



November 2010 - Issue #57

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Execution: The Difference Between Profit & Loss

Lately, I've been thinking about trends among my consulting clients and how my value has most helped in driving bottom line results. Undoubtedly, it boils down to execution. Those clients who are able to execute strategies and plans are those who are the most successful – grow the business even in a downturn and improve profitability. And, my greatest value occurs when I help my clients execute successfully.

It isn't surprising in today's business and economic environment that execution and pragmatic advice prevails. The low-hanging fruit is gone. Sales remain lackluster. In the most recent earnings season, companies have increased profit yet not necessarily revenues. And, what I've been hearing most recently from executives is two-fold:

1. "We cannot cut our way to continued profit growth."
2. "How do I grow the business in today's environment?"

After all, every company needs someone to pay employees, reconcile the books, manage the systems, sell, produce, ship, provide customer service etc. Thus, although many companies have been able to increase profitability by slashing costs, it cannot go on forever. I've found that two items are essential in today's environment:

1. Establishing / encouraging a culture of innovation – for more information on this topic, please refer to my recent articles and tips:
 - [Innovate or Die](#) from June 2009
 - [Innovation](#) from September 2010
2. Flawless execution – it achieves nothing to have good ideas (whether innovative, cost savings etc.) if they are not implemented successfully.

As a former VP of Operations & Supply Chain and as a Business Consultant, I've found that there are a few keys to success in execution: 1) Clarify the objective. 2) Communicate, communicate, and communicate. 3) Follow-up.

1. **Clarify the objective:** Simple yet overlooked. It isn't enough to be a cheerleader for your team. Or, worse, a dictator, hoping to threaten to success. Instead, what works is to make sure everyone understands where you (and the company) are going, why you are going there, how they fit in, why it matters, etc. Of course, one of the reasons this is overlooked is that it can become difficult. You have to address the hard questions and roadblocks head on.

There are no fast, easy solutions. It requires hard work, integrity (you must do what you say you'll do!), appreciating people's value, leveraging strengths, and tackling issues head on. Not rocket science but it requires solid leadership.

2. **Communicate, communicate, and communicate:** Similar to "location, location, location" in real estate, "communication, communication, communication" is vital in execution. Repetition is not only desired but proven as the only effective strategy. Try varying the modes of communication as people learn in different ways – via listening, seeing, through examples, etc.

Also, I've found another key to communication success is to be able to translate the objectives so that it's meaningful for each team and individual. You don't have to know everything; however, you must have baseline knowledge, be able to ask effective questions and be trusted.

3. **Follow-up:** Last but not least, follow-up is cornerstone. Here is what follow-up is NOT - interrogating your team or employee, panic emails/ calls as a critical task is due. Instead, integrate follow-up into the daily culture. Ask questions – don't waste people's time with useless questions as it will ensure failure; however, think about and ask insightful questions.

Provide tools and support. This isn't as easy as purchasing a software tool or voicing support. The key to success is that your support must be viewed as support by the receiver – and only then if it contributes to results. Does your support help them overcome roadblocks? Does it help them address issues? Do you thank employees for their efforts which contribute to company success?

I've yet to see a client who consistently delivered bottom line results with poor execution. If it will give you an advantage in the marketplace, why not consider a focus on execution?

Lisa's Tips: Holiday Survival

1. **Don't over-plan** – even if you don't take off time, it is not practical to think that all of your business colleagues will be working throughout the season. Plan what's reasonable and then prioritize so that you focus on what's most essential.
2. **Appreciate** – take the time out of your busy day to appreciate your employees, your peers, your manager and your family and friends. A simple thank you or card can make a significant difference.
3. **Take time for yourself** – even if you cannot take time out to spend with family and friends, you can take a few minutes to reflect, volunteer, enjoy a lunch with a friend etc. Eliminate your excuses and just do it.
4. **Be the calm & positive one** – there is a lot of stress around the holidays. Even if your annoying black sheep relative tries to annoy you, remain calm and take the high road. Not only will you likely feel better but it can work miracles from time to time.
5. **Enjoy** – it is easy to get wrapped up in all the activities and miss the entire holiday season. Make an effort to enjoy it.

Recommended Reading

"[The Obvious Expert](#)" by Elsom Eldridge Jr. and Mark Eldridge – this book was referred by a friend and colleague, and I found it to be an engaging book. In essence, this book discusses marketing approaches on how to position you as the obvious expert. It's worth the read especially if you are a professional service provider or in a job search process.

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