped us distrust authority, but it took until now—some-time after the turn of the century—to really understand that the buyer, not the seller, has the power.

Whether you agree with environmental thinking or not, it is refreshing to finally regain, as a culture, our own strong sense of values and a desire for purpose beyond “stuff.” We are all consumers in one role or another. Whether it is for a business we represent, or directly for ourselves, we know we can choose products and services that align with our values, functional needs, time lines, personality, budget, and a grander sense of purpose. But conversely, this can be intimidating from a business perspective. If you’ve become accus-

tomed to focusing on what you want to offer, the way you want to offer it, and use a branding, advertising, or sales strategy that communicates whatever it takes to entice the buyer, you'll likely need to make some changes.

What's fueling that sense of power?

Word of mouth used to travel pretty fast, but now it travels at the speed of the Internet. Buyers are only a few clicks away from finding out who your company really is—not who you want them to believe you are. They can quickly see how their peers rate your products and service, any press releases that unveil your values or lack thereof, and blogs that may voice opinions in detail. It's getting more difficult to craft a brand image that is inauthentic. Thank goodness.

In the long run, people trust what you do rather than what you say. It's a universal principal. "Showing" versus "telling" is powerful, and now the empowered buyer is closely watching what you do from many angles.

It's clear the reality of doing business is changing.
What's your plan?

Is there really a new way?

Okay, granted, there is nothing new under the sun. So, how about revisiting the old way and applying it to the new way? Business has always been about word-of-mouth referrals for products and services that truly satisfy the buyer. How do we get back to that, purify our approach, answer the question “why”, and get refocused on a strong, unified business?

Section 2

Why isn't your company
reaching the next level?



Do you have the right tactics for adapting to the demanding buyer and the changing business environment?

You can hire a strategist to help you. He or she will most likely offer you a brilliant set of short-term tactics, which, may work for awhile. The strategist will even want to call it a strategy. I suppose it could be a strategy of sorts—a short-term, action-oriented strategy.

This can feel like the perfect solution, because you have very likely already spent years rolling up your sleeves and pushing through to the next level.

You may feel like, with this plan, you finally have some real help at the executive level, and you may. But I can promise you there is a far more efficient path to evolve a business. I will also promise you that to do what I suggest will make you feel like you are going backward in order to go forward; so let me explain further.

A strategy that is rooted in tactics will work within a given set of finite circumstances. Once those circumstances morph into something new, the strategy will need to be re-created rapidly.

For example, during the Atkins Diet craze many baked goods companies who had solid growth for years were suddenly losing revenue. Sales and business development people were screaming for a diet product. Companies started reformulating their product line, designing new packages, creating new sales programs and new messaging—then the fad wore off.

Their brand was now convoluted, and getting back their market share was even more difficult. Of course, the knee-jerk response was to develop “diet products.” Without organizational guidelines that are stronger than the panic, what else would an entrepreneur do?

Since constant change seems to be the constant part of the business climate, this re-creating of tactics would need to happen quite often. The leadership team, or in some unfortunate cases an outside firm, would need to regroup again, put their heads together, and craft another set of actions they’d need to take immediately. Then they’d need to create a new budget to support those actions, scrapping former efforts

to adapt to the new situation. It is possible that these are actually the correct actions for that moment in time, but how can you be confident that they are appropriate for the long-term goals of your company? How do you know this is the right direction and not just a new direction? In what ways should the new plan connect directly to former efforts and in what ways should it deviate? Will the return be worth reinventing internal procedures to support the changes? Will the company really be able to deliver on its new promise/direction? Does the marketing department or firm even care how hard all of these new tactics might be on the rest of the staff? What will be the cost to your image?

In short, don't risk your company's future on a set of tactics that offers only the illusion of being rooted in a long-term plan.

How in the world can you know you are making a smart decision?

There are always a number of puzzle pieces for any given business at any point in time—your resources,

unique strengths, your position in the market, opportunities to partner or merge, weakness of competitors, etc. The decisions you make about how those puzzle pieces fit together will be the defining factor for the business. If those decisions are excellent, your business will be excellent. If the decisions are good, your business will be good. If the decisions are bad...

As an entrepreneur, you have correctly used all your strengths to make the quick decisions needed to build your company to its current level. Usually, that's a mix of gut feeling and quick estimations, which can work really well for years. People like you, who lead companies, are an interesting breed. You have great instincts, are extremely hard working, and are able to overcome poor decisions with elbow grease and late nights—or you wouldn't have accomplished so much already.

The trouble usually arises when your company wants to evolve to the next stage. The collection of really hard-working people you have at that time, who are happy to be led, won't get you to the next level. You'll need to hire more people at the execu-

tive level. *Everything* will need to shift a little.

Reaching another growth level will require a qualified team who must have the ability and authority to lead. In order to lead, they will need to know where the organization is headed.

It is a difficult adjustment to go from one strong leader, or a handful of leaders, to a more diverse leadership team.

No new leader worth his salt will accept responsibility without authority; so, it will be necessary to actually hand over some of the decision-making responsibility. Delegation, or lack of it, is the crucial issue at this stage.

Psychologically, it's tough to trust anyone with the company you've built with your own two hands, no matter how incredible a pedigree that person might have. It's true, that feeling in your gut that says they will never make decisions exactly the way you would make them.

This is often a painful transition and the main reason many businesses stop evolving. If you've already been successful handing over responsibility and

authority to new leaders within your company, you've likely had to ask yourself every day: "Is their decision wrong, or just different? Am I sure?" It's typically a painful process, but it can be a lot easier.

Here is what you need to make it easier:

- Define your vision exactly.
- Impart your vision effectively.
- Develop a team that will buy into that vision.

Now that you have the questions laid out clearly, I am happy to say I have seen time and time again how they can be answered efficiently. Laying the groundwork has resulted in success for many entrepreneurs.

How can an old approach produce new results?

At this stage, it's clear that you don't need a strategy that's simply a list of temporary actions. What you need is to define the core elements that are unique to your organization and that naturally

drive your company forward. These are the principles and guidelines needed for efficiently evolving a company.

It's possible to evolve without understanding or defining these principles. But imagine what you would have at your fingertips if you truly understood them and knew what would motivate your company to rise to the next level.

What if you had available to you:

- The criteria for you to make confident decisions
- The criteria to give your leadership the ability to make confident decisions without having to hold their hands
- A catalyst for driving growth and profit
- The ability to enhance your organization's relationship with your customers across all areas of your organization
- A leadership team that executes a unified vision
- A motivated culture that breeds innovative ideas
- A guide to evaluate all opportunities and innovations

In this rapidly changing environment, you obviously need flexibility to move within a larger vision, but enough of a guide to stay on course. This is where the list of actions or tactics that most firms call strategy will fail and the visionary strategy excels. The market is a moving target. Very few things are static any longer; the needs of buyers shift, as do competitors' offerings, technology, distribution methods, financing, etc. Well-defined overarching guidelines are necessary to hold true to a course of action and yet remain flexible.

You will also need a consensus among senior leadership. Without that, any strategy will be practically useless for the company because it won't be applied. No matter how smart the thinking is, the strong individuals attracted to leadership positions have different skill sets, personalities, agendas, etc. And they will naturally pursue the directions that appear correct to them.

Microsoft is a great example of this. Their lateral competitive structure brought them innovations that were ahead of the market for a time, but now they suffer from lack of cooperation between departments.

They need a unifying vision strong enough to overcome this lack of cooperation or they will fade away as a market leader.

The leadership team must be unified to be efficient. If not, there will inevitably be multiple directions pursued at any given time, which will impede growth. The best way—perhaps the only way—to achieve true consensus is for all the senior staff to be engaged in the process of developing the visionary strategy platform. All guidelines and principles need to be generated collectively with full leadership participation.

Caution: If you hire a consultant to help develop a growth plan, that consultant will not want to engage in a true consensus-building process. It is much easier to do a few interviews within the organization, complete a little outside research, and come back to inform you of who you should pretend to be in order to meet the current demand. This is exactly how it's been done for years, but it cannot be effective in creating an executable, long-term vision for an organization that faces a newly empowered buyer.

So, if you need guidelines, what do useful guidelines look like?

These guidelines and principles must be a natural fit for the company or they will not be effective. Imagine spending your life pretending you were someone else. That would be a lot of lies to remember, and you would undoubtedly mess up and reveal your true nature at some point. It's the same for an organization. The simple thing is to be yourself, whether it's your single self or, as in the case of an organization, a collective self.

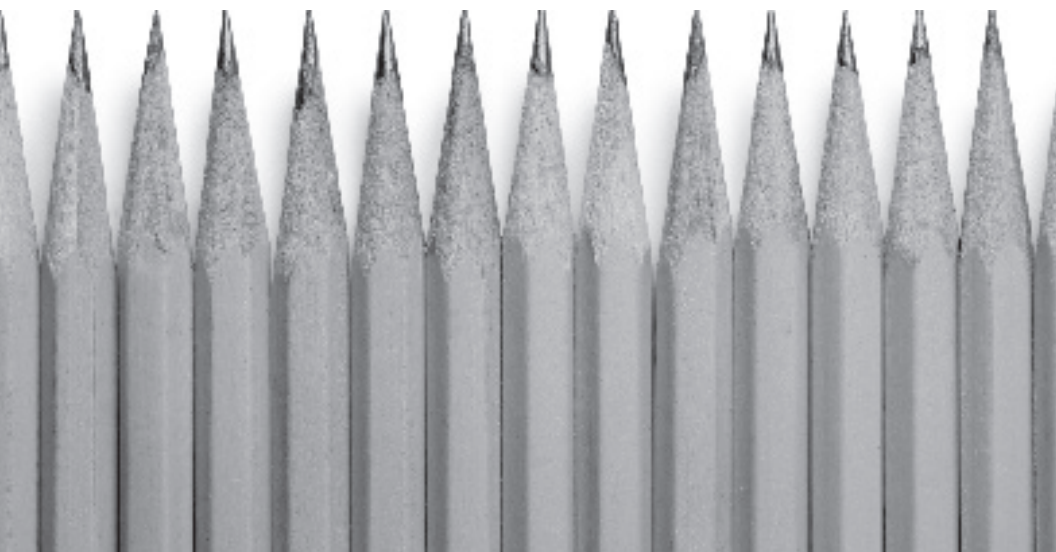
The challenge is uncovering who your company actually is. It requires being honest with yourself and your leaders. So many company value statements and mission statements are, unfortunately, purely inspirational. It would often be more accurate for a company to say "We would like to have integrity so we'll claim it as a value and hope we can force the company to adhere to it with our new tactics, which will monitor and encourage integrity." If it is not a genuinely held value, don't bother claiming it as your own. You'll just be setting yourself and your company up for failure. Instead, find

real values you can prove by your past actions you actually hold true to. There will be three to five values that your entire leadership team will agree on.

These values must also be easy to comprehend and easy to access. A great deal of strategy is unused simply because it is difficult to grasp. The strategy may sound eloquent, even brilliant, but the leadership in emerging companies is always tight on time. If any concept takes work to understand, it won't be implemented. There are too many things that need to be done and the strategy will end up being pushed to the bottom of the priority list.

The same is true of concepts that are not easily accessed. They are often buried in a thick binder of information, or at best in a summary report with well-crafted paragraphs over a number of pages. This common style of delivering strategy requires your staff to pick out the pertinent information, and it will be another deterrent to implementing those principles and guidelines.

If you uncover your organization's authentic core elements and make them accessible and easy to grasp, you will have the ability to align your company's capabilities, desires and tactics within a changing market. Now that's a useful strategy.



Where do those guidelines come from?

They come from inside the company. The best way to motivate an organization is to identify what already motivates the people inside it. For instance, there is a reason you all get up and go to your particular location and perform that particular job day after day. I would call that your core purpose. Of course, we can say that part of the motivation is money, but money alone is not a reason that will be truly satisfying to a human being.

Let's focus on money for a moment. It's not the actual stack of dollars that will motivate; it's what that money will offer—security or status or luxury or independence. It's been proven time and time again that all people on the planet have a desire to be a part of something bigger than themselves, something that offers purpose or meaning.

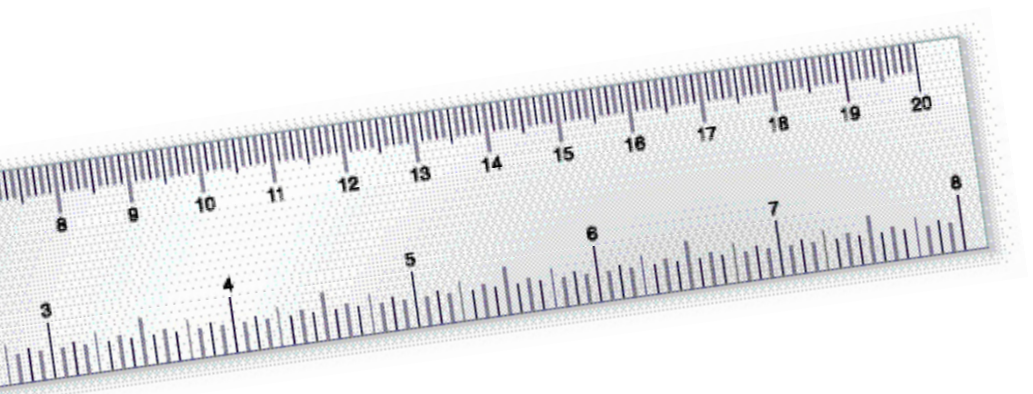
The goal is to identify which motivators your company shares. This can be accomplished by identifying the motivators your leadership team shares.

In finding out where their motivations overlap,

the heart of your company will be revealed. You've chosen your leadership team for reasons you can articulate and for many you cannot.

They, in turn, have hired others in the same way. In this way, your organization has attracted people with motivators in common. By uncovering these core purposes and articulating them clearly, you will have one of the foundational elements that will naturally drive your company forward.

There are a number of unique motivators that, if uncovered and defined, will give you the guidelines for your company's evolution.



What else do you need to know that no one will tell you?

1. Honesty and humility

In order to represent yourself honestly to your stakeholders, you'll need to honestly understand your organization at its core—not all that easy at first glance. Every group of people is led from the top. The first question to ask is, “How honest are you willing to be?” The question is:

“Do you want to be right, or do you want to be successful?”

As we've discussed earlier, if you're an entrepreneur you are bold and have the stamina to accomplish more than most.

There is a ceiling that you will likely hit if you haven't already. It is created by the limitations of your abilities and strengths. It's often difficult to recognize this predicament, but once you hit that ceiling you must make a decision: Delegate, or stop evolving your company.

This is an especially difficult choice for the personality type that is an entrepreneur. They are typically strong-willed, capable people. If they weren't, they would not have gotten this far. It's very difficult to trust that anyone other than themselves will have the dedication, or even vision, to lead their company well. This is further complicated by the fact that an entrepreneur typically does not have the personality type that makes for a great leader. This is another place where humility becomes very useful to the business owner who wants his company to reach another level.

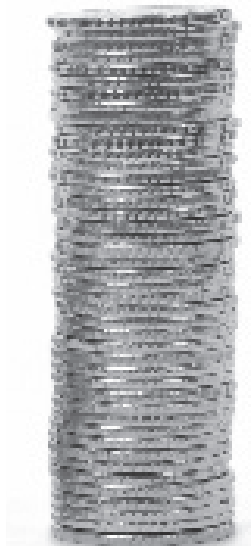
*Seeking out a better understanding
of your own leadership strengths and
weaknesses is crucial to advancing
your company.*



2. Boldness and courage

It not only takes courage to be honest, it takes a certain boldness to make the changes necessary to align your organization with its core elements once you discover them. Since those elements have not been defined previously, there will certainly be areas where the organization has gone astray, using resources in a less effective way than is desirable. It will be difficult to cut the things that are interesting or exciting but are not pushing your company in the right direction. However, the benefit will be a streamlined effort and a shorter route to your goals. Timidity will be rewarded with a muddled, half-baked approach that will end with muddled, half-baked results.

***Your level of courage will largely
determine your level of success.***



3. Objective and critical thinking

It's true that in an emerging business, many decisions must be made at the speed of light, and it's often a gut feeling that must guide them. Stepping back to get a clear, less biased perspective would seem to be a waste of precious time. In the early growth stages, this approach may work; but in order to grow, your organization must develop the ability to make decisions based on objective thinking and reason that will stand up to challenges.

The questions naturally arise: "We've gotten this far, so why do we need to stop and analyze everything? We just need to move forward."

The way your company makes decisions will affect the quality of those decisions.

If you can help your leadership team develop the tools to be objective and think critically, it will be much easier to delegate to them. Those guidelines will play an important role in developing that ability. In fact, even the way you develop those guidelines should demonstrate both objective and critical thinking. If you find that

your leadership skills don't include this ability, it's good to consider getting help. Has anyone within your organization demonstrated those skills? If not, outside help is crucial.

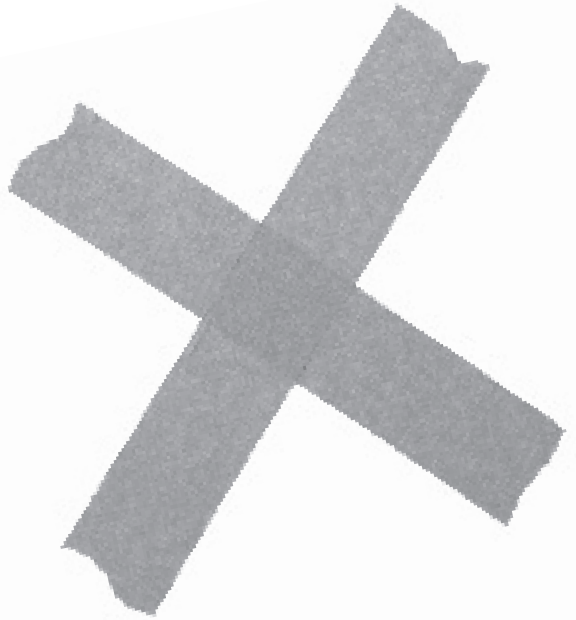
“Why do we need to go backward in order to go forward?”





Section 3

How can you really
know where we are as
an organization?



A deeper look at finding the reality of your situation.

In his book, *The Liar in Your Life*, Robert Feldman demonstrates that the most popular people are the ones who lie most often. Before people know each other, they tend to lie once every ten minutes. The question is, how will lying affect your business' success or failure?

I've seen that lying is one of the most destructive forces in a business. One of the leading offenders is the way an organization engages in self-deception. An organization will collectively kid itself in the interest of moving forward.

Consider this scenario: You are running a company. You are likely a strong personality or you wouldn't have had a good deal of success already. You have a new idea, and because you are a good boss with a great staff, you ask for your employees' input. They support the major thrust of whatever you describe, raising minor objections. You head back to your office to begin an implementation plan.

Now imagine the potential reality: Your employees

have high mortgage payments, a kid or two, and increasing credit card debt. They also hold the belief that their next raise will be tied to being a popular “team player” so they withhold awkward but insightful criticism. Your business slowly fails because the truth will put your employees’ immediate futures at risk.

Everyone in this scenario is trying to be the good guy. But in reality, the good guy employee would risk his or her raise. The owner who’s a really good guy would demand truth and create a culture of honesty—rewarding smart, respectful, and comprehensive thinking.

On the other extreme, I’ve seen the opposite problem in a company whose motto was “challenge the process.” It’s not a bad idea, but in practice it created a culture of naysayers. If you were brave enough to agree with anything, you risked not living up to the motto. It paralyzed the organization. Large-scale projects could not get off the ground effectively because company-wide support was impossible to achieve. The motto, unfortunately, ended up creating a collective agreement to sustain

a different sort of self-deception: “The system or ideas we have proposed cannot be right if I’m going to live up to the motto and get my next raise.”

Clearly, it takes humility, courage and, of course, honesty to find out how lying might be damaging your business.

How do you become honest in a culture that tends to lie?

- First, it makes sense to start with facing the reality that lies are a possible lubricant for the culture inside your business—they can advance or destroy it. You cannot eradicate all lies nor do you need to. Does your associate really need to know their hair didn’t turn out well today?
- Investigate your own motives. Assess how much you value the health of your company. Do you value it enough to uncover the truth about your entrenched beliefs about your company, your market, and your current and potential customers? The most difficult thing you should assess is your perception of yourself. Are you the smartest person in your organization with the best ideas? Hopefully not.

- Demand the truth. Ask directly for it. Keep asking for more. Establish at the beginning of the conversation that the rules are changing and when you ask what they think you really don't mean "agree with me so I feel good about a decision I've already made." Be clear that you are seeking insight based on the reality of the situation. Be persistent. Repeat this every time you request an opinion. It will take perseverance to break the established culture of lying. Teach your executive staff to demonstrate this behavior.
- Learn how to investigate your personal and collective presuppositions. Writing them out in actual sentences or bullets is a great way to become aware of them. We make many assumptions in any decision process. Uncover what they are and avoid being a slave to them.
- Start with what you can unveil now and add to it whenever you become aware of another. It will become easier to recognize with practice. Eventually it will become a habit.
- Make certain the problem is framed in reality before attempting to solve it. Develop the discipline to stop and ask whether the problem you are about to solve is really the one you

need to be solving. Is there a problem that is more deeply rooted? Is this problem based on uninvestigated presuppositions? Why do we think this is the problem? Is it because it's simply always been the one we've been trying to solve or is this actually the real problem?

- Demonstrate how the truth can be gracefully told. If you aren't certain how to do this, seek out help. There must be someone you know who has this skill. Often a great sales person will be a natural at this; however, be aware that they are typically comfortable with bending the truth. Begin to change your own speech patterns and launch a company-wide effort that acknowledges the current state of the organizational culture.

Did I mention this will take courage?

What are the resources you have to work with right now?

It is important to evaluate your organization's resources honestly and to identify how each one is or is not aligned with your big vision. This is not usually the strong suit of the typical entrepreneur. You

may need to engage others to help you. If you understand what your organization currently has to work with, you can see what you need to do to move forward. Without a clear picture of what you have and what you are lacking, there is no way to create an effective and efficient plan to move toward your vision. Start here.

What is the big vision for your organization?

A big vision is your organization's collective purpose, values, strengths, and weaknesses. It requires you to know what your company is truly capable of, and then to set a goal that exceeds that capability. If you add an inspiring description of that goal, you will give your team a reason to reach further.

What are your personal leadership strengths and weaknesses?

There are lots of tools and professionals out there to help you in this discovery process. Personality

profiling is nearly a science. (Search on Google for DISC, Myers-Briggs, StrengthsFinder.) You answer a few questions and receive a quick analysis of your personality type and preferences and how these traits influence your position in the workplace.

Every leader is imperfect, and that is not a bad thing. If you didn't need anyone else to round out your leadership skills, you would be tempted to handle all the important tasks yourself. You would be a bottleneck, never allowing your company to grow past the level of your personal capacity. Your organization would be stunted by your inability to delegate

Are you the bottleneck? If so, delegate or stop trying to grow.

Once you understand your own strengths and weaknesses as a leader, as well as where you need to let go and where you need to get a grip, you can see the holes that need filling. You can evaluate whether to move the business forward on your own with the resources you already possess, or whether



you need outside help. The quickest path to growth is almost always engaging an outside person to guide and facilitate the process. Organizations that try to move forward on their own take years to sort themselves out. By that time, the market has passed them by and their lost revenue far exceeds the fees of a consulting firm.

What should your leadership team's strengths be?

The short answer is “balanced. Though it’s human nature to want to hire people with strengths similar to your own, it’s usually better to diversify the talent. If, for example, you are a highly competitive person and hire only other competitive types, you may end up with an aggressive but unbalanced leadership team that may exhaust the less competitive staff who are motivated differently. If you staff your leadership team with people having strengths that balance yours, you’ll create a more robust and effective organization

What about financials?

Ask yourself, “Why?” Why am I approaching my financials the way I do? Do my budgets, cash flow, and potential capitalization plan line up with my values and vision? If your answer to the second question is “no,” take the steps necessary to bring them into alignment. Follow the money. Where it is being spent is a telling indicator of whether you are

following smart, or not so smart, business practices.

The same line of inquiry applies to your legal strategies, though it's tough to find a lawyer who cares as much about the health of your business as they do about the law. I know a great one for technology companies. Email me.

What are your physical assets?

Which of your physical assets will help you reach your goals? What needs to be acquired to meet those goals? Which will give you a competitive advantage? What do you need to acquire to gain a competitive advantage? Entrepreneurs are not typically detail people, so answering this question can be a great place to delegate.

What motivates your organization?

It's difficult to discern the soul of a company. Defining all of the unique elements that naturally drive a company's evolution can take years. That's not an option for businesses today. You need a clear

perspective, and you need it yesterday.

At a minimum, you need to define your authentic values, core purpose, personality, positioning in the market, and a goal that's difficult (but not impossible) to achieve. Once you have a real grasp of the basic elements that will motivate your staff, partners, and buyers, you can streamline your evolution.

What is your plan for human resources?

Hiring and retaining the right talent should be based on your company values and core purpose.

You're familiar with the typical job interview. It involves generic questions about education, strengths, weaknesses, and experience, appropriate answers to which will get you fairly appropriate employees. Instead, imagine focusing on what values you want your future employees to hold, what you think should motivate them to work well within your organization, and how they will fit into fulfilling the larger goal you've set. Be clear about what kind of employees you think will naturally

move your company forward.

What are your brand and marketing assets?

Evaluating what you're currently doing is crucial. What do you have in place so far? Is it serving your business goals? Have you built an awareness of your company in the marketplace? If so, what impression are you creating?

Is your approach focused on your customer rather than on your organization? That's always a tough one. Most companies spend so much time focusing on what they are doing and how to be better and more profitable that they don't take time to consider the customer who is buying their product or service. How are you meeting the needs of your customers?

Do you know the exact position in the market that you can own over the long term? Are you the only company who can say this? Is it meaningful to your customers and partners? If it isn't, I can guarantee that neither your branding nor your marketing are strong assets. Do you have strong brand and mar-

keting assets?

How effective are sales efforts?

To evaluate your sales efforts you need to know your competitors, your buyers, and the approach your sales staff is taking. Do you wait for people to call you, or do you have a sales staff reaching out to potential buyers? Are you using a customer relationship management system? Does your sales staff speak in terms of features you offer or in terms of the benefits to your buyer? Is what they're saying true? Do your sales people know what to say to each unique type of buyer?

What are your operational strengths and weaknesses?

All companies have some operational procedures in place. Identify which procedures offer your organization a competitive advantage and how they are serving your business goals. Ask yourself, "Why are we doing it this way?" It's a simple question. Keep

asking it to stay on track.

As I said earlier, you may believe you can tackle this kind of question without help from the outside, but unless you have a specialist on staff, I wouldn't recommend it.

What is your criteria for making decisions? Is it accessible to your leadership team?

Aggressive companies need criteria for making decisions that are accessible and offer guidelines. These guidelines should be straightforward enough to be implemented intelligently company-wide, and flexible enough to keep you in sync with the ever-changing world we live in. All of your departmental strategies and tactics should be launched from the same foundation. I call that foundation a decision platform.

Which organizations will struggle to utilize a decision platform?

Caution. This section offers a little raw truth. Do not attempt to utilize a decision platform if you believe:

It's important to cluster the power at the top.

With a well-articulated and shared decision platform, all levels of leadership in your company are empowered to execute objectives quickly. The downside is that everyone from the top down becomes accountable to the decision platform and power is diversified.

The excitement of random ideas is paramount.

Sometimes entrepreneurs are not aware that their biggest strength, generating ideas, can also be their biggest weakness if they're not subject to a little discipline. A decision platform imposes discipline, making sure only ideas that are tied to the big vision are entertained. This can feel too restrictive..

The company already has some sense of what it is and what needs to be done to reach its goals, and that is enough.

Executing a loose plan can work if you are comfortable with wasting resources. Waste often comes from executing objectives based on vague guidelines. A decision platform conserves resources because it provides clear guidelines that keep everyone on the same track.

Reactionary tactics are preferred.

Some leaders believe that being responsive to the market excludes them from following guidelines. A flexible, yet focused, decision platform can help you fuel change rather than fail to keep up with it.

Business analysis and outside research are the most important requirements to ensure success.

This belief has led to great ideas not being subject to a larger vision, resulting in random executions

and false starts. Many companies are not aware of the powerful benefits of complementing business analysis and research with a shared decision platform.

What are the crucial characteristics of an effective decision platform?

Consensus driven

Eliminate silent dissension. Enable strategy-driven initiatives.

You must have unanimous agreement of the leadership team on pivotal elements, which removes confounding silos and greatly reduce the subjective b.s. that tends to bog down real change. Yes, it is possible.

Checks and balances

Avoid subjective conclusions. Build an objective foundation.

Companies struggle to evolve when the core elements that naturally drive the company forward are inaccurately or hazily defined. Unfortunately, it is more common than not to see resources wasted as when the leadership team desperately tries to build a company on a faulty or vague strategy. Make certain your process has checks -and -balances that will help protect your organization from a wobbly platform that simply won't hold up under stress.

Unifying the business, strategic, and operational plans

No rogue warriors. Integrate all departments, leaders, and staff.

Many strategic initiatives are departmental or project focused, which tends to create shortsighted executions that often don't serve long-term company goals. All departmental strategies and tactics must be unified by adherence to a flexible and up-to-date decision platform.

Efficient process

Your time is limited, and the market is changing rapidly.

Most traditional strategy processes take months, if not years. Since the market changes far too quickly for a traditional approach, you need an efficient process by which to identify, double check and share the decision platform.

Adapt at the speed of the market

Pick up the pace. No company with aggressive goals can afford to fall behind. Traditional strategy begins to become outdated from the second it's completed. In contrast, you need your decision platform to exist online, a living document, which is accessible to all levels of leadership, and can be adapted as the market changes.

When does my organization need to develop a decision platform?

Yesterday.

You cannot optimize your business effectively without one. You'll be wasting precious resources until you develop and utilize an effective decision platform.

Section 4

Is there an effective way to advance your organization?



Setting up a decision criteria by understanding the core elements that naturally drive your company forward will streamline everything. These are the guidelines and how they can be applied effectively.

Values

Your values should not change over time if they are authentic to the company. Otherwise stated, if you are not lying to yourself when you define your values, they will ring true as long as your company exists.

Your company values should represent the executive team you have assembled to date. These values are a natural part of your company's DNA. This means that your leadership team will act accordingly even if they won't be rewarded for their behavior, or when no one will see their actions. When your values are reflected in all your future hires the values of the company will hold true over time. This type of consistency will result in a powerful company, filled with people who are motivated because they share authentic core values.

As part of an annual review, you should ask each member of your leadership team to explain how your company values are reflected in their departments. If they cannot cite specific examples, they will need to make changes. They should not continue to run their departments unless they can align them with those values and cite examples.

This list of values should be used in evaluating new innovations and offerings, financial strategy, HR strategy, marketing strategy, technology strategy, business development strategy, etc. Every aspect of your organization should be evaluated based on these values.

Each time a strategy is initiated or altered, ask how your company values are reflected in those decisions and adjust accordingly.

Personality

You need to define what the natural personality of your organization is. Are you fun, serious, curious, progressive, etc.? This will then be a guide for the style in which your organization is represented in

every form. It must be presented consistently in order to avoid confusing your buyer.

Your personality should be clearly understood by anyone in direct contact with your customers, or anyone creating materials that will impact your current and potential customers. It's also smart to use this as a guide when hiring the personality types you place in direct contact with your customers.

Here are some of the areas your personality will specifically affect:

- Visuals (logo, images in ads, website design, interior design, etc.)
- Written words (brochures, website, invoices, termination letters, social media, etc.)
- Spoken words (reception, sales, hiring procedures, etc.)
- Mediums of communication (e-mail, personal notes, webinars, online communities, etc.)
- Sound effects and music (hold music for phone system, video, audio tracks, etc.)

You should use your company's defined

personality as a guideline to ensure every piece of communication is consistent and meaningful. You should take the actual document that defines your personality to meetings and review it with decision makers before any communication piece or medium can be approved. There's no point in creating these guidelines if you don't use them.

Target audience

Identify who the decision makers and decision influencers are in your target audience. Once you understand who they are, figure out what they need, their needs that are not met by the competition, and their needs you are honestly capable of meeting.

Over time, you will continue to refine these segments of your target audience and identify the most profitable segments to pursue. As you gain insight with experience, even the way your target segments are grouped will also likely evolve beyond basic decision-making titles and into a more psychological delineation. This will help you effectively target the most profitable groups.

As far as defining the needs of each target segment, there is one caution. No one is very good at accurately articulating their own needs. They tend to tell you what they think you want to hear and what they've heard others say, or affirm their needs that are already being met. It's nearly impossible to uncover unmet needs that would actually lead to product or service innovations when interviewing a potential customer. An ethnographic approach has proven to be most effective for this type of understanding. This involves observing the potential customer in their natural setting, putting yourself in their shoes by attempting the same tasks, and last of all, interviewing them. It's unlikely you have the resources to accomplish that sort of research. This research will need to be out-sourced, at least at first.

To get the necessary insight, you do have a great asset: your organization. Your team has direct experience with your customers. There is a wealth of information in the minds of your staff. As this information is uncovered, it's smart to consider that different personality types are better

at this type of thinking than others. If empathy is not your strong suit, make certain your team includes someone for whom it is. And then trust them to add insight. Let them help you identify what each of your target segments is trying to accomplish and the deeper motivations behind it. Look for new product or service innovations that can arise from this exercise.

Once you have developed a clear understanding of your segments' needs, you will find that over time those needs change, and as a result you will need to revisit your messaging, mediums, offerings, sales approach, and position in the market.

If one of your target segments changes due to a shift in the decision-making process of your buyers or in your market's trends, then you will need to revisit your target segmentation and their needs. Evaluate if your branding and marketing efforts need to be adjusted. Or better yet, delegate this task to an executive team member.

Strengths and weaknesses

This one is pretty self-explanatory. I've seen some things that really help create clarity here.

Your view from the top of your organization is not always the most accurate. Looking from the bottom up and from a side view is also necessary to get a complete perspective.

I worked with a company whose owner boasted for years about the speed with which his company fulfilled orders. He honestly believed this to be the company's main competitive advantage and based their sales efforts on that promise. Once he had honest input from customer service and operations, he discovered it was actually a weakness. The company's sales increased dramatically once their messaging reflected a true strength.

You cannot do this alone. You'll need to get input from many people within your organization. But once you have an accurate list of strengths and weaknesses, it will be a tool that helps you evaluate your ability to meet the needs of your customers and fulfill your positioning.

You should also use this list as a guide for generating an action list. This list can help prioritize issues that are targeted to move from the weaknesses column to the strengths column. For instance, by hiring new talent you may be able to remove an item from your weaknesses list. In the same way, it should be considered in every other area of your business. Look for opportunities where strengths can be leveraged and vulnerabilities minimized or turned into strengths.

Big goal

If everyone is on the same page, you still need to get them all moving forward. Creating a goal that is difficult to reach is an effective tool to motivate your staff to attain new levels of achievement.

The big goal should motivate an action list for developing all the short-term milestones needed to ensure you reach it. It should also be used as a guideline to evaluate every aspect of your organization.

You've seen this list before so I won't keep repeating it.

Core purpose

This one is a powerful motivator as well. By uncovering your organization's purpose, you'll energize all those who share it. You can think of it as the reason you all show up for work every day. It's much more motivating for the entire staff to operate from a meaningful purpose rather than perform solely for cash. There are lots of studies that demonstrate that a paycheck alone will rarely carry you through the rough spots a company will face in the long term.

Defining your organization's core purpose clearly is an effective tool in motivating your staff to reach for new levels. Therefore, it should also impact your HR strategy. Hiring those who are driven by a similar purpose will naturally streamline your efforts and motivate your staff.

It should also serve as a guide for evaluating all decisions and new innovations for every area within your company.

I facilitated this exercise for a virtual company at one point. They were relatively successful already, but wanted to reach new heights. Once we nailed

their core purpose, the executive staff couldn't sit still. Within minutes all of them were standing up, walking around the room; excited conversations were breaking out all over. A camaraderie they never anticipated was formed immediately and the physical distance between them in real life became much smaller in their minds. They understood they actually had a sort of brotherhood that was forged around a common driver. Needless to say, morale, productivity, and profit increased.

Position in the market

Positioning your company in the market is one of the most crucial guidelines for the success of your business. It's worth spending some time on.

The positioning statement builds the bridge between the needs of your buyer and who you are as an organization. It positions you in your market so that you are entirely different from your competition and remain deeply meaningful to your audience. It ensures that choosing your company is an easy decision for your potential customers.

Positioning is crucial because it identifies the place in the market where you can dominate. It should guide all aspects of your company, so that everyone remains focused on maintaining the position you can own.

Your positioning statement is the concept that must be communicated to each of your target audience segments in some form. It should be reflected in all of your organization's actions, marketing efforts, and touch points.

Once you are confident in your positioning, the next step is to translate your position into communication that is clear and meaningful to your audience(s). It need not be expressed the same way each time, but the message shouldn't change. With this type of clarity, effective and focused creative is now possible.

If your audience/buyer changes (or their needs change), if your competition changes their positioning, or if issues and trends change in your industry, you'll need to revisit this statement. It should be crafted to last a long period of time, but this is a fast-paced world and change is rapid. Revisit this annually.

How can you test your current positioning statement?

First, describe in one sentence what it is you do better than any of your competitors. This represents how you are positioned in the market.

Second, answer the following questions:.

- Does this statement solve an immediate problem for my customers?
- Can my leadership team and customers articulate the meaning behind this statement?
- Is this statement drastically different from any of my customer's other options?
- Does this statement represent multiple strengths in my company that are difficult to duplicate?
- Is this statement completely natural to my company, or will it be a struggle to fulfill?

If your positioning statement succinctly states your company's unique strengths and you can answer the above questions affirmatively, you've got a pretty good shot at edging out the competition.

Section 5

How do you use a decision platform to save resources?



Once you have created a decision platform, you need to start using it. Below are examples of how to use your decision platform to evaluate new ideas and your existing and future brand expressions.

How can you evaluate a new idea effectively?

New ideas are the lifeblood of entrepreneurs and crucial for remaining competitive in a dynamic market. Ideas motivate both the organization and its potential buyers. Ask which ideas will strengthen your position in the market and which might dilute it.

Take the time to formally write down answers to each of the following questions. Clarity comes with the act of articulating on paper what you believe. Try answering each question with a specific new idea in mind.

This innovation aligns with the core purpose of our organization.

Write a justification explaining how the new idea aligns with the core purpose of your organization.

This innovation aligns with the values of our organization.

Write a justification explaining how the new idea aligns with the values of your organization.

This innovation aligns with the personality of our organization.

Write a justification explaining how the new idea aligns with the personality of your organization.

This innovation aligns with the positioning of our organization.

Write a justification explaining how the new idea aligns with the positioning of your organization.

It makes financial sense, based on estimated growth in revenue vs. investment.

Describe the financial argument.

It will advance us closer to our business goals.

Describe the way in which your goals will be advanced.

It leverages one or more of your organization's strengths or opportunities. Or it will remove/reduce at least one weakness or threat.

Describe how it will improve your organizational analysis.

We possess or can find the resources (knowledge, labor, and budget} required to support this effort.

Describe any special knowledge required.

This new idea is different from current offerings and will not cannibalize existing sales.

Write a justification as to how it is different.

This idea fits within our organization's current category of business.

Write a justification as to how it fits within the organizations category or industry

This idea has 100% leadership buy-in, and at least 80% of the company will be energized by this idea.

Write a justification as to why it will be well received.

How can you evaluate your brand effectively?

Earlier, I stood on my soapbox and claimed a brand

and a business should be synonymous; therefore, I should offer a disciplined approach to aligning a brand with the business. This exercise utilizes many of the elements from a decision platform to create alignment and avoid wasted resources on rogue branding efforts..

A leader or group of leaders in the company should use this exercise regularly. Again, I recommend you formally write down your answers. If you skip writing an answer because you believe you already “understand” the question, you may delude yourself. Writing down your answers will help you define your brand and clarify whether it expresses what you want it to or needs to be addressed.

I’ve watched companies take a short cut, refusing to tune up branding and marketing efforts this way. Success is compromised, unnecessarily low results are reported to stakeholders, and countless resources are wasted to some degree or another. Invest your time in doing this exercise and conserve your resources.

Brand identity: logo, graphic treatments, images, primary and secondary fonts, etc.

Justify how your brand identity accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Brand messaging: the content, priority, and style in which you write or speak information.

Justify how your brand messaging accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Naming: company, programs, partnerships, products, and/or services

Justify how your use of names accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Media and community engagements

Justify how your media and community engagements accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Website

Justify how your website accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Business communications: sales decks, invoices, notifications, etc.

Justify how your business communications accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Packaging (or delivery mechanism).

Justify how your packaging (if you have packaging) accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Offline promotion: tradeshow, collateral, advertising, vehicle and environmental graphics

Justify how your offline promotions accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Online promotion: blogs, webinars, landing pages, search, social media, etc.

Justify how your online promotions accurately

expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Pricing and discount plan

Justify how your pricing and discount plan accurately expresses your values, personality, core purpose, and position in the market.

List necessary changes.

Unrivaled entrepreneurs have the humility to uncover an accurate set of strengths and weaknesses, the boldness to delegate, and a solid, transparent criteria for decisions.

