

Growing at an Optimum Rate

The challenges of growing an organization are completely different from those of running day to day operations and solving problems. Growing a business requires a specific focus, skill set, toolkit and frame of reference.

CEO's who are at the effect of perceived forces--forces viewed as external to him/her self--react to what is urgent and what gets their attention. Urgency is determined by a hidden formula that is exacerbated by anything that will result in lost business, increased costs, employee conflicts, competition winning a bid or client emergencies. These are fires that need put out. The fires can include an employee leaving (with clients) or without a replacement – or worse, one who stays and threatens to leave or underperforms. This further causes internal politics, communication breakdowns, suppliers' response time and a whole litany of emergencies.

In this reactive state, any attempt to grow a business will add fuel to a fire you think you are putting out.

Going from Reactive Behavior to Inspired Performance

Achieving an optimum rate of growth is based on maintaining a balanced state within a hostile, dynamic and changing environment. CEO's who are focused on rapid growth quickly discover they are at the effect of suppliers, customers, employees, and competitors (who are at the effect of their suppliers, customers, employees and competitors). Any one of them who fails to perform according to expectations could throw a company into an out-of-balance state. This will eventually become counter-productive and destructive, causing the wheels to quickly come off.

Organizations that are out of balance are vulnerable to all kinds of viruses or diseases. In this state, cures are worse than the cause. Unlike the human system that has a very powerful immune system, organizations have none at all. They are vulnerable to any reactive behavior or short cuts, including: decision making, hiring practices, analysis, communications, unplanned

Growing at an Optimum Rate

changes and anyone or anything not performing precisely as promised. Even if you have the fastest runners (like in a relay) any hand off not properly executed will cause the race to be lost.

Any time actions are driven by yesterday's problems, i.e., financials or undiscovered/repetitive mistakes, they will produce a reactive, fear-based state. Because people are often functioning out of their self-serving human nature, they become protective or defensive and drain everyone's energy. The only thing that will grow in this environment are more out-of-control/upset conditions ... and your attention (which is all you can control) will be taken off of your real objectives and strategies.

Upset conditions are usually deeply rooted and systemic in nature. This requires standing back and working *on* the organization. That is how you lead it. You perfect its design daily. This means mapping out and perfecting all systems, processes and cause-and-effect relationships. If you add new clients or people who have trusted in you into anything less than what I have described, your efforts will actually limit your growth, increase reactive behavior and violate their trust.

Now let's focus on what it takes to grow an organization based on six key strategies: Leadership Effectiveness is first, followed by Sales Effectiveness, Customer Loyalty, Employee Inspiration, Competitive Advantage Creation and Production Capacity. We will only address Leadership Effectiveness here.

1) Embrace a few simple principles and the law of nature.

All living organisms (and organizations) work according to the law of nature. It is basic to life. If you desire an abundant harvest, plow the soil in the fall, let it sit during the winter, plant good seeds in the spring, apply fertilizer, pray for rain and sunshine. Then in the autumn, reap the harvest. You cannot take any short cuts or leave out any steps. You can't say "it is time to harvest, so I must plant," or "I don't have time to fertilize or water right now." You can't 'get to it later' when you have the time. The laws of

Growing at an Optimum Rate

nature must be followed if growth is your objective. Look at every process in your organization and make certain that there are no short cuts being taken or steps eliminated.

2) Know that *structure causes all behavior*. In other words, water flows according to the shape of the land. If you want to change behavior, i.e., the flow of water, then you must change the underlying structure (the shape of the land). There are principles and laws for growing a business just as principles of aerodynamics determine how a plane flies. In business, cause (which determines everything) determines effect.

3) *The only thing you can control is what has not yet occurred-- the future.* What you do in the present--how you think and take action--determines your destiny. Live today as you want to remember it tomorrow.

4) *What you focus on determines what you produce.* If you focus on preventing what you *don't want*, you get more of it. If you focus on living according to the laws of nature and the principle that structure determines behavior, you will be capable of creating the future and controlling your destiny.

5) Think of yourself as an architect or designer applying principles for growing your company for the very special purpose of serving your customers.

6) Never attempt to grow *until you have removed the source* of upset conditions and reactive behavior. You remove the source of reactive behavior by changing the way the organization is structured. Structure is determined by where you place your focus and your discipline in living by principles.

Becoming a Focus-Driven Company

Growing at an Optimum Rate

The single objective of a focus-driven company is to place the right amount of attention at the right place, for the right amount of time, to accomplish the precise movement that will achieve a balanced state of growth. Doing that means you are in the business of developing competencies such as being the designer of your organization's structure.

Believe me when I say that your organization is working perfectly – doing exactly what it is designed to do. Its' structure determines how you behave. That is why your people are performing the way they are.

So how is your organization designed? What is its underlying structure? Which principles are you violating or following? Are you focused *on what gets your attention* or are you *giving your attention* to what will control your destiny?

We only looked at leadership effectiveness. You need to examine sales effectiveness, customer loyalty, employee inspiration, productivity and achieving competitive advantage using the same principles outlined above. Each of them has their own set of competencies to be harvested according to the laws of nature.

If you would like to take an organizational assessment to determine where you currently stand on each of these six strategies and assess how your organization is structured (indeed what you focus on) go to www.inspiredperformance.org.

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Growing at an Optimum Rate

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