

March 2007

Kiss Theory Good Bye
Five Proven Ways to Get Extraordinary Results in Any Company
By
Bob Prosen

From his 25 years of experience as a consultant, Bob Prosen has distilled his ideas for getting results in an easy to read book that is written for all leaders:

Presidents, owners, CEO's, other top leaders,
Managers and supervisors,
High-potential leaders,
Leaders under siege,
Leaders of start-up, merged, and fast growing companies,
Board members.

Prosen begins by asking, "What are the top objectives of your company?" He finds that this simple question often cannot be answered. This leads him to describe the Five Crippling Habits of most companies:

Habit # 1 Absence of Clear Direction

Everything cannot be a priority. Make sure everyone can articulate the goals of the company and knows how what they do contributes to accomplishing those goals.

Habit # 2 Lack of Accountability

Measure results against goals and hold people accountable. There must be rewards and penalties.

Habit # 3 Rationalizing Inferior Performance

Leaders must be capable of changing the focus from excuses and rationalization to removing roadblocks that inhibit performance. Are objectives clear? Is there accountability?

Habit # 4 Planning in Lieu of Action

Many companies spend more resources on planning than on achieving the results the plan targets. Specific, measurable goals should be tracked monthly, weekly, or daily, as needed, so that deviations can be dealt with immediately.

Habit # 5 Aversion to Risk and Change

Too often many businesses keep doing things that have produced bad results, always expecting a different outcome. They don't want to risk losing anything. "What leaders must communicate by example is that calculated risk-taking, seeking expert advice, assessing the pros and cons, making a decision and then vigorously moving forward are the behaviors that earn rewards."

Next, Prosen discusses how to fix these problems:

The Five Attributes of Highly Profitable Companies

Superior Leadership: The Relentless Pursuit of Vision and Results

Prosen emphasizes courage and vision, but also time and again reminds us to hire people smarter than us!

He gives us these nine important statements to be used to evaluate your leadership team.

1. The top objectives of my company have been clearly defined and articulated.
2. Everyone in my company knows the top objectives and understands what is expected of them.
3. There are appropriate incentives for producing results and penalties for not producing results.
4. We have regular performance reviews.
5. I consistently hire and surround myself with people who are smarter than I am.
6. We consistently achieve our business and profitability objectives.
7. There is ample time to plan.
8. We only have meetings when they make sense—when we have clearly defined objectives that are tied to the company's top objectives.
9. We consistently meet commitments without follow-up.

Sales Effectiveness: Your Company's Lifeline

A primary goal is to pursue customers who will be customers for life. Adhering to the highest ethical standards, a successful sales organization sets its quota standards. When there are real problems, management must remove roadblocks for sales to succeed. Prosen believes in a well-designed compensation system that has no cap, meaning that sales people can potentially earn more than executives. He argues that this definitely increases the bottom-line.

He advises to ask these questions to evaluate your sales team:

Do they

1. Consistently meet or exceed revenue and margin goals?
2. Focus on selling the company's existing products and services?
3. Enter accurate and timely sales data into the tracking system?
4. Know the competition in-depth and how to differentiate our company and its products and/or services from others?
5. Involve senior management to help close important new business?
6. Only pursue the business they can win?

Operational Excellence: The Secret Formula For Extraordinary Results

You need a thorough understanding of your company's cost structure for all business decisions. An accounting system tailored to your business is key, and you must have a time-reporting system to know how your people spend their time. Then you can work on improving productivity.

The following are the criteria he recommends to evaluate your company for operational excellence.

1. Receive accurate and timely cost reports that promote effective decision-making.
2. Have a deep understanding of your competitors' cost structure and respond quickly to changes.
3. Effectively manage employee productivity.
4. Have a defined process for eliminating inefficiencies.

Financial Management: Where Information is Power

Your Finance Department has the information and tracking systems to provide "early warnings" and guide business decisions that involve looking outside the company (as opposed to cost management focusing inside the company). They will take the lead in planning and schedule frequent budget reviews.

Prosen advises to ask these questions to evaluate your finance team.

Do they

1. Proactively provide specific business recommendations to improve company profitability?

2. Accurately capture results, convert data into information, and provide reports that enable effective decision-making?
3. Always operate with utmost integrity?
4. Provide real-time data analysis, not thirty to sixty days in arrears?
5. Have a deep understanding of the business that enables them to make qualified, actionable recommendations aimed at achieving the company's profitability objectives?
6. Provide "early warning" information by tracking key internal and external leading indicators to help anticipate changes in the business environment?
7. Ensure adequate and ready access to capital by establishing relationships with multiple sources, maintaining strong banking relationships, and securing capital when times are good?
8. Continually negotiate better terms on all contracts, leases, and vendor agreements?
9. Take a leadership role in the business-planning process?

Customer Loyalty: The Win That Keeps On Giving

Communication is the most important thing to remember in customer service. Dealing with customers' requests quickly and honestly is essential.

Ask these questions to evaluate your customer service and support.

Do we

1. Consistently under promise and over deliver?
2. Resolve customer problems quickly?
3. Take all customer feedback seriously?
4. Have a process in place to reduce problem recurrence?
5. Consistently measure customer loyalty and improve results?
6. Know what each person at the company must do to maintain a loyal customer base?
7. Continually explain ongoing values to existing customers?

The remainder of the book focuses on execution and is somewhat repetitive. The four chapters seem like a long list of do's and don'ts without much logical organization, although he does often tie them to the Five Attributes. Among his many ideas, I particularly liked the following:

1. When discussing accountability, he stresses the importance of commitment and ownership. If deadlines keep slipping, he recommends:

Listen carefully
Ask what's required to achieve the objective
Don't accept excuses
Remove roadblocks
Gain Commitment

2. Effective communication creates more trust, which leads to increased commitment and ultimately results. It starts with articulating the company's most critical objectives. Leaders need to practice an "open door" policy and also take frequent walks around the company to listen, ask questions, and observe. The two important questions are "What are you doing to help the company achieve its objectives?" and "What one thing could we do to make your job easier?"

3. Don't accept excuses that promote a "victim mentality." Watch for the tendency to blame others. Focus on what is needed to accomplish the objective, and there will be no room for excuses.

4. Eliminating ineffective meetings will free up enormous amounts of time for your staff. It is important to "require all meeting to have an agenda with a clear purpose and agreed-upon action items." The number of meetings will drop immediately, but the quality of those that are held will improve because something will be accomplished. (You will probably be a hero!) Managers will need to have a tracking system for following up on action items.

Prosen ends his book by encouraging us to strive to do good in addition to doing well. Profitability enables companies to treat their employees better and to take better care of their customers and shareholders. It also enables them to give something back to their communities.

Prosen runs The Prosen Center for Business Advancement and offers a free Leadership Effectiveness self-assessment on-line at www.bobprosen.com. He offers numerous custom training programs, an audio series on Expert Business Advice, numerous other resources, plus the RESULTS e-newsletter. Go to www.bobprosen.com/signup for a free subscription.

I recommend the book although I think most of his practical advice is not so different from theory. I wish he had folded his execution chapters into the Five Attributes Chapters for a more organized and less repetitive book.

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