



THE JOURNEY STARTS BY TAKING THAT FIRST STEP

Even successful business owners sometimes need a little push in the right direction. BY PHIL HARWOOD

Mike called on a Monday afternoon. He told me he'd been putting off this call for months, hoping he'd be in a better financial situation before calling me. We talked for a while. Actually, it was mostly Mike talking and me listening.

He was frustrated, and he shared with me his concerns about the direction of his company. He felt like he had lost his sense of direction. He also had some things to say about his employees, the industry, and even his marriage.

As it turned out, the day before Mike called me, he'd had a conversation with his father, who told him to get some business advice from an experienced person. His father reminded him of a verse from Proverbs that says: "Listen to advice and accept instruction and in the end you will be wise" (19:20) and another that says: "The way of a fool seems right to him, but a wise man listens to advice" (12:15). Mike knew this to be true, but needed his father's counsel to motivate him to action, to overcome his fear.

Many business owners and managers are held back by their fears. They fear that someone will find out that everything isn't perfect. They fear that others won't follow them as a leader if they don't

have all of the answers. They fear the unknown.

Mike was afraid, too. He was afraid of losing all that he had built over the past two decades. He was afraid of who he was becoming.

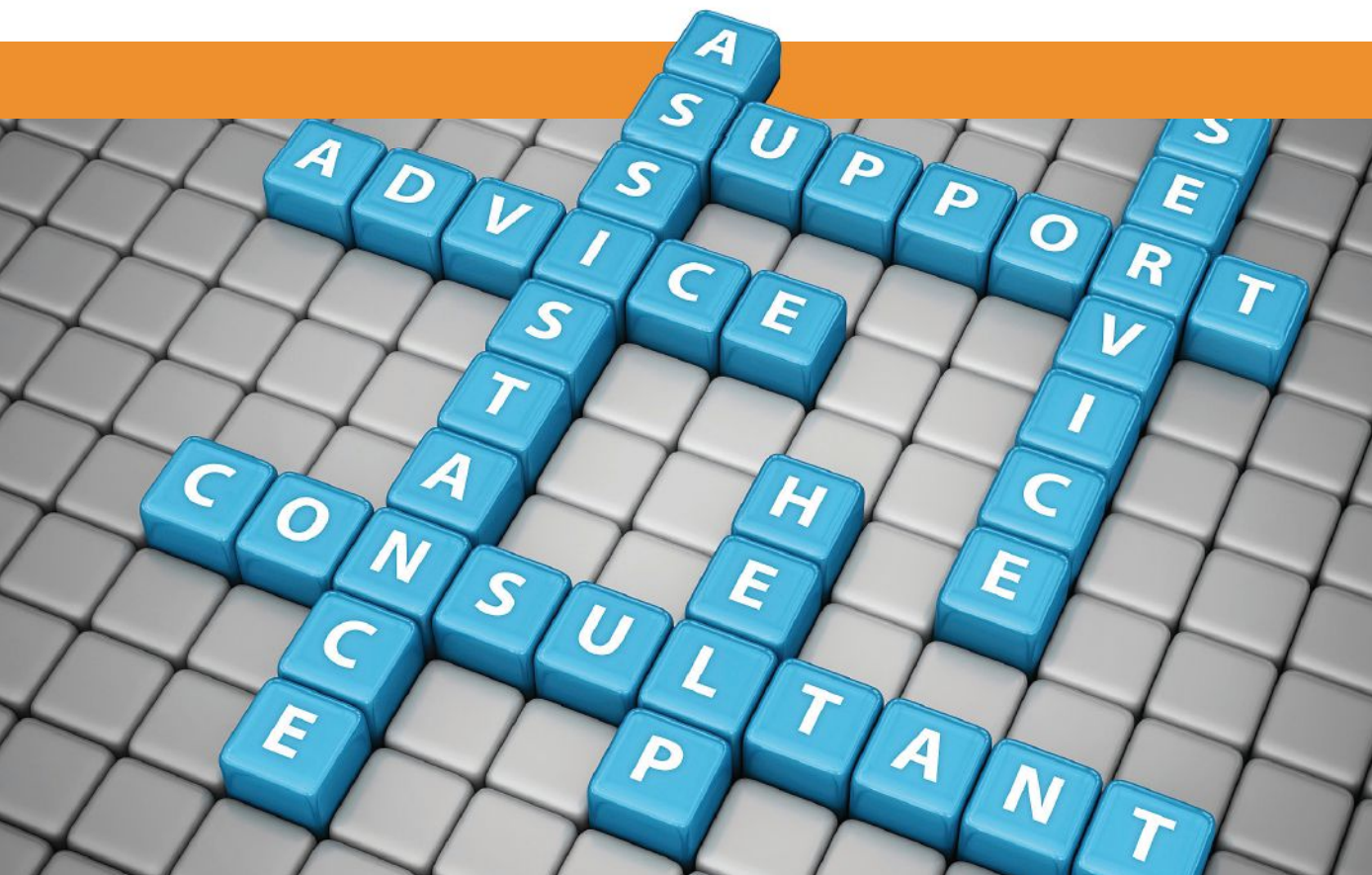
Mike needed help. He had been in business for more than 20 years and had been relatively successful. His landscape company had exceeded \$7 million in annual revenues. He was active in his community and was a well-respected business owner. He and his wife lived in a beautiful home on a golf course with their three children and their dog. To the outside world, Mike was the picture of success.

While Mike was an intelligent, driven and focused person for most of his career, he had lost his way as a leader. He was in a rut. Instead of being decisive, he was second-guessing himself. Instead of leading the charge, he was hiding. He felt out of control and didn't know what to do about it. So he called me.

TURNING THE TIDE

I began working with Mike and his leadership team, meeting on a regular basis, in-person and by email and phone. Over the course of the next few months, we identified a number of business problems and worked together to implement solutions to address these problems. Problems that had long been ignored were addressed head-on and fixed. A sense of teamwork and camaraderie had replaced complacency and self-interest. Employee satisfaction improved, followed by customer retention and increased profitability.

For Mike and his team, this was a life-changing experience. For me, and for my consulting team, this was just what we do. After all, the business



problems Mike was facing were not unique to him, even though I would have never been able to convince him that this was the case. In fact, Mike's problems were very common — textbook, even. The rest of this article discusses Mike's Top 2 business problems, and the solutions we implemented.

You may think this article is simple self-promotion. It is not. Rather, I'm attempting to make a case for seeking out objective, outside advisors. In order to do so, I'm giving you a "behind-the-scenes" look at my world so you may learn from this situation.

Before exposing these problems — and their solutions — I want to warn you that they don't involve the latest fads in business. Instead, they involve basic principles of managing a business. I know this sounds boring. However, in most industries, everyone is looking for the magic bullet. Everyone is chasing the latest gimmick. Nobody wants to discuss the basics, even though the fundamentals are what really matter. The color of the car is meaningless if all four tires are flat.

PROBLEM #1: ACCOUNTABILITY

Somewhere along the way, Mike stopped holding people accountable. It wasn't a conscious decision. However, three factors were working against him. First, it took a lot of effort to follow through and hold his people accountable. Second, he didn't

like to be held accountable himself, and he didn't want to appear hypocritical. Third, he was afraid of losing good people. He was a nice guy and didn't want to come down on his employees.

Mike knew that he had allowed this culture to exist, but he didn't know what to do about it. The reality was that he had actually lost some great people who were frustrated working in this environment. Of course, the mediocre people were more than content, making matters even worse. Once Mike realized this fact, he changed his tune.

Accountability starts at the top. With Mike on board, we implemented a number of tools, including the establishment of team goals and incentives. We built scorecards for each team to monitor results, and we began to document commitments made at team meetings. Once everyone knew what their goals and incentives were, things started to come together. Teams formed. Projects started moving. Sales results increased.

PROBLEM #2: ORGANIZATION

Like most of my clients, Mike's organizational house was not in order when we first met. Lines of reporting were murky at best; the general design was flawed to begin with, and it did not support the company's strategy.

It wasn't Mike's fault. He had a bachelor's of

science degree from a major university in agronomy, not a business degree. His lack of knowledge in this area was immediately evident.

Working through Mike's leadership team, we changed the design of his organizational structure, clarified 100% of the reporting relationships, and established teams at every level. Along the way, we had to make some personnel changes and clarify new roles. Not everyone survived unblemished.

LESSONS LEARNED

With this new organizational design and the clarification of roles in place, morale improved dramatically and productivity soared. Mike commented that he had not seen such energy since the earliest days of his company.

Accountability and good organizational design are two basic building blocks of a healthy company. There are many others equally important as these. Unfortunately, business owners are easily distracted. Focusing on "unexciting" things like accountability is not on the top of their list, even when it should be. This is why an outside advisor is so critical — to bring clarity to what's really important, and to help the company address these issues.

What about you? What are you going to do this year to improve your business? How are you going to step outside of your business and look at it objectively when you're in the trenches every day? I have two pieces of advice:

First, don't be afraid to open up to an outside advisor. Mike overcame his fear and picked up the phone that fateful Monday. This took both guts and a

financial commitment. His business — and his life — will never be the same.

I had the same experience as Mike. The health of my landscape business improved dramatically when we engaged an experienced business advisor. I'm a believer in getting advice from outsiders with an objective perspective. In fact, I have my own business coach.

Second, focus on the basics before chasing the latest fad. Business fundamentals haven't changed in hundreds of years. This requires knowledge, focus and determination. Do you have what it takes on your own? I know I don't. *LM*

Phil Harwood is the founder of Pro-Motion Consulting, a strategic management consulting firm with clients throughout North America. Phil may be reached at 248/756-8035 or at philharwood@pro-motionconsultingllc.com.

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