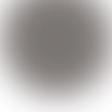


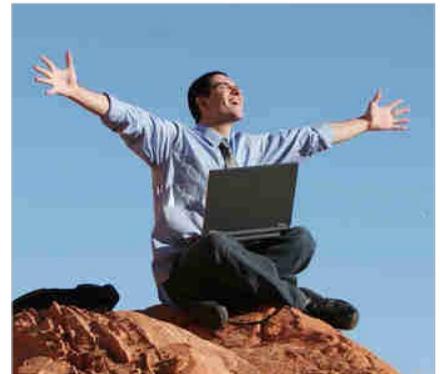
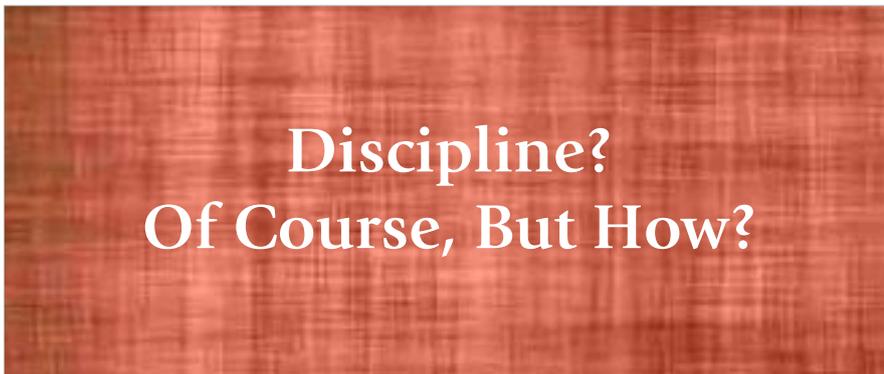


MANDAT  GR  WTH LETTER®

Growth Focus: Discipline

# CEO-Tip *of the Month*

by Guido Quelle



Needless to say, no one would deny that discipline is a key success factor when it comes to pushing forward growth initiatives that have already been started, and above all when it comes to successfully completing them. At the same time, it's due to a lack of discipline that, apparently "out of the blue," many initiatives that initially look promising get bogged down or yield no concrete results.

The question that arises is what leaders can do to boost discipline in their companies, to maintain that high level, and potentially to even top it. Here are five tips:

### **1.: No discussions without the next steps.**

All too often, discussions over the phone or in person come to an end without agreeing on any concrete next steps that the parties could enter in their calendars. As a result, they go their separate ways without any clear idea of when they'll talk again, what they'll talk about, or with which goal in mind, making misunderstandings a foregone conclusion. Do yourself a favor: Agree on the next steps.

### **2.: Results, not responsibilities.**

Especially when it comes to projects, it's important to not only think in terms of responsibilities, but to also agree on which results each activity is meant to produce. Therefore, you should always ask yourself: "What is the intended result of this activity?"

### **3.: Short-term, not long-term projects.**

The risk involved in long-term projects is that some things aren't dealt with until quite late in the game because, after, all, there's "still so much time" before the end of the project. Then the surprise comes when the parties involved realize that it would have been a good idea to start a certain activity much earlier. Therefore, it can be a good idea to pursue projects that can be completed within a fairly short amount of time; as a rule, we recommend a maximum of 15 months. If you have extremely long-term goals, they can be achieved using a number of sequential projects.

### **4.: Maintain an effective follow-up list.**

Granted, this involves a certain amount of supervision and administrative work, but it's outweighed by the benefits a good follow-up list offers. Employees are often shocked when they only realize that they failed to deliver a certain result yesterday (though that's what they had agreed to do) when their boss calls and inquires into the whereabouts of precisely the result in question. Of course, the prerequisite for the follow-up list to work best is that you embrace the "no discussions without the next steps" principle.

# Strategy & Leadership

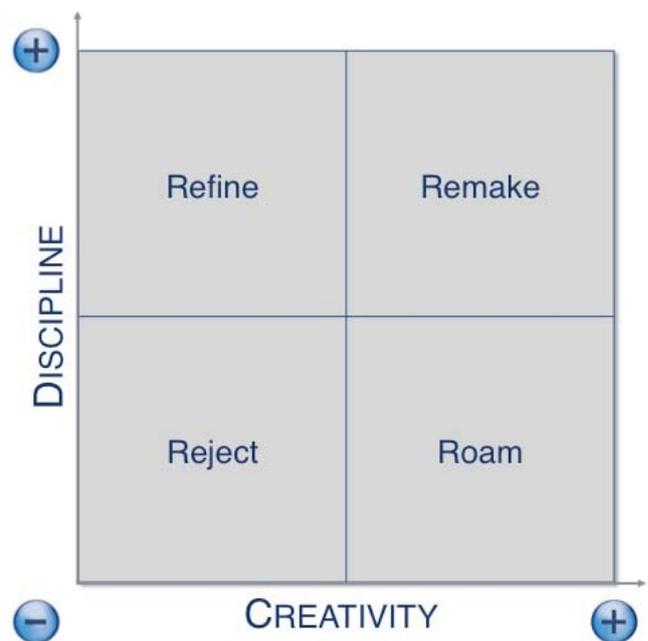
by Guido Quelle



The idea that creativity and innovativeness are the same thing is a popular misconception, as is the assumption that discipline is something dry and boring. But first things first: Misconception 1: Creativity is the same as innovation. Untrue. Creativity is a prerequisite for innovation, but without implementation, without resolve, and without discipline, a creative idea will produce ... (drum roll, please) ... nothing. This leads us to misconception Nr. 2: Discipline is by no means boring, on the contrary. Without discipline there would be no Olympic-level athletes. Without discipline we would never see the most outstanding performances in music, in theater, or in art. And there would also be no top business performance without discipline.

Let's leave exceptions off the table; we're not talking about "lucky breaks" here. What we're talking about is the fact that consistently outstanding performance is not the product of chance, that after a certain number of breaks it becomes clear that it's no longer a matter of luck. But as a rule, top business performance is delivered by companies that do so in the form of innovations, regardless of whether they are product-, service- or process-oriented innovations. Innovations are the implemented results of creativity. But in order to implement, in order to make a reality out of an idea, a great deal of discipline is called for, as it involves finding suitable responses to unpredictable developments and coping with setbacks, all without losing sight of the actual goal.

Let's take a look at the following table, which helps to illustrate the relation between creativity and discipline. There are essentially four quadrants:



Copyright: Mandat

**1. Little or no creativity, little or no discipline (bottom left)**

Let's start with the easy one: If no creativity or discipline is to be found among its leaders, a company is run by those who **REJECT** change. Such people may only be ignorant, but it's also fair to accuse them of gross negligence, as they create an environment in which innovations cannot flourish. I don't feel it's necessary to say much more about this group, except perhaps to note that the shareholder of companies in this situation would be well advised to consider replacing their Senior Management or Managerial Board.

**2. Little or no creativity, a great deal of discipline (upper left)**

Companies that have little creativity at their disposal tend to primarily focus on themselves. Or to be more precise: They **REFINE** what they already have. Since creative impulses are few and far between, but there is plenty of discipline to be found, this energy is used to optimize processes already in place, to slightly improve current products, to reduce the number of errors, and to gradually introduce changes. Though such steps are in and of themselves profitable, simply refining what you already have will never be enough to become and/or stay successful on the market. As such, initiatives designed to improve processes, like kaizen, QM approaches, etc., have their limits. If there is no creative potential in the mix, the actual market effect will be moderate at best.

**3. A great deal of creativity, a great deal of discipline (upper right)**

This is of course the optimal combination. This is where we find leaders truly willing to fundamentally **REMAKE** policies and approaches, who not only possess an impressive amount of creativity but can also muster the discipline needed to translate mere creative ideas into consequences, detailed concepts and plans, which they then implement step by step. Here we find those companies that have established an "error culture": It's all right to make mistakes, which help the company as a whole to learn. Of course the goal isn't to keep repeating the same mistakes, but neither are mistakes automatically grounds for punishment. Lastly, we shouldn't assume that, at these companies, changes are made for change's sake. On the contrary: At these companies, changes are only pursued when they help to achieve objectives. Making changes for change's sake is frowned upon.

**4. A great deal of creativity, little or no discipline (lower right)**

This might very well be the most dangerous group, as these companies, which **ROAM** from one idea to the next, are at risk of becoming self-satisfied. If you asked the employees if they felt their company was innovative, they'd answer with a clear and unequivocal "yes!"; some might even shake their heads because you even had to ask, as they assume their company cranks out new innovations all the time. But if you dig a bit deeper, you'll find that, though innovative ideas are often discussed, they are rarely pursued in depth. But successful innovation processes—at this stage, we're not yet talking about successful innovations—also include reflecting on the pros and cons of a creative idea, comparing that idea with your know-how from the market, and launching and successfully leading a pilot or implementation project. It's only then that we can speak of an innovation—which of course can only be considered "successful" once it has gained acceptance on the market. Until that happens, it remains theoretical.

The real danger at these companies is that there is no obvious need to take action. Instead of taking a disciplined approach to one or two topics, more and more new ideas are produced. Instead of selecting one idea and then seeing it through to the end, brainstorming sessions are scheduled, new plans are made and additional corporate resources are tied up. The result: no priorities, plenty of topics, and everyone is convinced that everyone else is doing a fine job.

**LEADERSHIP IS CALLED FOR**

If you determine that your company belongs in the last quadrant mentioned, it's absolutely essential that at some point you draw the line: no new suggestions or ideas until priorities have been set. Any new ideas after that point have to pass the "priority test" to be considered further; after all, you don't have limitless resources. If you do take a new idea on board, you need to always discuss whether following up on it is feasible in your current position, or if doing so would mean putting other projects on hold to free up the necessary resources. Only then will you be able to truly drive innovation.

# Profitable Growth—Release Internal Growth Brakes and Bring Your Company to the Next Level

Almost every company wants to grow—at least officially. Shareholders are demanding further growth and no management team would deny that the growth of their company is one of the top issues they are working on every single day. However, there are barriers to growth, and these are not only external barriers. Most often it is not the economy, not the market and not the customer who just “hasn’t got it.” The main barriers can be discovered inside every company, because growth always comes from within. If the organization is not ready to grow, initiatives to increase market share, to enter new markets, and/or to increase profitability are destined to fail. This book systematically addresses the main internal barriers to growth and provides practical guidance not only for discovering these barriers, but to systematically overcoming them.

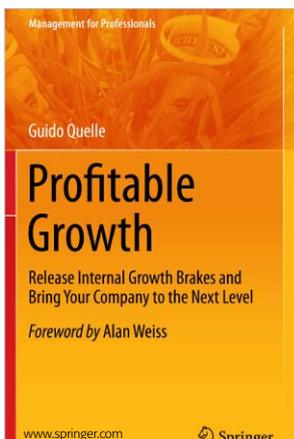
## Content

- o Innovations as Motors of Growth
- o Is Your Organization Ready for Growth?
- o Conceptual Expertise of Marketing
- o The Growth-Driving Sales
- o R&D as an Innovation Plattform
- o How Strategic is Your Purchasing Department?
- o The Role of Support Departments in the Growth Process
- o Non-Profit Organizations
- o The Most Effective Strategies for Blocking Growth
- o The Motor of Growth

## Author



Professor Dr. Guido Quelle, “The Growth Driver,” is one of the rare people worldwide who focuses on creating profitable and sustainable growth as an entrepreneur, consultant, author and speaker for more than 20 years. His clients are active CEOs, general managers, senior executives, and entrepreneurs who are committed to consistent growth. With his consulting firm, Mandat GmbH of Dortmund, Germany, he successfully conducted more than 350 projects with 120+ renowned private and listed companies. More than 5,000 people were involved just in those projects that he himself managed. Prof. Quelle is always in demand when companies are seeking the support that will enable them to continue on a course of sustained profitable growth.



Get your personal copy at amazon.com:

[www.amazon.com/Profitable-Growth-Internal-Management-Professionals/dp/3642327869](http://www.amazon.com/Profitable-Growth-Internal-Management-Professionals/dp/3642327869)

- o Springer 2012
- o 184 Pages
- o ISBN 978-3-6423-2786-5

***“The nuance that distinguishes this book is the orientation that growth is measured, planned, and pursued in an orderly fashion, never growth for growth’s sake. Guido wisely takes the reader through a strategic approach which leads to intelligent tactics, not a frenzied tactical charge that undermines strategy.”***

Alan Weiss, PhD, President Summit Consulting Group, Inc., Author Million Dollar Consulting and The Consulting Bible

# Imprint

## Dortmund:

Mandat  
Managementberatung GmbH  
Emil-Figge-Straße 80  
44227 Dortmund  
Germany  
Phone: +49 231 9742-390  
Fax: +49 231 9742-389  
info@mandat.de  
www.mandat.de

## London:

Mandat Consulting Group  
Level 17, Dashwood House  
69 Old Broad Street  
London EC2M 1QS  
United Kingdom  
Phone: +44 207 256 4257  
info@mandat-group.com  
www.mandat-group.com

## New York:

Mandat Consulting Group  
The Seagram Building  
375 Park Avenue, Suite 2607  
New York, NY 10152  
United States of America  
Phone: +1 212 634 7466  
info@mandat-group.com  
www.mandat-group.com

## Managing Partner:

Prof. Dr. Guido Quelle

## Commercial Register:

District Court of Dortmund HRB 8803

## VAT NO.:

DE 124727551

## Editor Mandat Growthletter®:

Prof. Dr. Guido Quelle  
[guido.quelle@mandat-group.com](mailto:guido.quelle@mandat-group.com)

## Assistance Mandat Growthletter®:

Nadine Müller  
[nadine.mueller@mandat-group.com](mailto:nadine.mueller@mandat-group.com)

## Copyrights:

All content and functionality in this newsletter, including text, graphics, logos, icons, and images and the selection and arrangement thereof, is the exclusive property of Mandat or its licensors and is protected by international copyright laws. All rights not expressly granted are reserved.

## Legal Disclaimer:

Mandat Managementberatung GmbH shall not be held responsible for the contents of a page accessed via such a link. Mandat Managementberatung GmbH reserves the right to amend or supplement the information supplied without prior notice.

## Copyright Notice Pictures:

www.fotolia.com  
© Title: M Schlierner  
© p. 2: MAXFX,  
Karin Hildebrand Lau  
© p. 3: haveseen,  
Karin Hildebrand Lau  
© p. 5: Karin Hildebrand Lau  
© p. 6: Mandat  
(Prof. Dr. Guido Quelle)

