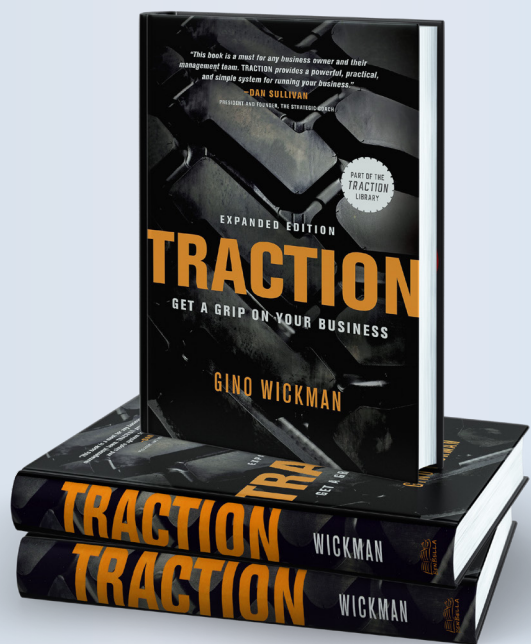


BOOK SNAPS™

Zooming In On Your Next Read



Traction

By Gino Wickman

Gino Wickman's passion is helping people get what they want from their businesses. To fulfill that passion, Wickman created the Entrepreneurial Operating System (EOS)®, a holistic system that, when implemented in an organization, helps leaders run better businesses, get better control, have better life balance, and gain more traction; with the entire organization advancing together as a healthy, functional and cohesive team. He is the founder of EOS Worldwide, a growing organization of successful entrepreneurs from a variety of business backgrounds collaborating as certified EOS Implementers to help people throughout the world to experience all the organizational and personal benefits of implementing EOS.

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Time to Strengthen and Re-Energize Your Business

Survey any group of entrepreneurs and you will find a common set of frustrations. Feelings of limited control, concerns with people inside and outside of the operation, bottom-line profits, stifled growth, and feeling stuck and stymied after trying several strategies to get things moving in the right direction are all sources of stress, fatigue, and overwhelm for many entrepreneurs. If you count yourself among those entrepreneurs who have made a great start but are ready to take their business to the next level, this book is for you.

Every leader and every business will face challenges. That is part of the experience and fully to be expected. However, it is possible to ease the burden of typical roadblocks and elevate your leadership abilities and your business results by identifying and applying a set of core principles. In *Traction: Get a Grip on Your Business*, author and hands-on business consultant Gino Wickman shares his highly effective Entrepreneurial Operating System (EOS). The book does not offer a quick fix or a secret sauce. Instead, it provides entrepreneurs and leaders with a “practical but thorough method to help strengthen and re-energize your business.”

Wickman believes that you already have everything you need to succeed. You just have to put all of the moving parts into the right places within the system and before you know it, your business will be running like the well-oiled machine you've intended it to be. And get this. Part of the system calls for you to step back and allow your operation to become a “self-sustaining organism,” which can be life changing in the most positive way.

If you are looking to “melt away the five common frustrations,” you need only read on to learn how to implement basic tools that have been proven effective for countless other organizations before you. In the end, you will be “more in control, happier, and less stressed” and be left with a business that is “more profitable, more focused, and staffed by great employees.”

The Entrepreneurial Operating System

Systems are simply a group of core components that function



together to serve a whole. In the case of the Entrepreneurial Operating System, the system is centered around your business and the core components are vision, people, data, issues, process, and traction. The very fact that the system is organized into a limited number of groups is freeing. Instead of worrying about every little thing, you can target your energy and focus on just six key areas.

Vision

All business owners who find a baseline level of success know that they need to create and communicate a compelling vision of where the business is, where it plans to go, and how it plans to get there. What happens sometimes, though, is that leaders create a vision that is overly complicated or they fail to communicate it in a way that other people in the organization find useful. A vision that is not embraced and put into action is simply a poster on a wall. In order to be effective, leaders must make sure that everyone in the organization can see the vision just as clearly as the leader themselves. The process of creating, clarifying, and above all, communicating your vision is the first step in gaining traction.

People

Entrepreneurs who find success eventually learn that they cannot and should not do everything on their own. They need help, expertise, opinions, ideas, support, and strategy from others. Assembling a team of people that will take your business to the next level is all about putting the right people in the right seats. This is not a new idea but it has always been offered as a piece of nonspecific advice. Wickman erases the murkiness by explaining simply, but very clearly, what makes a person or position “right” within your organization.

“The right people” have values that are aligned with the core values of your organization. They “fit and thrive in your culture.” They are people that you like to be around and they make your workplace better. “The right seat” means that those people who have been selected as being the right ones are put into positions that leverage their “greatest skill and passion” within your organization.

You can analyze each team member to determine if you have chosen the right person by using Wickman’s People Analyzer tool. List out your company’s core values and choose a team member. Go through each value and assign a plus, minus, or neutral for how that person stacks up against each value. At the end of the exercise, it will become visually evident who is “right” for your business and who is not.

To determine if you have placed people in the right seat, Wickman recommends looking at them through the lens of what he calls “GWC.” This stands for “get it, want it, and capacity to do it.” Does the person in the seat understand the roles, responsibilities, and concepts required to perform the job? Do they want the job? Do they have the capacity to actually perform? If the answer is no to any of these questions, it is highly likely that you have made a “seat” mistake.

Data

Even when leaders have the absolute best intentions to remain objective, at the end of the day, we are only human. Without clearly defined and measurable metrics, decisions invariably come down to “ego, subjectivity, emotions, and intangibles.” To make decisions that are productive for the company, a leader has to rely on factual information.

The leading and most important tool a leader will learn to use for this component is a Scorecard. This is a “weekly report containing five to 15 high-level numbers for the organization” that enables you to keep your finger firmly on the pulse of your business. To create your company’s unique Scorecard, you and your leadership team will engage in a six-step process.

1. Through contributions by all on the leadership team, make a list of 5-15 categories of data that need to be tracked in order to have a grip on your business on a weekly basis. Examples include sales activity, accounts payable and receivable, or weekly revenue.
2. Determine which team member is responsible for providing the data for each category on a weekly basis and communicate their accountability for it.
3. Decide what the goal number will be for each category. These goals should align with and be tied to the company’s one-year plan.
4. Fill in the Scorecard with next week’s date, which is when you will start tracking.
5. Assign the task of physically filling out the Scorecard to appropriate team members and figure out how they will receive the numbers from the person accountable for them.
6. Commit to keeping track of and actually use your Scorecard! Over time, patterns will emerge that will drive decision making based on facts, not feelings.

Issues

In the course of running a business, problems are going to come along that must be addressed. Wickman labels such obstacles as “issues” and believes that the expediency with which a leader is able to solve problems when they arise is directly proportional to how successful the leader’s business becomes. If problems are left to fester and linger, they can cause the downfall of your organization. Instead, they should have the light shined brightly upon them rather than be hidden away, ignored, or covered up. “Unresolved issues take up time and energy.” Solve them and your business is free to move forward.

The first critical step in ensuring that problems are dealt with is to foster a culture in which everyone feels safe and secure being open and bringing attention to issues. This starts at the top. You must work hard to reward, not punish people who bring problems into the light of day. You must be open yourself, admitting mistakes and embracing them as opportunities for growth.



Most entrepreneurs don't understand how powerful process can be. . . ”

Once the environment is ripe for sharing openly, the team should keep an active list of issues that are related to the values, plans, and goals of the organization. Prioritize issues that have a more immediate impact and put them through a simple system called “The Issues Solving Track.” In this process you and your team look to your issues list and methodically identify, discuss, and solve issues. This sounds incredibly simple but of course, it is a bit more nuanced than it may appear at first glance. Of paramount importance is for team members to look for underlying causes of the stated issues on the list. Things are often not what they seem without some digging.

Process

In the context of the Entrepreneurial Operating System, process refers to the way you operate your business. In Wickman's experience, this component is often completely overlooked by leaders, much to the detriment of their organization. The problem is not necessarily that leaders don't have processes that they use. The problem is that many of them keep these systems inside their own heads, not explicitly sharing and implementing them with their team.

“Most entrepreneurs don't understand how powerful process can be, but when you apply it correctly, it works like magic, resulting in simplicity, scalability, efficiency, and profitability.” Systemizing your business requires two major steps. First, you have to take the time to get the existing systems out of your head and onto paper. You must document all of the core processes that keep your business running. This will work best if you engage the entire leadership team. This way you can all agree on what your core processes actually are and what language you will use to describe them. There will be processes for every major department of the business, such as HR, sales, operations, and so forth.

Next, you have to get everyone on the team on board with following and using the systems. This also starts at the top. If leadership fails to buy into the importance of the systems, those they lead will also fail to use them. Make it clear how each system works, how it fits into the bigger picture, and communicate the intent to hold all people accountable for sticking to them.

Traction

The best laid plans and processes will fall flat if you do not execute them well. This is where the rubber meets the road and your business either takes off, moving forward with speed, or simply spins its tires, getting nowhere fast. To strengthen this frequently weak component of propelling a business forward, leaders will have to model and institute two disciplines across the entire organization. One is called “Rocks” and it relates to “clear 90-day

priorities” for every single person in the organization. The other is called a “Meeting Pulse” and it allows for focus, alignment, and communication at all levels of the organization.

“Rocks” are a handful of the top priorities for your organization over the next 90 days. This breaks down your big vision into manageable chunks that can actually be accomplished over the time frame of one quarter. You will have Rocks for the company as a whole, for teams, and for individuals. They must be “specific, measurable, and attainable” like all achievable goals.

Holding productive meetings is not a waste of time. Rather, they can serve as the “moment of truth” for any organization. Meeting Pulse measures the heartbeat of your organization. These well planned and run meetings will provide information similar to that of an EKG machine. They will show spikes, slow downs, and steadiness. Wickman recommends using both weekly and quarterly meetings to take the pulse of your company.

Leaders who can understand the context of the core components will find that mastery of them is well within reach. Tackling workplace problems like meetings, prioritizing work, and assembling the right team are not new topics for leaders. However, the Entrepreneurial Operating System is different in the way it assembles the six disciplines “into a complete system of running an entrepreneurial organization.” Each tool contributes to the overall effectiveness of the entire system. The integration and strengthening of the “Vision, People, Data, Issues, Process, and Traction Components us what makes the real magic occur.”

If your business feels stagnant and you find yourself hitting a proverbial wall in growth, it could be because of a shortcoming in the way you are running your organization. In Traction, Gino Wickman shows you how to run and build your business in such a way that is fully aligned with your core values, your core focus, and for the greater good of the company itself through the deliberate and thoughtful implementation of the Entrepreneurial Operating System.

This process is hard and takes time, but shifting your organization from a state of chaos to one that is strong in the Six Key Components will result in measurable progress and free you from being inextricably tied to the daily life of your business.