

GEAR SHIFT

Unlock the Personality Types of Your Team to
Accelerate Your Business

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Chris Weinberg



Literal Label, Inc.

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INTRODUCTION

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As your business grows from start-up to regional player and beyond, you may be reluctant to embrace what you see as the inevitable “corporatization” of your enterprise—the transition from feisty upstart fueled by passion to a complex organization with carefully delineated responsibilities and commitments. Many business owners resist this Gear Shift, and as a result, their enterprises suffer and may even fail.

A key to making this transition is to understand and unlock the personality types of your team to accelerate your business by leveraging their personality profiles for maximum effectiveness. You can do this by using the DISC system—the cornerstone of this book—which highlights the four primary personality characteristics: (D) Dominance, (I) Influence,

(S) Steadiness, and (C) Conscientiousness. Once you understand how personalities drive a company's culture, you can make the adjustments necessary to maintain growth and generate profits while preserving what's best about your company.

This easy-to-read and entertaining book offers stories that contain valuable lessons that no business owner can afford to ignore. The stories feature people who are trying to grow their business, keep stakeholders happy, and not lose their sanity—all by slightly shifting gears.

If they can do it, so can you!

CHAPTER ONE

YOUR COMPANY NEEDS A LEADER, NOT A FRIEND

(I – MONICA’S ORGANIC BAKERY)

Monica hung up the phone. She turned to her assistant, Pauline.

“That was the bank,” said Monica. “They were not happy to hear that we’re going to be late with our loan payment. I told them that we’re waiting for some of our customers to pay us, so what can we do? Some things just can’t be helped.”

“This is serious,” replied Pauline. “The bank is going to charge us a late fee, and it may affect our credit. Isn’t Gregory responsible for accounts receivable? You know as well as I do that if we don’t get our money,

then Monica's Organic Bakery may soon be shipping its last cake."

"Everything will work out," said Monica. "When I started this business in my kitchen, I did it because I wanted to create good feelings and offer a product that would spread joy. My employees are like family. Gregory is a wonderful man and he has a good heart. Besides, I know that his mother has been ill and it's been a difficult time for him and his partner. At Monica's Organic Bakery, a warm and caring environment comes first."

"Yes, but we need to pay our bills!"

"We will," said Monica. "Pauline, I remember the jobs that I had before I started this company. I worked in a big office with a hundred other employees. Our boss would never speak to us unless he wanted to either give us a new task or criticize what we were doing. If your numbers fell by even 1 percent, he'd post your name on his 'Wall of Shame.' It was horrible. The only reason anybody worked there was for the money. I couldn't wait to leave."

Someone knocked on the door. "Come in," said Monica.

"We're ready for the birthday party," said John, the head baker.

"Let's go!" said Monica.

Monica, Pauline, and John made their way to the comfortable employee lounge, which featured a ping-pong table, TV set, coffee machine, and of course all

the Monica's Organic Bakery products anyone would ever want to eat. The lounge had been decorated with streamers and a big sign that said, "Happy Birthday, Peter." When an employee had a birthday, everyone followed tradition by taking off half an hour and assembling in the lounge for cake and ice cream.

Monica truly had the happiest employees in the city.

Unfortunately, it was also true that Monica's Organic Bakery was losing money.

"Where's Nadeen?" asked Monica. Nadeen was the company sales director who, more than anyone, was responsible for bringing in the cash that kept the company solvent.

"She's coming back from her cruise tomorrow," said Pauline. "Remember? For exceeding her sales goal for the year, you rewarded her with a paid trip to the Caribbean."

"Well, you can't say that I don't take care of my people," replied Monica. "Who's picking up Nadeen's slack?"

"You asked Peter to take over her accounts while she was gone. But from what I hear, while Peter is a self-starter, he doesn't have the product knowledge and training that Nadeen has. He's doing his best, but he's treading water until she comes back."

An hour later, Monica was back in her office. She was going over a financial report with Pauline.

"This is terrible," said Monica. "It's much worse than I imagined. During the last quarter, our revenues

were 10 percent short of what we projected, while our expenses were 15 percent higher. We can't go on like this!"

"Monica, it's time that you and I had a heart-to-heart discussion," said Pauline. "I know it's not my place to say anything, but I believe we need to do some soul-searching. And that includes you."

"Me?"

"Yes, you. Monica, your name is on every box of baked goods that we ship out of our factory. Like it or not, you're the guiding light of this company. You're the public figurehead. You're featured in all the advertisements. That's terrific. None of us would have it any other way. But with your position comes responsibility. Think about all of your employees. They have families to support and bills to pay. They need the jobs that the company provides them. The challenge is that as the company grows, we're entering the competitive marketplace. Other bakeries want to sell their goods to our customers. They try to do it with lower prices or more variety or custom features. When you were working from your kitchen, it didn't matter if you didn't sell every cake. But now we have a big operation, and people depend on us."

"What are you driving at?" said Monica.

"Every person has four behavioral characteristics," said Pauline. "They are dominance, influence, steadiness, and conscientiousness. Most people have one characteristic that rises above the others. Monica, you

are clearly a person whose primary characteristic is influence.”

“Influence? What does that mean?”

“Tell me whether what I’m about to say is true: Your ideal world is one where you have fun.”

“Certainly! What is life without fun?”

“You want to do everything the exciting way,” said Pauline. “You like to dream and imagine wonderful things. And your greatest fears are not having social approval or not being loved by the people around you.”

“All true,” said Monica.

“What’s more, you don’t particularly like rules. You don’t like what you consider to be excessive analysis. You’re reluctant to criticize others.”

“I don’t want to spread negative energy,” said Monica.

“Let me ask you a question. What would the energy feel like if you had to start laying off employees? Because that’s what’s going to happen if this company doesn’t start becoming profitable. What will you tell their families? You know as well as I do that when people lose their jobs, the effects can be serious. Kids don’t go to college, medical bills pile up, and sometimes people lose their houses.”

“What do you want me to do?” asked Monica. “Become a dictator?”

“Absolutely not! You can only be yourself. The way I see it, you have two ways to go. One path is to develop your own leadership qualities and put more

emphasis on your dominance, steadiness, and conscientiousness. Treat your employees less like your friends and more like your business partners from whom a measurable level of performance is expected. This doesn't require you to be unpleasant or disrespectful; the greatest leaders are both pleasant and respectful to their employees. What it means is that you set clear expectations and you give your employees the tools necessary to meet those expectations. Think about it—when you ask your bakers to make one hundred cakes, don't you also give them the necessary ovens and kitchen equipment? Of course! This goes for every person on your staff. They all need the resources and the training to do what they need to do. And if someone comes up short, you have both the right and the obligation to ask, 'What's the problem? How can we reach our goals?'"

"What's the other path?" asked Monica.

"The other path is to find a partner who can run the business while you serve as the figurehead. If you do this, then you can continue to be your employees' best friend. The difference will be, however, that you'll be removed from having day-to-day authority over them. You won't be able to send Nadeen on a week's paid vacation to the Caribbean without justifying the expense and her lost productivity."

"I don't want to do that," said Monica. "This is my business and I'm going to run it—with the help of my wonderful employees, of course."

“Then now is the time for you to step up to the next level,” said Pauline. “The first thing you need to do is take a hard look at your finances. We need to curb expenses, increase productivity, and get more aggressive about our accounts receivable. We’re letting too many of our customers slide. Remember, running an efficient and profitable company is the best way for you to show your employees that you care about their welfare, both today and in the years to come.”

“Okay,” said Monica. “I want our business to thrive and grow year after year. I’ll do what I have to do. Today is the first day of the new Monica’s Organic Bakery.”

KEY POINTS

- **The number one mission of an entrepreneur and leader is survival of the enterprise.** It's simply a matter of creating the most benefit for the most people. If the enterprise collapses, everyone loses.

- **Being liked by your employees is a benefit, not a requirement.** While a friendly working relationship is a good thing, remember that you're the person who, either literally or figuratively, signs their paychecks. You need to be their coach, which means that you have a responsibility to support them, steer them in the right direction, set goals, and if necessary remove them when all else fails.

- **Discipline is not the killer of enthusiasm.** Being disengaged kills enthusiasm, while fair and equitable discipline can create it. You are running a business, and as such must have clear expectations of how things will be carried out and how you will measure performance. Great employees need to know how to win.

- **Value your own happiness.** Many businesses operate with happy employees and staff but a miserable owner. An unstructured business that's run footloose and fancy-free can create a false sense of success to those not responsible for making a profit.

- **When sales decrease, expenses must decrease more rapidly.** This is simple math, but it's often hard to implement. Just do it.

- **Know yourself.** There's no law that says you have to be all things to all people. The leader who can do it all is extremely rare. If you can't handle the nitty-gritty of employee management, then hire someone who likes to do it. If you hate selling, then hire a sales director. If you don't have a knack for numbers, hire a finance director. But remember that as long as you're in a position of leadership, even if you're not actually doing these jobs, you must know how to evaluate and guide the people who are.

CHAPTER TWO

DON'T BE A CAPITALIST ACTING LIKE A SOCIALIST

(D AND S – MARIO'S RESTAURANT)

“At Mario’s, everybody is family!” said Mario Roma as he stood at the front door of his restaurant, surveying the newly redecorated and expanded interior. He had recently leased the building next door and had knocked down part of a wall to create a second dining room.

“Dad, it’s amazing what you’ve done in just five years,” said his daughter Stephanie.

“What we’ve done,” said Mario. “We’re a team!”

“To think that we started out with a little storefront restaurant with ten tables, and now we have thirty tables, a full bar, and a function room,” said Stephanie.

“And we’re looking at a second location. I’d say we’re doing very well.”

“We’re going to have a good crowd tonight,” said Mario. “The reservation book is full.”

At that moment, a man in a chef’s uniform came out of the kitchen. He did not look happy. He walked up to Mario and, removing his apron, said, “Mario, I need to talk to you in private.”

“Robert, anything you want to say, you can say it in front of my daughter,” said Mario with a smile. “We’re family here.”

Robert shifted uncomfortably on his feet. “All right, have it your way. Mario, I like you, but I’m giving you my notice. I’m leaving.”

“What?” replied Mario. “Robert, I’m stunned. You’ve been with me since the beginning. You’re my top chef! What’s the matter? Don’t I pay you enough? Do you need some time off?”

“It’s not that,” said Roberto. “Look, can we go in your office? I don’t want to talk out here in the open.”

“Okay, okay,” said Mario.

A few minutes later Mario, Stephanie, and Robert were sitting in Mario’s office, which was in the back of the building on the second floor.

“Robert, what’s the problem?” asked Stephanie.

“I just can’t take it anymore,” replied Robert.

“Take what?” asked Mario. He was genuinely mystified as to why Robert would be unhappy.

“I can’t do everything in the kitchen myself!” said Robert. “I’m trying to focus on my job, which is to make our customers happy. I’m 100 percent dedicated to being a top producer for this restaurant. I want to take it higher. I envision more locations and maybe even a line of prepared foods. But I keep finding myself picking up the slack for other people. My own personal productivity is suffering.”

“Give us an example,” said Stephanie.

“Okay,” said Robert. “I really hate to badmouth another employee, but I have no choice. Our line cook, Dmitri, never shows up on time. Never! He’s always fifteen or twenty minutes late getting to work. This throws me off because I have to cover for him while he’s not there. It impacts our workflow in the kitchen. And then, during his shift, he works at the pace of a turtle. The orders back up, and I have to stop what I’m doing and help him out.”

“Robert,” said Mario, “I understand how you feel, but Dmitri has been with us since we had our little storefront. He’s a good and loyal member of our employee family.”

“Times have changed,” said Robert. “Back in those days, because we were so small, our customers didn’t care if they had to wait forty minutes for their food. You would go to their table and chat with them and give them a glass of wine. But we’ve gotten much bigger and we’re under more pressure to please everybody. If we have a function, we have to serve fifty

entrees within ten minutes. I'll be honest with you—Dmitri is making me look bad. When customers complain about slow service, I'm the guy who hears it."

"You sound like you want Mario's to become more corporate," said Mario sadly.

"That's not it," replied Robert. "I want us to excel. I want us to be the best family restaurant in the city. We can do it, but we all need to pull our weight."

"Robert, would you excuse us for a moment?" said Stephanie. "And please—give us some time to consider what you've said. Don't quit on us!"

"Don't worry," said Robert with a smile. "I would never just walk out and leave you in a lurch. I'm not like that." He got up and left the office.

"What am I going to do?" said Mario.

"You're going to make a choice," said his daughter. "Robert has made it clear that if we keep Dmitri—or at least do not improve his performance—that he will leave. You know, there's an old saying that you can't be a capitalist who acts like a socialist. We don't live in a socialist society. If this restaurant fails, it will not be caught in a magical socialist safety net. It will simply go out of business, and everyone will lose their jobs. That's why it's so important to assemble a team of what I call 'A Players'. These are top performers who are enthusiastic and motivated—just like you are, by the way! Let's face it—Dmitri is a 'B player'. Maybe even a 'C player'. He may never change. He belongs at a job where he can slack off and it doesn't

matter. Here at Mario's, he's dragging the rest of the team down. It's gotten so bad that one of our A Players, Robert, is fed up and wants to leave. Are you telling me that you'd sacrifice Robert to keep Dmitri?"

"To fire Dmitri seems so corporate!" moaned Mario.

"No, Dad, it's just corporate enough," said Stephanie. "We'll never lose our family culture." She smiled. "You sound like a classic example of someone who has a profile of steadiness."

"What are you talking about?" said Mario.

"Your DISC profile," said Stephanie. "It stands for the four primary personality characteristics: dominance, influence, steadiness, and conscientiousness."

"You're saying I'm not conscientious?"

"Not at all," said Stephanie. "Everybody has some degree of each characteristic. Some people even have two that are equally predominant. You show signs of steadiness. I'll test you right now. Tell me if this sounds like you: Do you avoid tough decisions to spare people's feelings?"

"Yes, I suppose so."

"Do you provide an extremely relaxed work environment that may tolerate poor performance?"

"I just want everybody to be happy," said Mario.

"Do you avoid giving criticism, even if it's meant well and is constructive?"

"Who am I to criticize anyone?" he shrugged.

Stephanie thought for a moment. Then she said, “Dad, we cannot afford to lose Robert because we choose to keep Dmitri. And I understand that you hate to fire people. I have the solution. Appoint me as your chief operations officer. Give me the authority to make hiring decisions. You should focus on what you’re really good at, which is being the public face of the company and making our customers happy.”

“Make you my COO?” said Mario. “Are you tough enough to fire someone?”

“Dad,” she smiled, “my DISC profile says that I score high in dominance. I’m driven by the desire for success, and I have no problem making tough decisions. On the flip side, I’m a lousy cook. I could never create what you’ve done at the restaurant. But think about it—because you’re a High S and I’m a High D, we make an excellent team. We complement each other! You’re more creative and I’m more focused on the bottom line.”

“All right,” said Mario. “I like your idea. My smart daughter! But you must do one thing—you must give Dmitri a chance. Tell him exactly what he needs to do to succeed. Put him on probation. Tell him that he’s got two weeks to demonstrate that he can pull his weight in the kitchen. If he can do it, then everyone wins. If not, let him go.”

“Okay, Dad, it sounds like a plan!”

KEY POINTS

- **There is no business safety net.** If you're operating a start-up in your garage and you fail (which many do), the consequences may not be high. You may lose your investment, but you may also get your garage back! But if you have fifty or a hundred employees and your business fails, it can have serious consequences for many people. As your size grows, the stakes get higher. You can't afford to carry unproductive employees. You have a choice: either motivate them or remove them.

- **Don't be blind to poor performance.** Owners who treat performers and nonperformers the same will cripple their business. A Players who want to be rewarded for outstanding performance will drift away, while B and C Players who want to coast along will fill the ranks. As you grow, you need the best people on your team.

- **You are not Superman.** Rarely can one person lead a growing company in every area. Stephanie was astute to recognize that her dad was a High S leader and she was a High D leader, and that together they would make an effective team. Even if you hope to develop other areas of your profile, remember to seek out people with complementary skills.

CHAPTER THREE

BREAK DOWN THOSE SILOS!

(D AND C – WELLER PRECISION
PARTS)

Conrad Weller directed his keen gaze at the report in front of him. He did not look happy. To the assembled managers around the table, their boss's sour expression was nothing unusual. Conrad Weller hadn't built Weller Precision Parts from a one-room shop into a leading provider of railway parts by being sloppy or lackadaisical in his approach. The company's replacement parts were used in railways and subway systems around the nation, and in many cases the lives of passengers and train crews depended on the integrity of Weller parts. If a coupling or pin or servo failed, tragedy could result.

“Listen to this,” he said. “It’s from the Wall Street Journal. A Chinese manufacturer has announced it’s now selling its railway components in the US market. This will be the first-time Chinese train parts have been exported to North America.” He put down the report. “The Chinese are moving aggressively into the railroad parts market, and I anticipate they’ll soon be knocking on the doors of our customers. Meanwhile, we need to keep growing.” He looked around the table. “Okay, Harold, give me your sales report.”

“In the current quarter,” said Harold nervously, “sales are flat in electronic components, including switches. In milled parts, they’re 5 percent over last quarter.”

“Tell me how you’re going to boost sales of components.”

“Well, sir,” said Harold nervously, “we’re beginning to face price pressure from the Chinese, and some of our customers are saying that they have no choice but to give the Chinese a shot.”

“Mr. Weller,” said Judy, the head of product development, “now might be a good time to discuss—”

“Not now,” said Conrad, cutting her off. “I want to hear from my head of sales. Harold, you’ve got a sales target to meet, right?”

“Yes, sir,” said Harold.

“So, I’m asking you how you plan on meeting it.”

“Sir, I’m just reporting to you what our customers are saying. I can’t go out and invent more railroads to sell to. We know all the players in our market.”

Conrad glared at him. “Come back to me with a plan, okay? Now then, Judy, please let me have your report.”

“We have a new suite of electronic switches in development that can be operated from a smartphone and are twice as reliable as the old ones,” she said.

“When will they be ready to go to market?” asked Conrad.

“Before we offer them widely,” said Judy, “we’d like give some of them to our customers and have them test them in the field.”

“Good idea,” said Shania, the advertising manager.

“Shania,” said Conrad, “I’ll decide if it’s a good idea.”

Harold raised his hand. “Sir, I can connect Judy with the operations manager at the Eastern Union Railroad, and—”

“Hang on, Harold,” interrupted Conrad. “This is my meeting and I need to run it the way I see fit. You each have your jobs to do, and I’m asking each of you to stay focused on your own job and not worry about the other guy’s problems. Let me worry about them, okay? That’s why I’m the CEO. I make the decisions here, and I need each of you to take care of your own department. Now, let’s talk about the new smartphone-controlled switches. I think that these switches will be

just what we need to stay one step ahead of the Chinese. They can beat us on the price of the low-end stuff, like pins and bolts, but we have the advantage of superior technology. Judy, when can we be ready to market them?”

“Like I said, sir,” said Judy, “what we’d like to do is get them field-tested first. This will give us the opportunity to get customer feedback.”

“Don’t I pay you to develop new products?” demanded Conrad. “In this competitive environment, we need to act boldly. I didn’t build this company by being wishy-washy. I built it by knowing what my customers needed and giving to them. There wasn’t a lot of endless discussion.” He turned to another member of the team. “Eduardo, you’re the production manager. How soon can you ramp up to produce ten thousand of the new switches?”

“You say the word,” replied Eduardo, “and we’ll get the lines set up in a week.”

“You see?” thundered Conrad to the assembled group. “That’s what I want to hear! No hesitation, only commitment.”

“With all due respect,” said Judy, “I don’t think that Eduardo has a complete grasp of the manufacturing requirements of the new switches. We haven’t given him the most recent sample.”

“Why not?” asked Conrad.

“Because you said that you were going to do that,” replied Judy. “You wanted to look at it first and then show it to Eduardo.”

“Eduardo, did I give it to you?” asked Conrad.

“I don’t know,” said Eduardo. “The last sample I saw was a month ago. That’s what I’m basing my opinion on—the switch you gave me last month.”

“Okay, okay,” said Conrad. “It must be in my office. I’ll get it for you after the meeting. You look at it and tell me how long it will take to get into full production. Harold, I want you to take preorders from your best customers.”

“Sir, they won’t preorder something they’ve never seen.”

“Harold, I thought you were a salesman!” roared Conrad. “Now get out there and sell!”

Harold stood up. “I’m sorry, Mr. Weller, but this isn’t working. It’s obvious that I can’t make you happy. I’m giving you my notice. The people at Ajax Engineering have been calling me about an opening, and I’m going to take it.” He looked around the room. “It’s been great, guys. Good luck.”

He left the room.

“What the—?” said Conrad. “Well, he’s gone. No sense crying about it.” He turned to his admin assistant. “Sophia, get me in touch with the people at Powerhouse Staffing. Tell them we need a head of sales, pronto. I’ll do the interviewing. I want someone in here within two weeks.”

“Sir,” said Shania, “wouldn’t it make sense if we had the head of each department meet with the new sales manager? After all, we have to work together.”

Conrad rubbed his temples. It was obvious that he was under a lot of stress. “Thank you, Shania, but I want you to pay attention to your portfolio. Hiring is my job. Okay?”

“Uh, yes, sir,” replied Shania.

“That’s all for today,” said Conrad. He got up and left the meeting.

When he got back to his office, he realized that today was the day of the annual charity golf tournament at the country club. It was a benefit for the local children’s hospital. Months ago, without thinking much about it, he had signed up to be a sponsor.

Tee-off time was in half an hour. He rushed to the country club just in time to meet the other members of his foursome. In a few hours they completed the course—Conrad having shot a six under par—and two of the players immediately said good-bye because they had business appointments.

The fourth member, Reeves, who owned a lumber products company, said to Conrad, “My friend, can I get you a drink at the clubhouse? I hope you don’t mind me saying that you look like you’re under a lot of stress.”

“You can say that again,” said Conrad. “My top salesman just walked out on me. He said he was taking a job with Ajax Engineering.”

“Ouch,” said Reeves. They sat down at a table and ordered drinks.

“May I say something?” asked Reeves.

“Sure, go ahead.”

“I know how you run your business,” said Reeves. “You see it like a wheel, with a hub at the center and a bunch of spokes. Each spoke leads to a different department. They all report directly to you.”

“Yes, that’s right,” said Conrad. “That’s how my dad taught me to run my business, and it’s worked fine so far.”

“To be blunt, my friend,” said Reeves as he munched on a handful of peanuts, “it won’t work much longer. Not today.”

“What’s wrong with it?”

“What you’ve created are silos, like on a farm. You’ve got each of your managers in their own little silo, and you don’t let them interact with each other. But they have talent and skills! Why not leverage their skills instead of suppressing them? Let them collaborate and then show you what they’ve done. You’ll get a lot more bang for your buck, believe me.”

“I don’t know . . .” said Conrad, resting his elbows on the table.

“Do you know what you are?” said Reeves. “You’re a classic High D type.”

“What the heck is that?”

“Everyone exhibits four personality characteristics: dominance, influence, steadiness, and conscientiousness. You can call it by its acronym, DISC. People can have one or two of them to a greater degree than the others. If your personality shows dominance, then you’re decisive. You push for new accomplishments. You want results. You’re very blunt.”

“Those sound like good things!” said Conrad.

“They are,” replied Reeves. “The downside to dominance is that you fail to spend time on a thorough analysis. You create power struggles and discourage productive teamwork. You may overwhelm those who are less aggressive.”

“I suppose that could be true,” admitted Conrad.

“You also show signs of the conscientious person. Some of the good aspects to being conscientious are that you demand accuracy and you emphasize reliability and precision. While you’re clear about what you want, on the downside you may ignore people’s feelings and fail to foster a strong sense of community. You can make it possible for someone like Harold to walk out the door.”

“I’ll admit I was stupid to let him go so easily,” said Conrad. “He’s a talented guy.”

“Don’t worry,” said Reeves. “It’s never too late to get back on track. Right now I’d say you’re a High D and High C, along with Low I and Low S. You have a choice: you can either work on a more balanced approach and build a strong team instead of having a

bunch of subordinates in silos, or you can hire one or more people who can take responsibility for key areas of the company's growth. You'll still be the CEO, but instead of always being the guy who has to personally score the touchdowns, you'll be the coach who guides the team to victory. But being the coach means you can't be on the field. You need to let your players do their jobs. Get off the field, motivate your players, and get some collaboration happening!"

Conrad pulled out his phone and tapped a number. "Hello, Harold? It's Conrad. Please don't call me Mr. Weller. Call me Conrad. Have you accepted the job at Ajax yet? No? Good. We're going to be making some changes. I want to restructure the company to create more collaboration so that you can have more input. Can you come to see me tomorrow morning? I want to talk about giving the new switches to Eastern Union Railroad to get their feedback. I like the idea, and I want you to work on it with Judy and Eduardo. Great! See you tomorrow!"

KEY POINTS

- **Create collaboration.** The old hub-and-spoke, top-down structure of management is obsolete. Today's leaders break down silos and encourage cross-communication so that everyone has a stake in the outcome of every project.

- **Don't destroy the launch.** While speed to market can be a critical component to success, take the time to test new products or offerings internally through each department as well as a trial sample size. Speed without a predictable outcome can lead to a failed launch. You would be better off doing nothing.

- **Treat people like your most important resource.** You hired a team to help you, and at the time of hire you probably assumed they each had a brain. Allow them to use it by keeping the team aligned and useful as a unit. Remember the saying, "All of us are smarter than one of us." Encouraging others to think only pushes you up, not out.

- **Be as objective about yourself as you are about business decisions.** As you grow, ignoring areas where you are not strong can lead to disaster. Being your own critic will allow you to see holes in your system. It's a

great idea to have an objective coach or outsider willing to help you see the entire landscape of the organization, including areas of vulnerability.

- **Hire people smarter than you.** As the leader, your job is not to know everything better than anyone else or to be an expert in every area. Your job is to hire people better than you, set the vision and expectations, and then get out of the way.

CHAPTER FOUR

LET YOUR STAFF DO THEIR JOBS

(C – FLOOD FINE ART TRANSPORT)

When Cheryl Flood's phone rang, she looked at it in annoyance. The call was from her admin assistant, Jeffrey. She picked it up.

"Cheryl," said Jeffrey, "the senior staff is waiting for you in the conference room."

She glanced at her big wall clock. It was ten minutes after eleven o'clock.

"Sorry," she said. "I'll be right there." She hung up and, with a final look at the proposal on her computer, she clicked shut the file. After gathering a pile of folders, she hurried down the hall. When she entered the

conference room, she saw that the other four members of the leadership team were seated, waiting.

"I apologize for being late," she said. "I was working on the Smith Museum proposal. As you know, they want to ship their sculpture collection to three other museums during the next year, and if we get the contract to pack and move all of the pieces, it will be a huge boost to our bottom line."

"It's a priceless collection," agreed Howard, the logistics director of Flood Fine Art Transport. "Do you need me to give you the cost figures for trucking?"

"No, no, I've got them somewhere in here," replied Cheryl as she shuffled through her folders. Then with a sigh she clicked on her iPad. "I know I've got them. I'll find them."

"When is the proposal due?" asked Roger, the company finance officer.

"It has to be submitted by close of business today," replied Cheryl.

"Today?" repeated Roger. "Really, if you need any help, I'd be happy to jump in."

"I've got it," insisted Cheryl. "By the way, did you send me the insurance cost estimate?"

"I'm sorry," replied Roger. "You haven't asked for it. Since you didn't ask, I thought you had gotten it from our underwriter."

"No, no," said Cheryl. "It slipped my mind. Too much on my plate, I guess. But what's the expression? 'Paying the cost to be the boss'? That's just the way it

is.” She glanced at her watch. “We’re going to have an abbreviated meeting today. I need to get back to the proposal.”

“I was hoping to discuss the financing of the new secure storage facility and the cost of a new truck,” said Roger. “I suppose we can do that next week.”

“We need to get the storage facility project launched soon,” interjected Susan, the marketing manager. “It can’t wait—we’re losing business because we don’t have the space.”

“I still need to review and approve the plans,” said Cheryl. “I’ll try to get to it tomorrow. I know it may seem as though it’s taking a long time, but that’s how we do things around here. This is my company and I really need to be certain that every decision we make is the right one.”

“By the way, Roger,” said Don, the company facilities manager, “do you have an update for us on the comparative costs of leasing additional space downtown versus in the industrial park?”

“You’ll have to ask Cheryl,” replied Roger. “She’s handling that personally.”

“I’ll have a decision for you tomorrow,” said Cheryl. “Right now my focus is on writing the Smith Museum proposal.”

The meeting proceeded, but the staff sensed that Cheryl was not focusing on the points under discussion. She seemed preoccupied, as if what they were saying didn’t really matter. For them, this was nothing

new. They were accustomed to how Cheryl ran her meetings because that was how she had always done it. She'd listen to a report or a question, and then say, "Okay, thank you. Let me think about it and I'll give you my answer." They had learned a long time ago that Cheryl didn't like to delegate. It wasn't that she didn't trust her staff or didn't think they were competent. Instead, the feeling everyone got was that Cheryl felt personally responsible for every aspect of the business. It was almost as if she were shielding her staff from responsibility, like a parent shields her children. Her reasoning was if she didn't give them the opportunity to screw up, then they couldn't screw up.

After the meeting broke up, everyone went back to work. Cheryl continued to labor over the proposal. Then Jeffrey buzzed her.

"Cheryl, Charlie is here to see you."

Another interruption! Cheryl pressed the intercom to tell Jeffrey that she was sorry but she was simply too busy to see Charlie. Then she stopped. It would be terribly rude to break this appointment. Every Tuesday at noon, her uncle Charlie would stop by her office and they'd chat about the business. Charlie was not just her uncle; he had helped to secure her start-up funding and forge some key business connections. He was a champion of her business, and she owed it to him to treat him respectfully.

"How's my favorite niece?" said Charlie as he entered her office and sat down across from her desk.

“Your favorite niece is swamped with work,” she replied. “I’ve got an incredibly important proposal due for the Smith Art Museum.”

“Oh, yes, the big sculpture exhibit,” said Charlie. “Good luck!” Then he leaned closer. “I’ve been thinking about you and your business. I’m a little bit worried.”

“About what?”

“Cheryl, the business is really taking off. It’s growing beautifully. It’s time that you start delegating more responsibilities to your staff. I can see that you don’t want to do this. I think it’s because your personality reflects a high level of conscientiousness. You value excellence, you want things done a certain way, you like to do thorough research, and you’re afraid of making a mistake.”

“What’s wrong with that? Those are all good qualities, aren’t they?”

“Indeed, they are. But like the other three primary personality characteristics that everyone has to some degree—dominance, influence, and steadiness—being conscientious has its downside. I get the impression that you lock yourself in your office and slave over your work until it’s perfect. Meanwhile, your talented staff feels shut out.”

“They get paid well, and I’m nice to them; so what’s the problem?”

“I see three problems. First, you’re not fully utilizing their talents. Second, your company is far less

productive than it could be. And third, speaking as a member of your family, you're working yourself into an early grave. No job is worth killing yourself over. You must take some of the weight off your shoulders and distribute it to the people around you."

Cheryl put down the report she had been trying to skim while talking to her uncle. "Charlie, you're right. I've been running myself into the ground. But what can I do? This proposal has got to be finished by five o'clock."

"Cheryl, you're not a superhero," said Charlie. "You can't do it all yourself. Use your talented staff. I want you to apportion each part of the proposal to the appropriate manager. Send Roger the financials. Send Howard the logistical component and Don the facilities component. Susan can handle the marketing piece. Ask them to have their respective sections on your desk by three o'clock. You will review them and put them together. You'll be done before five o'clock."

"But what if they're too busy to do it?"

Charlie smiled. "Isn't it true that this contract could propel Flood Fine Art Transport into a profitable year? Don't you think it's a high-priority project?"

"It's critical."

"Then do your job as the owner of the company and set the agenda. Give each person their assignment. Tell them it's top priority. Trust me, when they understand, they'll respond."

Cheryl sighed. “Okay. You’re right. I need to go beyond being relentlessly conscientious, and I need to have more faith in the abilities of the people I’ve hired and who want to do a good job.” She pressed her intercom button. “Jeffrey? Please ask Don, Susan, Roger, and Howard to meet me in the conference room in five minutes. And by the way, I’ll need you at four o’clock to hand deliver the proposal to the director at the Smith Museum. Thank you.”

“That’s how you delegate!” said Charlie with a smile. “Remember—it’s good to be conscientious, but you need to balance it with dominance, influence, and steadiness. Being a leader is different from being a manager. A leader keeps her eye on the big picture and doesn’t get bogged down in the weeds of every detail.”

KEY POINTS

- **Leaders set the standard for the team.** It may seem obvious, but it's important to be on time. Your time is important, but so is everyone else's. Running consistently late shows your team that lateness is an acceptable practice, and they will certainly do the same to clients.

- **Meetings are a drag for everyone.** Adopt a mentality of "be bright, be brief, be gone." That also means you must be present and not preoccupied with other thoughts. Your time with your team is the most highly leveraged time you will spend. Use it wisely.

- **Accountable for all, responsible for nothing.** As the leader, you are accountable for everything that happens in the business. You must be in a position to coach, set clear expectations, and provide feedback. Proper delegation should put you in a place where you are responsible for very little. Leaders who are predominantly conscientious—High Cs—tend to overanalyze and may fail to develop a sense of community. Use the talents of the people you're paying. If you've hired the right people, then they will be eager to take on responsibilities and move the organization forward.

- **Diagnose and fix the problem.** If you are unable to delegate responsibilities effectively, you need to diagnose the problem. As a High C, are you assuming too many duties yourself? Is your staff overextended and you need to hire additional hands? Is someone on your staff avoiding responsibility? If this last scenario is the case, you need to either train them or fire them. You have no third option.

- **See the big picture.** While a leader must occasionally dive into the details—especially tempting for High Cs—your most important task is to see the organization as a whole and ensure all of its parts are functioning at their optimum level.

CHAPTER FIVE

BALANCE PLANNING AND INNOVATION

(I – PGD MEDIA)

“If we get the Global Auto account, it will vault us into the top ranks of independent advertising agencies,” said Peter G. Downey, the owner of PGD Media, to his creative director, Jenny.

“Here are the three storyboards for the proposed Global Auto television spots,” replied Jenny as she spread a collection of drawings on the table. “They are the rough ideas that you chose from the batch we showed you last week.”

Peter shuffled through the sheets. “Nice work! Say—where’s the story where the family is driving in their Global SUV through Yellowstone Park, and they

stop to look at a bear, and the bear then gets all of his bear friends to admire the car?”

“Last week you said you didn’t like that one.”

“Really? I said that? I don’t know what I was thinking. It was brilliant—it combined the theme of safety with being ecologically friendly. The client will love it. Please—go and get it for me.”

Jenny rushed to her office to fetch the Yellowstone bear storyboard.

Peter turned to Rob, his accounts manager. “As long as we’re waiting, let’s review the status of the Snappy Cola account. What’s the response rate for the social media campaign?”

“Snappy Cola?” asked Rob. “I’m sorry, I didn’t come prepared to discuss them. I thought we were focusing on Global Auto. If you want me to pull up the Snappy reports, it will take me about ten minutes.”

“Yes, please do that,” replied Peter.

With a shrug, Rob took out his iPad and scrolled through the files.

Jenny returned with the Yellowstone bear storyboards. “Here you are, Peter,” she said as she placed the sheets on the table.

“Good!” said Peter. He turned to his production manager. “Rafael, you’ve seen this concept, right?”

“I saw it last week, but I haven’t thought about it because I thought you shelved it.”

“Well, think about this,” said Peter. “We’ll have the family get out of the car and pose for a photo with the bears.”

“Peter, are you serious?” said Rafael.

“Sure, why not?” replied Peter. “Of course the target viewers will know that it’s a fantasy and that it’s not real. But the scene will drive home our message that the Global SUV is ecologically friendly.”

“It might do that,” said Jenny, “but you can’t have people getting out of their vehicle in Yellowstone to mingle with bears. The park rangers won’t allow it, we could never get insurance, and the client—Global—will be sure to reject the idea.”

“Rob, what do you think?” asked Peter.

“What?” he replied. He was peering at his iPad. “Think about what?”

“Think about having the family in the SUV get out and pose for pictures with the bears,” said Peter.

“I’m sorry—I was pulling up the Snappy Cola account information.”

“It’s okay—you can put that away,” said Peter. “Let’s focus on Global.”

Mystified, Rob turned off his iPad. “I think the bear idea is extremely risky.”

“I’ll tell you what we’ll do,” said Peter. “Rafael, please draw up a production budget for this scenario—the family gets out of the car at Yellowstone and poses for a photo with the bears.”

“Do you want real bears or computer-generated bears?” asked Rafael.

“Do it both ways.”

“Whether we ultimately go with real or CGI bears, it’s going to cost a fortune,” said Rafael. “The budget will be huge.”

“Don’t worry—Rob can sell it to Global,” said Peter. He clapped Rob on the shoulder. “Right, Rob? You can sell anything! You’re my number one guy!”

“I don’t know about this,” said Rob. “We’re very close to getting the Global account. They like what they’ve seen so far. They want something traditional to sell into the family market. This idea with the bears will seem too far out for them. Too risky.”

Peter stepped back from the table. “Have you guys forgotten our first years? We were the wild ones! We broke all the rules. We flew by the seats of our pants. That’s how PGD Media made a name for itself. We can’t turn into a bunch of old coots. We need to keep our edge.”

“I know how you feel,” said Rob. “But we’ve gotten bigger, and so have our capabilities. When we first started, we weren’t handing multimillion-dollar accounts for multinational companies. The scale of our projects has grown, and so has the level of investment. We need to take the time to deeply understand the goals of our clients and appreciate the amount of money they’re spending. We can’t live moment-to-moment anymore. The stakes are high.”

“What do you propose we do?” asked Peter.

“Let’s arrange a client meeting,” said Rob. “We’ll tell them that we have some preliminary ideas, just some wild stuff that we want to show them informally. We’ll bring six storyboards. We’ll make it clear that they don’t have to like any of them—they are strictly for general direction. And if by chance the client likes the idea of using Yellowstone and bears, we can come back and prepare six new storyboards, each with a different variation of Yellowstone and bears.”

“One of them could show the bears applauding as the Global SUV drives by,” said Jenny.

“Another one,” said Rafael, “could show the Global SUV stopping at a rest area, and while the family goes inside for a snack, the bears photograph the vehicle.”

“Okay,” said Peter. “This sounds like a timid approach, but I like some of the ideas. Let’s do it.”

Everyone nodded.

“It’s a funny thing,” said Peter. “This reminds me of when I was a kid and my dad took me to the circus. The circus had dancing bears. The bears had outfits on, and they’d do tricks. Maybe we can get some bears to do tricks in the Global ad. Did you guys ever go to the circus when you were kids?”

“Yes, Peter,” said Jenny. “But let’s stay focused, shall we?”

“Okay, okay,” said Peter.

The meeting broke up and Peter went back to his office. His assistant Andrea watched him slump into his chair.

“What’s the matter?” she said.

“Nothing,” he replied. “Well, to be honest, I’m getting tired of this. The old spirit is gone. The company has gotten bigger, and suddenly everyone seems so uptight. I miss the spontaneity of the old days.”

Andrea smiled. “You’re not the first entrepreneur who has felt that way.”

“What do you mean?”

“I’ve been reading about this. Did you know that everybody has four basic personality characteristics? They’re dominance, influence, steadiness, and conscientiousness. They call it your DISC profile. While everyone has some of each characteristic, one usually is the strongest. With you, it’s clear that influence is what predominates. You’re what they call a High I type of person.”

“What does that mean?”

“Someone who has a lot of influence excels at promoting ideas. They’re spontaneous and they seek out self-starters. They’re quick to applaud good work, and they encourage brainstorming to develop unexpected ideas.”

“Those all sound like admirable traits!” said Peter. “What’s the problem?”

“Every coin has a flip side,” said Andrea. “The person who has a lot of influence may change direction

unpredictably, or be inconsistent. They may fail to recognize risks and lack a clear sense of long-term planning.”

“But planning is so boring!” said Peter.

“Then perhaps it’s time for PGD Media to hire a managing director,” said Andrea. “The reality is this: the company is bigger now, and the stakes are higher. We have a payroll to meet and employees who depend on us. If you don’t want to get down into the weeds of planning and operations and you want to stick to being creative, that’s fine; but you absolutely must share power with someone who can exert some discipline over this company.”

“You mean I can’t do it all?” asked Peter.

“That’s exactly what I mean. Nobody can do it all—not even you.”

KEY POINTS

- **Success means slightly shifting gears.** Planning is not a dirty word. It's possible to strike a balance between being rigid and being spontaneous. While every company needs to be agile and respond quickly to opportunities and threats, it also needs a long-term plan to deliver its unique service or product to the marketplace.

- **Guide your staff.** Employees are not mind readers. Owners and CEOs need to be clear in their directions and consistent in their vision. It's important to solicit feedback and advice, and it's equally important to provide dependable leadership. A concept called the four Cs is applicable here: consistent communication creates credibility.

- **Keep yourself and your team in a high productivity zone.** Value your employees' time. Your staff should no more waste their time scrambling to follow your last-minute directives than they should waste it in the employee break room. You pay them to be productive, so don't sabotage them by interfering with the job you've given them to do. Stick to the plan until there is a time to measure results.

- **If you don't want to sweat the details, hire someone who will.** Often, creative entrepreneurs become

successful early with big, risky ideas. But as the company grows, the skill set needed to run the business changes. Much of what makes any business a success is the completion of basic daily tasks, over and over again. A critical step for any entrepreneur is knowing when it's time to hire one or more managers. If you can't handle repetitive or routine tasks, or have no interest in doing so, then get someone who can.

CHAPTER SIX

TEMPER RISKS WITH RESEARCH

(D AND I – WATSON’S CLOTHING STORE)

“I love them!” said Rebecca Watson as she examined the computer renderings of the new store window displays. “They’re young and edgy, with an urban flair. They’re just what Watson’s needs.”

“I’m glad you like them,” replied Craig, her chief designer. “For the spring season, we’re upending the old, stale image of Watson’s. Women passing by our stores will see a new rebranding. We’re going to attract a younger, hipper customer. Someone who won’t think twice about spending five hundred dollars for a purse trimmed with a thousand Venetian glass beads.”

A woman entered the room.

“Ah—Janey, come over here,” said Rebecca. “Look at what Craig has created! It’s a whole new look. A new identity for Watson’s. Craig, what’s the tagline?”

“Watson’s—The Store for the Urban Pioneer,” said Craig.

“Exactly!” exclaimed Rebecca.

“Rebecca, can I make a comment?” said Janey. “This is quite a departure from our current marketing plan. Watson’s is known as the store for affordable business clothes for the young working woman. Our customers shop at Watson’s because they need to look professional at their office jobs. This is an entirely different market.”

“So what?” replied Rebecca. “We can’t remain stuck in the past! We need to be fashion leaders, not followers.”

“But we have ten stores in five cities,” said Janey. “This is a massive shift in our identity.”

“You’re being a stick-in-the-mud,” said Craig.

Janey looked at Rebecca for support. While Craig was known to be catty, which everyone on the staff had gotten used to, Janey felt that now he was being simply rude. But Rebecca had gone over to a table of samples and was holding up a pair of tattered jeans.

“I love these,” said Rebecca. “The torn knees are very au courant. It’s a punk rock look.”

A man entered the room. He looked at Rebecca and her jeans. “Where did those come from?” he asked. “Did the Ramones have a yard sale?”

“Tim, aren’t they terrific?” gushed Rebecca. “Craig, you love them, don’t you?”

“Very edgy, very urban.” Craig nodded.

“Are those for our customers?” asked Tim.

“Yes—it’s all part of the rebranding of Watson’s,” said Rebecca. “No more boring office clothes. We’re going after the younger market—upscale girls who have money.”

“But we’re carrying ten million dollars’ worth of women’s business attire in our storewide inventory!” said Tim. “Each piece has been carefully selected. We’ve spent five years cultivating our customer base. If we make a massive shift, we’re going to lose all our loyal customers!”

“Another stick-in-the-mud,” said Craig.

“Now Craig, let’s be nice,” said Rebecca as Tim fumed.

“Can we talk about this?” asked Janey. “As the marketing director of this company, don’t you think that I need to be consulted about a change in business strategy?”

“Well, the store has my name on it,” replied Rebecca. “If you’re worried about Craig having too many good ideas, I can’t help that. You’ll just have to get on board with our new direction.”

“As the chief financial officer, what am I supposed to do?” asked Tim.

“I’m sure you can make the numbers work,” replied Rebecca as she picked up a pair of leather boots with three-inch stiletto heels. “These would go perfectly with the ripped jeans, don’t you think, Janey?”

“Well, yes, they would,” replied Janey. “But at some other store! I don’t see us selling those boots or those jeans to our customers. They’d sell down the street at Punk Emporium. Not at Watson’s.”

“I really don’t like your negative attitude,” said Rebecca.

“Okay, I get it,” said Janey. “I don’t see any other way. You have my two weeks’ notice.” With those words, she turned and walked out.

“Touchy, isn’t she?” said Craig.

“Please listen, Janey—” said Rebecca. But it was too late. Janey was gone.

Rebecca put down the boots and walked unhappily to her office. She went inside and closed the door.

Her assistant, Tameeka, saw how upset she was. Tameeka asked her what was wrong, and Rebecca told her the whole story.

“Janey has worked with me since the beginning,” said Rebecca. “I can’t afford to lose her!”

“Rebecca, it’s time for some tough love,” said Tameeka as she pulled up a chair. “I’m going to give it to you straight. You drove Janey away, but you can get her back.”

“How?”

“First, by knowing yourself. You are a classic example of a person who exhibits the personality traits of influence and dominance.”

“Dominance? That sounds like what those leather boots are for.”

“Listen to me—this is serious. Everybody has four personality characteristics: dominance, influence, steadiness, and conscientiousness. It’s called your DISC profile. While we all have some of the characteristics, one or two are always the most visible. Me, I’m a steady, or High S, type of person. I encourage teamwork, I stick to a task until it’s done, and I work toward a predictable outcome.”

“Are you trying to tell me you’re perfect?”

Tameeka smiled. “Far from it. Every behavioral style has its drawbacks, too. That’s what makes us human. As you know, I’m not a very competitive person. I’m much happier working in the background, out of the spotlight. And I can be indecisive. I like to dither.”

“I’m not going to comment on that,” laughed Rebecca. “You said it, not me.”

“You fit the profile of someone who has two primary styles: dominance—what they call High D—and influence, or High I.”

“Two, huh?” said Rebecca. “Explain.”

“The advantages to being a High D, as they call it, are many. You’re decisive. You seek new opportunities. You encourage innovation.”

“Yep,” said Rebecca. “That’s me.”

“But there are downsides to the High D personality. You discourage teamwork because you like it when your people compete against each other.”

“I suppose you’re right about that,” admitted Rebecca.

“The High I type fosters creativity through high energy and new directions,” said Tameeka. “When you combine them, you get a leader who shows great inspiration and passion, but you can get too far ahead of the troops. You leave people behind.”

“They should keep up,” said Rebecca.

“It’s not that simple. You’re no longer the captain of a little speedboat. You’re the captain of an ocean liner. You need to be sensitive to the repercussions of your decisions, and even of what you say. Upfront excitement needs to be coupled with a solid plan that preserves the wealth we’re already making. You advocate for too many needless risks that can lead to disaster.”

“Are you talking about our rebranding?”

“That’s exactly what I’m talking about. This is a growing business with employees and investors and loyal customers. You can’t just change it on a whim. We’re way beyond that.”

“But we cannot allow ourselves to become stagnant!” insisted Rebecca. “To remain the same is to die.”

“Agreed,” said Tameeka. “But what we need is controlled evolution, not abrupt uncontrolled change. And the leadership must come from you. You need to show more of the other two aspects of your personality—your steadiness and conscientiousness.”

“How should I do this?”

“Call a staff meeting,” said Tameeka. “Make it offsite. Be sure you include Janey. Call it a brainstorming session. Let everyone say what they want about the evolution of the company. No judgment, no recrimination, no personal attacks. Your opinion counts the same as anyone else’s. Then arrive at a consensus.”

“A consensus?” said Rebecca.

“Yes.”

The next day, the staff convened in a private room of a local restaurant.

“We’re here to discuss the future direction of Watson’s,” said Rebecca to the group. “I want to hear your ideas. I want to know both your professional opinion and your personal feelings.”

Janey raised her hand. “I think the number one thing we need to be is respectful toward one another. We’re all on the same team here. We all want Watson’s to succeed.”

“Agreed,” said Rebecca. “Let’s value each other’s contributions.”

“I’m worried that as the culture of business changes,” said Craig, “we’ll be perceived as being

stodgy and out of touch. Fashion—even business fashion—evolves rapidly. We need to constantly test new ideas.”

“Agreed,” said Rebecca. “But perhaps ‘test’ is the operative word.”

“We have a solid customer base,” said Tim. “It may seem unexciting, but we dominate our market niche. To abandon it would be suicide.”

“Good point,” replied Rebecca.

After an hour of discussion and a delicious lunch that Rebecca paid for, she called for everyone’s attention.

“Thank you all for your input. I’m grateful to have such a talented and dedicated staff. Here’s what we’re going to do. We’re going to launch a pilot program. In three of our ten stores, we’re going to unveil a special section of the store called ‘Becca.’ This will be a forward-looking department where we’ll offer trendy items such as the ripped jeans and the leather boots. We’re going to track our sales. My prediction is that our existing customers will venture into Becca for exciting weekend pieces and items they can wear if their job is more in the creative field and they don’t have to wear traditional business attire every day. In addition, the Becca boutiques will give our corporate brand a subtle forward-looking edge. The message will be, ‘We know we’re in touch with the trends, but we’ll always have your back.’”

“I like the sound of that,” said Tameeka.

Craig will have creative control over Becca, while Janey will develop a separate marketing campaign with her new assistant, whom we'll be hiring as soon as possible. Tim will track the costs and revenues."

Everyone agreed that this sounded like a good idea. "I want you all to know," said Rebecca, "that I will never make any drastic changes without first getting input from all of you. We're a successful company, and I want to keep it that way."

KEY POINTS

- **Don't be needlessly impulsive.** As your business grows, it becomes more complex, and more moving parts must be carefully calibrated. You should have a strategic plan that covers the next quarter, the next year, and the next five years. While strategic plans can and should be revisited and adjusted as necessary, resist the impulse to make a short-term fix that could jeopardize your long-term success.

- **Involve your staff.** Have regular meetings where nothing is off limits and any topic can be respectfully discussed. Teach your team that conflict is not a dirty word, and it only happens when people actually care about something. Encourage your stakeholders to offer respectful suggestions, even if they are not directly involved in the issue. Measure results of current initiatives and goals, and make necessary changes where needed.

- **Build a positive team attitude.** Don't try to play your people against one another or encourage rivalries. Such tactics invariably backfire. Rudeness, backstabbing, and gossip should never be tolerated. If you need to reprimand or warn someone, do it privately (or, if necessary, with one witness), and never in front of the person's colleagues.

- **Communicate effectively at all levels of the organization.** Don't emphasize status. Treat all of your staff with equal courtesy and respect. As your company grows, it may take some effort to know every employee by name. Make the effort. Make sure you "manage by walking around," which means spending time visiting with your staff on their turf, not just in formal meeting settings.

CHAPTER SEVEN

LEARN TO LOVE THE SPREADSHEETS

(D – JOHNSON SOLAR SOLUTIONS)

Michael Johnson, owner and CEO of Johnson Solar Solutions, stared at the file on his computer screen.

“I hate these things,” he said to his vice president of marketing, Jill Conroy.

“What things?” she replied. “Computers?”

“No—spreadsheets,” he said. “Look at these rows and columns of numbers. I don’t know what half of this stuff means. Carryover? Gross margin? Profit after overhead? All I know is that Sally, our accountant, keeps telling me that despite selling 15 percent more residential solar panels this year than last year, we’re

barely breaking even. I want to invest in another assembly line, but she tells me we can't self-fund; I have to go to the bank for a loan, or find an investor. There's no way I'm giving up part ownership of this company to satisfy an investor. I built it from scratch, back in the days when there was no market for solar energy. When I started this company in my garage, whenever I told somebody I was in the solar panel business they looked at me as if I had a strange disease. Now the market is growing and we're on track to hit five million in sales. But for some reason our sales aren't translating into profits. At least, this is according to Sally."

"Michael, we need to talk about Sally," said Jill.

"What do you mean? She's been with me ever since we filed our first corporate tax return. I can trust her. She's always there for me. She's like a member of the family."

"Sally is fine, as far as she goes," said Jill. "But she's an accountant who doesn't have any experience in financial management. She knows how to report the numbers, and that's good; but Johnson Solar Solutions is at the point where we need someone with real expertise in corporate financial management. Someone who knows not only how to report numbers but what they mean and how to improve them."

"You want me to fire Sally? No way."

"No, absolutely not. We'll always need an accountant. We need to bring someone on board who can handle this part of the business. I'm good at marketing,

and you're good at design and manufacturing. A few years ago, that was 90 percent of what we had to worry about, right? We figured that if we built the solar panels and sold them and got them installed on people's roofs, the business would grow by itself. What we didn't realize was that as a business grows, it doesn't just get bigger; it becomes more complex. It's like two and two don't make four anymore; now two and two make ten. There's no way you and I and our small staff can learn all the new stuff we need to know. And even if we could somehow learn it all, there aren't enough hours in the day to do it all! Think about it. You work sixty hours a week, and it's not enough. We still have problems that need to be solved. Things fall through the cracks."

"Are you saying I can't handle my own business?" said Michael.

"Seriously, Michael, you know I'm not saying that at all," replied Jill with a laugh. "I swear, you're a textbook example of a business owner whose style is dominance."

"Dominance? What the heck are you talking about?"

"I'm talking about the four styles of behavior that most all people exhibit: dominance, influence, steadiness, and conscientiousness—your DISC profile."

"You're saying I'm not steady or conscientious?"

“Of course you are. I’m talking about your primary style. Every person exhibits all four styles in varying degrees. One style usually prevails.”

Michael clicked off the spreadsheet and sat back in his chair. “If there’s one thing I can say about Sally, she’s amazingly conscientious. She never makes a mistake.”

“And that’s a very good thing,” said Jill. “You can absolutely depend on her reports. But every personality type has its own strengths and weaknesses. Sally is extremely detail-oriented, but she’s never going to see the big picture. She’s never going to assert herself enough to say how we can do better. It’s just not in her skill set.”

“Since you’re such an expert on personality types,” said Michael, “if my primary profile is dominance, what are my weaknesses?”

“Do you really need me to tell you?” laughed Jill. “Well, aren’t you on the road to burning yourself out? You work yourself half to death! Don’t you feel as though you have to do everything alone?”

“Well, I do have to do most things myself, because no one else knows.”

“Thank you for proving my point.”

Michael stood up and went to the window. For a moment, he watched the activity in the parking lot. It was the shift change, and employees of both his company and the others in the industrial park were heading for their cars. Michael glanced at his watch. He was

supposed to be home for dinner with his wife at seven, but he still had to go down to the shop floor and straighten out a problem with one of the metal stampers. He realized he wouldn't make it home before seven thirty, and he needed to call her and let her know. His wife was used to his long hours, but he knew it was causing stress in their marriage, especially now that their baby was walking and needed constant close supervision.

Michael turned back to Jill. "Hiring a financial officer is going to cost me money. How can I justify adding an expense when we're struggling to make a profit? Won't another employee add to our financial burden?"

"We need to look at it as an investment, just like a new assembly line," said Jill. "The most important job of every person who works at Johnson Solar Solutions is to contribute to profitability. That's the bottom line. A financial officer will earn his or her salary by making a measurable difference in the performance of the company."

"But how can I trust someone to do what I want them to do? We have a tight-knit team. Most of my people have been with me since the early days. And now I'm supposed to bring in someone new from the outside? How can I control them?"

"Michael," said Jill sternly, "I've been with you from the very beginning. I respect you. It's your vision that drives this company. But listen to yourself! Do you

really think you need to control the new guy? The whole point is to bring in someone who understands our vision and our culture, and can become a productive member of the team. We need someone who can not only take some of the weight off your shoulders but also contribute new ideas and solutions that you and I don't know about. Look at it this way—it's like why you go to the doctor. You say, 'Doctor, I have a rash, and I don't know what it is. I need you to diagnose it for me.' The doctor has knowledge and experience that you don't have. That's why you go to him."

Michael sat in his chair. "I guess it's hard for me to let go of doing what I love to do, which is to make stuff. You know how I am—I'm happiest when I'm putting together a solar panel array, going up on the customer's roof to install it, and then watching their electric meter run backward, which means the power company has to pay the homeowner for the electricity the home generates. That's what I like to do. All this other stuff is a pain in the neck."

"I understand," said Jill. "But look at the big picture. What would you do if instead of installing a hundred solar arrays, you could install one hundred thousand of them? Or a million? Think of the difference that would make! You can make it happen if you accept the fact that the bigger your company gets, the more you need to focus on leading a growing team. Instead of being the individual baseball player who hits

the home run, now you're the coach who leads the entire team to the World Series."

"Okay," said Michael. "You've convinced me. I'll be the coach who leads the team to the World Series. But how do we find the right person? I have no patience for endless interviews."

"We can either hire a headhunter or do it in-house," said Jill. "The key is to take our time and make sure that we hire the right person. There's an old saying—'Hire slow, fire fast.' Bringing a new person onboard is an important step, and I'm sure we both agree that hiring the wrong person would be worse than not hiring anybody. But we can't dodge the issue. We need to accept the new reality—we're not operating in your garage anymore, and we need to focus on bigger goals, like how to put a solar array on every home in our market."

"But here's something else—if you really miss getting your hands dirty in the shop, then we'll set aside one morning a week for you to go out on an installation and climb up on a roof. But before we do that, we're going to take out a hefty insurance policy on you!"

"Okay, I get the message," said Michael. "I'd like you to advertise the position, and then you and Sally handle the preliminary screenings. When you have four or five qualified candidates, bring me in."

Jill nodded. "Sounds like a plan."

KEY POINTS

- **Avoid the sideways V.** Oftentimes sales are going up while profits are going down. Leaders who primarily exhibit dominance (High Ds) and influence (High Is) pay most attention to growth early on and take a “whatever it takes” mentality. As a result, people, sales, profits, and self quickly get out of balance.

- **As Harold Geneen of ITT said, “The drudgery of the numbers will set you free.”** Team members serve seasons in the life cycle of the business. Someone may be a star in the early phase of growth, while later on their talents may be too narrow for the business’s growing complexity. It’s important for entrepreneurs to recognize this and have the ability to make decisions that will best help the business. Paying close attention to the numbers will help you make objective decisions versus emotional or “gut” decisions solely. As most entrepreneurs do not get into business to read financial statements, it makes sense to add a pro to the team early.

- **Delegate!** Often business owners with High D profiles launch their businesses well and get to a certain level of success and then get stuck. Generally, Ds are not great at delegating and often live a self-fulfilling prophecy of “no one can do it as well as me.”

The High D that takes time to delegate, train, and follow up is able to scale the business. Leaders who are able to scale their businesses recognize they must push responsibility and decisions down the organization chart to the lowest level that can handle them appropriately. This is the only way to grow, as it allows the owner to focus on new and big-picture thinking while allowing team members to grow. It is OK if the team member cannot handle new responsibility as well as the owner at first. That is where coaching comes into play.

- **Seek Balance.** With my clients, we work on balancing people, sales, profits, and self. Self includes time away from work and intentional time with significant others. We plan this and stick to it with the same intensity of business planning. The landscape is littered with business owners who paid more attention to the office than home and are now divorced. So, we make sure we have a handle on paying intentional effort to the spouse who supported us on the journey. If your home life is out of whack, it is only a matter of time before the business is adversely affected.

CHAPTER EIGHT

INSPIRE YOUR PEOPLE!

(C AND S – ROBYN’S NATURAL
TOOTHPASTE)

“Tyrone, what do you think of these focus group results?”

Robyn Gardner, CEO of Robyn’s Natural Toothpaste, sat at the big table in the conference room, poring over a stack of papers.

Tyrone Davis, her marketing manager, sat across the table, with copies of the same reports spread out in front of him. “It seems clear to me that the focus group preferred the cinnamon over the spearmint,” he said. “Especially in the younger demographic, which is what we want. See?” He pointed to a column of numbers. “Sixty-three percent of the respondents aged eighteen

to twenty-five chose cinnamon. I'd say that's a clear message."

"Maybe," said Robyn. "Maybe not. See here? Among the older demographic, the difference is negligible. That result, coupled with the fact that cinnamon costs us a penny more per tube to produce than spearmint—this is because the flavoring is more expensive—leads me to believe that the issue merits more study."

"But this is the fourth focus group we've had," said Tyrone. "Within a narrow range, each one has posted the same results. Young people prefer cinnamon over spearmint, which they say tastes old fashioned."

"Classic is another word for it," said Robyn. "Anyway, you know I'm not always convinced by focus groups. Steve Jobs at Apple never used focus groups."

Tyrone threw up his hands. "Neither one of us is Steve Jobs! We're regular people, not superhuman mystics. We need to pay attention to what the market is telling us and then follow it. We need to act quickly. Our flagship flavor—Robyn's Original—is selling well, but we need to capture more of the market and boost our sales. We need to grow, or else one of our big competitors is going to put the squeeze on retailers and cut our shelf space."

"Okay, I get the message," said Robyn with a trace of irritation. "But I want you to remember that I brought this company to where it is today by calculating risk very carefully. I make decisions based on a

wide range of facts. Robyn's Natural Toothpaste stands for quality and consistency, and I cannot afford to make a mistake."

At that moment, Aimee, the company's production manager, entered the room. "I've got good news," she said. "Our co-packer just told me that due to the bankruptcy of another client, they have five hundred thousand toothpaste tubes they need to get rid of. They're the same tubes we use. They're willing to give them to us if we use them to increase our production run accordingly. They will only give them to us if we increase—not for current production."

"What happens if we don't increase?" asked Robyn.

"They'll sell them off to someone else," replied Aimee.

"This is a windfall!" exclaimed Kendall, the finance manager, as he ran the numbers on his calculator. "If we take this deal, our margin across those five hundred thousand tubes will increase by 6 percent."

"If we produced five hundred thousand tubes of new cinnamon toothpaste, the lower cost would significantly reduce the risk," said Tyrone.

"Yes, but we still have the cost of the new package design," said Robyn.

"We can easily produce a variation of our standard package," countered Tyrone. "We'll need to launch a marketing campaign. I can see a television ad where we film a scene in Sri Lanka, where most of the world's

cinnamon is grown. We could meet a grower and show the viewer his sustainable farming practices—”

“Whoa,” said Robyn. “You’re getting too far out front! We’re not going to Sri Lanka. Let’s stay grounded in reality, shall we?” She frowned and shook her head dismissively.

“Sorry,” countered Tyrone sarcastically. “I was just brainstorming. Thinking up ideas. What’s wrong with thinking big?”

“I’d rather think about ways to reduce our costs here in the real world,” said Robyn as she pored over her spreadsheets. “Aimee, I want you to go back to our co-packer and ask them for the best deal they can give us on those half million toothpaste tubes if we use them on our standard production run for Robyn’s Original.”

“Sure,” replied Aimee with a tone of uncertainty. “But they were pretty clear that the only deal they were offering was to give them to us to use with an increased run. Otherwise they’re going to sell them—either to us or to anyone else.”

“Aimee, please just do it, okay?” said Robyn. “Listen, folks, I’m not yet ready to sign off on expanding our brand with a new flavor. I need to think about it. And I’m not going to jump just because we’ve been offered a bunch of free tubes.”

“Robyn,” said Kendall, the finance manager, “with all due respect, we’re not going to last long if we don’t expand our revenue streams. We need to keep growing, and that doesn’t mean just selling more of our flagship

brand. As Tyrone pointed out, we need to fight for shelf space, and with a limited number of products, we're vulnerable to getting pushed aside or relegated to the bottom shelf."

Robyn shook her head. "As you guys know, last year we set a goal for Robyn's Original, which was 30 percent of our regional market for all-natural toothpaste. As of this moment, we own 28 percent. Is there a problem with pushing to reach our goal?"

"Goals are good," said Kendall, "but . . . oh, forget it." Frowning, he glanced at his watch. "I'm sorry, but I have a call with the bank. I need to go to my office." He abruptly got up and left.

The meeting broke up. Robyn returned to her office, where she found Elaine, an early investor in the company, waiting for her.

"Are we still on for lunch?" said Elaine.

"Um, yes, sure," said Robyn.

"You seem distracted," said Elaine.

Robyn sat back in her chair. "What the heck is wrong with everyone around here?" she blurted out. "When I meet with my staff, I feel like I'm talking Greek to them. They don't get it. Don't they realize we have a business to run? They all act like they want me to hold their hands. Well, I'm not their mother. I'm the owner of this company, and I expect the people on my team to focus on our goals and what we need to do every day."

“Wow,” said Elaine, “I think we need to get you out of this office for a little while. C’mon, I’ll take you to lunch.”

Fifteen minutes later they were seated in a booth at the local Italian eatery. “I want you to have a nice glass of Chianti with your pasta primavera,” said Elaine.

“I never drink during business hours,” countered Robyn as she perused the menu.

“Suit yourself.”

Once they had ordered—and Robyn, having relented, sipped her glass of Chianti—Elaine said, “I think you know you’re at a crossroads in your business. You’ve taken Robyn’s Natural Toothpaste from your kitchen table to a company that’s earning millions in revenues. You should be congratulated. But I get the feeling that you haven’t made the transition from the kitchen to the corner office. You’re running your business as if it were a one-woman operation.”

“Oh, you want me to become corporate?” asked Robyn. “Should I take up golf?”

Elaine laughed. “No, I only want you to shift gears. Don’t become a different person, but recognize that you, as an individual, have limitations, as do we all. No one person can do it all. It’s not a matter of there not being enough hours in the day; what I mean is that we all have defined personalities that excel in some areas but not in others.”

“So I have a personality disorder?” asked Robyn.

Elaine laughed. "Very funny. I'll tell you what I mean. Everyone's personality reflects four principal characteristics: dominance, influence, steadiness, and conscientiousness—DISC, for short. Generally, one or two of these characteristics is the strongest. For instance, if you're a High D, that means that your personality tends to reflect dominance. You're decisive, you're always pushing forward, and you encourage innovation."

"Yes, that's me," said Robyn.

"Like most people," said Elaine, "you also show aspects of other traits, and you've got a strong sense of conscientiousness. For example, would you say that you thoroughly calculate risk?"

"Yes," said Robyn.

"Are you focused on quality control? Do you set clear goals?"

"Yes—and those are all good things!"

"Indeed they are," replied Elaine. "But every personality type has a flip side. In your case, I would guess that you tend to overanalyze. You may miss opportunities because you want to study the situation more. You may inadvertently drive away your subordinates by dismissing what they have to offer that doesn't fit your view."

"I guess you're right," admitted Robyn. "That does sound like me, at least sometimes. Does that make me a High C type of person?"

“Yes, with perhaps a dash of steadiness,” said Elaine. “You struggle with indecisiveness and, because you expect your staff to roll with the punches, so to speak, you may allow resentment to fester beneath the surface.”

“I have noticed a sense of resentment from some of my people,” said Robyn. “This morning, when we were talking about expanding our line, Kendall got up in a huff and left the meeting.”

“It could be that you’re a High C and High S, with Low D and Low I. Please remember that this is totally normal! The key is that as your company grows and becomes more complex, you need to recruit people who can fill in the gaps. You absolutely must delegate more and micromanage less.”

“But how can I give up control?”

“If you want to grow, which you must, then you have no choice,” said Elaine. “Go for the new cinnamon flavor! Let Aimee make the toothpaste tube deal with your co-packer. Ask Tyrone to develop an affordable marketing plan for a new cinnamon flavor. Get Kendall to calculate the risk and reward. And above all—show some spirit and excitement! Show your corporate family that you’re all on the same team and you’re headed for a championship season!”

KEY POINTS

- **Hire the best you can, coach, delegate.** When you started your business, you may have been a “jack of all trades” because you had no other choice. But as your company grows, you need to rely on the people around you. You can reserve the final decision on big issues for yourself, but if you surround yourself with smart people and delegate responsibilities to the place where they are best handled, tough decisions will be much easier, and you will not have to make all of them yourself. The better people you hire, the fewer tough decisions have to be made.

- **Listen!** When a subordinate has an idea—even a crazy one—listen respectfully and then say, “Thank you for offering your views.” Ideas are good, and eventually you’re going to hear one that could save your company. Additionally, by listening you’re able to gauge the level of competence a team member has as well as how well they grasp the core values and mission of the company. Listening becomes a great way for you to ensure the messages you are sending are being understood and are setting a tone for all thought direction.

- **Notify your face that you are in a good mood.** Show some spirit! Your stakeholders look to the person at the top—you—for inspiration. Especially if you’re a

High C, when you interact with your staff, be sure to let them know the future is bright and you're excited. Demand high quality, but don't forget to save time for a good laugh now and then.

• **The leader sets the pace for the pack.** If you continually brush off new ideas and squash ingenuity, you'll attract a team that's happy to watch you do all the work. Conversely, by setting a standard of excellence with consistent expectations, you'll attract what we call "A Players" who are eager to add value.

A Players want to be around other A Players. B and C Players are generally satisfied with their stations in life and are happy to allow the boss to make all the decisions. If you get lucky enough to hire an A Player but you don't lead like an A Leader, it's only a matter of time before the A Player either blends down into a B or leaves. Do not expect the A Player to elevate the B or C team. It's not going to happen. A Players work for A Leaders. Be one.

CHAPTER NINE

GET EVERYONE'S INTERESTS ALIGNED

(I AND S – WEBSTER GARDEN
LANDSCAPING)

“This is going to be gorgeous,” said Pauline Webster, the CEO of Webster Garden Landscaping, to her head gardener, Ralph. Standing on the edge of the residential property located in one of the city’s most exclusive neighborhoods, she pointed to various features of the landscaping. “We’ll use the row of lilacs to conceal the swimming pool from the driveway, and plant the dogwood tree at the end as a punctuation mark.”

"I'm sure our clients, the Goldbars, will love it," replied Ralph. "But the dogwood won't do well in this soil. It won't last two years."

"Then we'll just dig a much bigger hole and replace the soil," replied Pauline breezily. "Andrea, what do you think of azaleas here, by the walkway?" she asked.

Andrea, the operations manager of Webster Garden Landscaping, looked at the plan that Pauline had spread on the hood of her car. "First of all," she said, "according to Dig Safe there's a buried electric line running right where you want to place the dogwood tree. I can't put it there. I wish someone had asked me about this before we made it part of our plan."

"As for azaleas by the walkway," said Ralph, "I'm sure you know that azaleas have shallow roots and prefer moist, well-drained soil. The soil by the walkway has poor drainage, and water tends to pool there. Azaleas planted there won't last long."

"Ralph, I'm sure you can figure out how to improve the drainage," replied Pauline. "And can we move the buried electric cable for the dogwood tree?"

"It's not going to be cheap," said Galvin, the finance manager. "We won't be allowed to do the work ourselves. We'll have to pay the power company to dig it up and move it, and they're going to charge us a fortune."

"Then we'll just have to pass the cost along to the client," said Pauline. "Mr. and Mrs. Goldbar have told

us they want nothing but the best—isn't that right, Owen?"

Owen—the head of sales—shook his head. "We gave the Goldbars a binding quote, based on our original idea, which did not include planting a dogwood tree on top of a buried cable. If we need to pay the electric company to dig, the cost will come out of our pockets."

"Well, then, we'll have to take the hit," said Pauline.

"We can't afford to do that!" exclaimed Galvin. "Our margin on this job is very thin. If we absorb the cost of relocating the buried electric line, we're going to lose our profit. I say no—it's impossible."

"This is a prestigious job," said Pauline. "Mr. and Mrs. Goldbar are extremely well connected in the community. From my point of view, it's worth it to take a loss on this job because it will give us huge credibility."

"But not if the plants die," said Ralph.

"And not if we dig ourselves into a financial hole," said Galvin.

"I wish we would have gone over this more carefully before we made our bid," said Owen.

"You guys are seeing nothing but problems!" said Pauline. "Back in the day, when I was just starting the business, I'd roll up my sleeves and figure something out. I was creative! I hired you guys because I knew you were creative too. So what's the problem?"

“With all due respect,” said Galvin, “the problem is that we’re no longer operating out of your garage, Pauline. Now we have dozens of employees, we own ten trucks, and we have our own nursery. The stakes are much higher. Years ago, if we screwed up a small job, we could easily hustle another one. Now we’re operating at a much higher level. Our clients are spending more and they expect more.”

Pauline rolled up the plan, opened her car door, and tossed the plan on the seat. Closing the door, she turned to the group. “I’m going to meet a colleague for lunch,” she said. “You all know we’re like family. Take the rest of the day off. Think about how we can figure this out. I’m sure it will all work out.”

“Yes,” said Galvin, “but the numbers won’t change.”

“And we’ll still have the same bad soil,” insisted Ralph.

“Our agreement with the Goldbars won’t change,” said Owen.

“The electric cable will still be there,” added Andrea.

Pauline drove away.

Twenty minutes later she was sitting with her friend Wilma at a cozy café. But she was not happy.

“I don’t get it,” said Pauline as she picked at her salad. “Running this business is like herding cats. All of my senior employees act like princes of their own

little private fiefdoms. They only see their own immediate horizon. None of them can see the big picture!”

“And who is responsible for this state of affairs?” asked Wilma.

“What do you mean?”

“What I mean is, who hired these nearsighted people? Who trained them? Who is responsible for evaluating their performances?”

“I am, I guess,” said Pauline. She buttered a breadstick. “Mmm—these are so good! I wonder what kind of flour they use. It tastes like sourdough. And I love the sesame seeds on top.”

“Pauline,” said Wilma, “let’s stay on topic. It’s too important to gloss over. You hired these people and you sign their paychecks. If they’re not seeing the big picture and their interests aren’t aligned, then you need to take responsibility.”

“Ugh,” said Pauline. “That sounds so—I don’t know—corporate.”

“Don’t be afraid of becoming organized,” said Wilma. “You don’t have to sell your soul. You just need to shift gears to get the job done and grow your business.”

“But how?” asked Pauline.

“You start by being honest with yourself,” said Wilma. “Do you know what I’ve learned? Everybody shows four distinct personality characteristics. They are dominance, influence, steadiness, and conscientiousness. They call it the DISC system. In most

people, one or two characteristics predominate, while the others are lower in level. It's clear to me that you're what they call High I and High S. This means that you're stronger in influence and steadiness, and lower in dominance and conscientiousness."

"How does this relate to me?" asked Pauline.

"Every characteristic has advantages and drawbacks," said Wilma. "For example, while influence excels at promoting ideas and cultivating self-starters—which you do—it also glosses over potential risks and offers few clear guidelines."

"I suppose you could say that about me," said Pauline.

"Meanwhile," said Wilma, "the culture of steadiness cultivates a work-life balance and provides a relaxed work atmosphere. On the other hand, it also can avoid making tough decisions and may lack the competitive edge."

"So you say this is all my fault?" asked Pauline.

"Not at all! What I'm saying is that as your company grows, you need to adapt your management style. You cannot run the company the same way now as you did when it was a start-up. For example, you need to spend more time planning with your staff, and get everyone on the same page from the beginning. Work out sticky issues while you're still in the planning stage. If Galvin says something is too expensive, for instance,

then you need to figure out the solution with everyone's input. It's good that you have a family culture at your company, but you need some structure, too."

"You mean we need to be just corporate enough to grow and prosper," said Pauline, "while we keep our sense of fun and adventure."

"Yes, that's exactly what I mean!"

KEY POINTS

- **Transition from doing to dreaming.** If you're the visionary and dream weaver for the company, it may be best to stay away from executing. As the owner, you certainly should have grand ideas for presentation style. Share your vision with a competent team and then let them set the game plan and execute. Once you do turn the project over, do not undo what they've done!

- **Avoid the sideways V.** This happens when sales go up but profits go down. Owners and CEOs who are emotionally charged with big visions can easily fall into this pattern. While they may be great at generating revenue, they tend to spend too much to get there, often by overdelivering what the original scope was budgeted for.

- **Discipline is not the killer of enthusiasm.** Once your vision and end goals are set, measure progress along the way. Make someone accountable for reporting accurate budget updates as well as timeline updates. Consistent performance over time creates credibility with customers as well as your staff. It's possible to both have fun and make money.

- **Closely align your team to your interests.** From the outset of any project or time period, establish the

performance the company needs to meet your vision and expectations. Be clear with team members on what a “win” looks like, and reward the results. This also means you need to stay aligned with the team.

CHAPTER TEN

PUT THE PASSION BACK INTO YOUR BUSINESS

(S – BRICK OVEN FROZEN PIZZA)

“Are we ready to get the meeting underway?” said Will Wilson to his assembled managers.

The group nodded in assent.

“Okay, good,” said Will. He turned to his right. “Lois, please give us the sales report.”

“We’re on track to post a 5 percent increase in sales of our Brick Oven Pizzas through four supermarket chains in the tri-state area,” she said bravely. “Unfortunately, sales through convenience stores are down by 2 percent, and our restaurant accounts are flat.”

“Didn’t we project a 10 percent increase in sales across the board?” asked Will.

“We did,” replied Lois.

“That’s unfortunate,” said Will. “Any thoughts about what’s going on?”

Lois shrugged. “It’s a very competitive space,” she said. “Roma Foods, which is a big player in the frozen pizza space, has ramped up its variety. They now offer deep dish, thin crust, rising dough, and organic wheat crusts with each of their varieties—pepperoni, vegetarian, mushroom, supreme, barbeque chicken, and so on. As a result, they’re grabbing more space in the freezer aisle. We’re getting less space than we used to get. Consumers aren’t seeing our product.”

“Okay,” said Will. “I’ll think about that. Let’s move on. Roger, tell us about our television advertising campaign.”

“Frankly, there’s not a lot of new developments,” said Roger. “We’re keeping our airtime buys at the same levels as last year. Our flagship ad is the sixty-second spot with Mama Leone, who’s been our spokesperson from the beginning. The spot shows Mama in her kitchen, and instead of making a fresh pizza for her family, she sneaks our Brick Oven Pizza into her oven. When her daughter enters the kitchen, Mama hides the pizza box.”

“I love that ad,” said Will. “It really conveys a warm family sense about our product.”

“But Will,” said Roger, “don’t you think it’s time for a change? We’ve been running the same ad for two

years. At least, can't we put Mama in some other situation? Maybe we could show her shopping at the supermarket. She goes to the freezer and sneaks a bunch of our pizzas, hoping nobody will see her put them into her shopping cart."

"I like that," added Gina, the accountant. "And then we could have Mama's neighbor come up to her in the store and say, 'Hi Mama, what are you buying?' And Mama could get flustered and try to hide the pizzas under her other groceries."

"Whoa, hold on," said Will with a smile. "Let's not get carried away. We stick with what works, okay? A lot of people love our original ad. Let's see. . . Howard, please tell us about product development."

Howard, the executive chef, passed out some new samples. "We're seeking to develop a new barbeque rib variety. No one else on the market has one. It will be unique. We combine shredded barbeque rib meat with our tomato sauce, green peppers, and mushrooms, topped with four cheeses."

The group ate their samples. "Wow, Howard, this is really good," said Gina. "Who would have thought about barbeque rib pizza?"

"I'm sure I could sell this," said Lois. "Will, what do you think?"

"I think it's an idea worth studying," he said. "I'll tell you what—let's get some focus groups together and do some blind taste testing."

“Focus groups?” asked Roger. “I think the focus group in this room says it’s terrific!”

“I understand your enthusiasm,” said Will. “But let’s not be hasty. I want all the facts. Now then, Marshall, please tell us about production.”

“As you may know,” said Marshall, “we have six ovens on our production line. These are old units that we got secondhand when we first started the company. They regularly break down, and we’ve had each one of them repaired at least twice. Plus, they’re incredibly inefficient. None are Energy Star rated. If we replaced our ovens with newer, more efficient units, we could save 15 percent in energy costs, not to mention the cost of repairs and lost production time. New units come with a two-year warranty.”

“How much do new ovens cost?” asked Will.

“I can get a deal on three double-stacked conveyor ovens for ten thousand dollars each, which would total thirty thousand dollars. If we want to try just one, it will cost twelve thousand dollars.”

“That’s a significant investment,” said Will. “Thanks very much for the information. I’ll get back to you on that. That’s all for today, everyone. Thank you.”

With those words, Will stood up. The meeting was over.

Will was in his office a few hours later when he heard a knock on the door. “The door’s open,” he called. It was important to Will that he had an “open door” policy with his staff.

An elderly gentleman entered the office.

Will looked up. “Oh, hi, Dad,” he said. “This is a pleasant surprise! Come in and sit down. Can I get you some coffee?”

“Thank you very much,” replied Sam Wilson as he took a seat. “I was in the neighborhood and I thought I’d drop by and see my son, the frozen pizza tycoon.”

“Tycoon?” laughed Will. “We have a nice little business, but I’m hardly a tycoon.”

“So business is good?” asked Sam.

“It’s . . . okay,” fudged Will.

“What do you mean, ‘okay’?” asked his dad. “I see your Brick Oven Pizza in the freezer at the Pick ’n Pay. You’re selling, aren’t you?”

“Well, to be honest, Dad, sales are not meeting projections. We seem to have hit a plateau. People enjoy our product, but there’s no excitement. No growth.”

“When was the last time you rolled out a new product?”

“Two years ago, when we changed the recipe of our pepperoni pizza.”

“How about new ads?”

“Likewise—we introduced our current campaign with Mama Leone two years ago.”

“Are you aggressively seeking new markets?”

“That would require expanding our production capacity, which we’re not prepared to do now.”

Sam Wilson leaned forward. “Son, you’ve built up a nice business. I’m proud of you. But you’re in a rut. You’ve lost the spirit of adventure.”

“Adventure?” replied Will. “C’mon, Dad, I’ve got employees now. I’m responsible for people. I can’t afford to take unnecessary risks.”

“Son, I’ve just read an interesting book. It talks about entrepreneurs who launch successful companies and who, for various reasons, find themselves either in a rut or getting burned out. For whatever reason, they have problems. They’re not happy. The passion is gone.”

“Tell me more,” requested Will.

“It revealed that people exhibit a mixture of four personality characteristics: dominance, influence, steadiness, and conscientiousness. It’s called your DISC profile. While everyone has these four styles of behavior, one always dominates. And you, my son, are a classic example of someone who shows great steadiness.”

“Just like you and mom,” replied Will.

Sam shrugged. “Maybe. Perhaps the apple doesn’t fall far from the tree. But I’m a dentist, not an entrepreneur. I have a small practice and no shortage of patients. You, on the other hand, own a business that must, at the very least, always be profitable, if not growing. Unlike me, you face intense competition. Don’t get me wrong—people who are steady have

many admirable qualities. They are committed to getting the job done right. They provide a warm and caring work atmosphere. They're dependable."

"I like to think of myself as all of those things," said Will.

"Right. The downside to being a High S is that you may lack a competitive edge. In order to avoid risk, or to spare people's feelings, you may put off tough decisions. You may shy away from innovation. You like to think that you can go along year after year without innovating. Heck, even in my dental practice I have to keep up with new procedures and technologies. My patients expect them."

"Perhaps you're right," said Will. "I remember when I started this business. I was going to conquer the world! I was going to make the best frozen pizza anywhere. It was exciting. Now it's not so exciting anymore." He picked up his phone. "Howard? This is Will. Can you please bring me your sample of the barbeque rib pizza? We need to discuss how to start making it. And please tell Roger to bring me his storyboard for the new Mama Leone commercial. I want to get it into production." He hung up the phone. "Dad, stick around—we've got a new pizza flavor that will knock your socks off!"

KEY POINTS

- **Keep innovating.** No matter what business you're in—whether you're selling pizza or smartphone apps—you need to constantly bring in fresh ideas. If your basic product is fairly ubiquitous, like car insurance, then you need to bring new approaches into your marketing campaigns or your human resources policies. Do you know why car insurance companies like GEICO and Progressive produce a steady stream of new, entertaining television ads? They do it to stay one step ahead of the competition.

- **Don't discourage the dream weavers.** Listen to your creative employees. They often have good ideas, and the measure of a great leader is how they handle new ideas. There will be plenty of bad ideas, to be sure—but among the bad ideas always lurk the really good ones that you need to identify and develop before your competitor does.

- **Stay agile.** While maintaining a well-run business with best practices is essential, you must be open to new opportunities and keenly aware of market shifts. Be careful of “analysis paralysis.” Opportunities don't last forever; they have a limited shelf life.

ABOUT THE AUTHOR

As a business co-pilot, Chris Weinberg has watched many businesses face similar challenges at the same point in their journey. With coaching and consulting,

Chris and Well Coached preserve the culture, innovation and entrepreneurial spirit that gave your company momentum while maintaining balance and instilling structure for new horizons.

For more than 20 years, Chris has helped businesses keep their flexibility and unique personality while developing predictable and sustainable operating practices. He blends his experiences with principles from Ken Blanchard —organizational management thought leader and best-selling author of *The One Minute Manager* —and the DISC profile system.

With these tools and uncanny, innate ability, Chris molds concepts, provides operational frameworks and teaches skills for business success.

Well Coached works with clients of all backgrounds and is equally comfortable engaging with Fortune 500 companies as with organizations in their infancy.

