

Summary

People often give their cars better maintenance than their business. The business runs until something 'breaks' - which is often catastrophic.

Get ahead of the business through regular business 'tune up' activities that keep your enterprise running in top condition. Eliminate surprises.



ACTIVTips

Summary information or practical advice for business leaders, ACTIVTips represents best practices for businesses seeking new opportunity, predictable growth, and leadership excellence. Integrating ACTIVTips into your business can help you consistently **"Lead Like Never Before."**



the **afterburner** group

Tuning Up the Business. Is it Time?

A business, like many other things, can benefit from a tune up from time to time. Some signs that it is time for a business tune up can be:

- Sales don't meet goals or expectations;
- New competitors have come into the market;
- People are exhausted or there is a skills gap to meet objectives;
- Customer satisfaction is sliding downward;
- Product/service development or delivery takes more time and is more costly;
- Production can't keep up with demand;
- Employee turnover/attrition is growing; and,
- Partners fail to deliver as agreed.

It is important for business leaders to determine how and why performance gaps happen, their root causes, and execute remediation actions. Performing a business 'tune up' is an ideal solution to consider. Below are some key 'tune up' activities you can put into practice today:

Quickly Find and Analyze the Biggest Performance Gaps: Put in place key metrics that become early warning indicators of problems before they compound. Identify and obtain necessary information to validate the problem, its root cause, and to point toward initial resolutions.

Drive Organizational Alignment: Make sure there is broad, clear understanding of the company's mission, vision, goals, and strategies. Ensure resolute alignment of all priorities and actions for maximum productivity and result.

Develop Clear, Measurable Action Plans: Define, validate, and assign short- and long-term plans to fix known problems and to keep on track to achieving goals. If original plan revisions are needed, make them. Don't wait. Stay on top of the actions so small problems don't quickly escalate into big ones.

Be Open and Honest: Perform a hard-nosed look at performance over the past year - across all areas of the business. Encourage every team member to be open and brutally honest in all areas so as to determine problems and required remediation actions. Stick to the business, not the personalities.

Incorporate Broad Perspectives: Include key internal stakeholders for their insights into internal obstacles. Also integrate key external constituents such as customer and suppliers/vendors and partners in the discovery of externally facing issues that lead to internal problems. Rely on all groups to help identify ways to overcome the problems and to validate progress toward problem resolution.

Solicit Outside Help, Where Appropriate: There is great value in soliciting perspective, expertise, skill, experience, and additional resource from third-party organizations in those areas where special attention is required. Why not benefit from those that have overcome similar issues or problems quickly and successfully. An 'outside' doesn't carry the 'baggage' that internal or partners do. They can speed identification, validation, and resolution of issues.

Tie Compensation/Incentives to the Goals: Reward the organization or individuals for achieving the desired results. If there is an area of the business that needs special attention, create special incentives to overcome problems and get the business back on track. If asking for more, be prepared to offer more in return.

Create Defined and Regular Accountability: Instill into the organization a culture of proactive, positive accountability. Drive communication of actions, outcomes, issues, and resolutions as a regular part of the business. Doing so fosters teamwork, early identification of problems, shared ownership of issues and their resolution.

Dedicate Time: Tuning up the business is something that should be regularly scheduled, on an annual basis. Make sure that all involved understand the priority and benefits so they, too, allocate the needed time. Time spent evaluating and calibrating the business is key to future success.

A business tune up is hard work. But the results are worth it - motivated employees, satisfied customers, new revenues and profits, and growth in the value of the business. The 'tune up' can be the difference between many years of future success or 'breaking down' into failure.