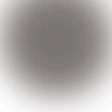




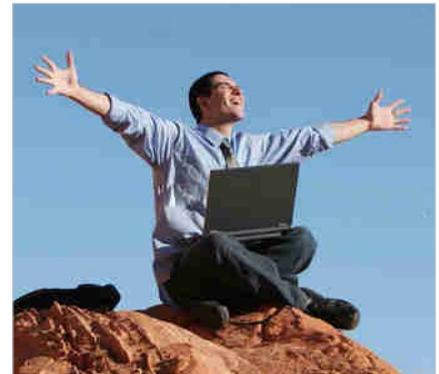
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Growth Focus: Results

# CEO-Tip *of the Month*

by Guido Quelle

## An Appeal on All CEOs: How to Focus on Output, not Input



“Results, results, results!”—The message sent out at management conferences is clear: We need the right results—and we need them fast!

Does this sound familiar to you? Have you as a CEO tried in vain to persuade your team that results are more important than the processes that produce them? Have you found, all too often, that your requests fall on deaf ears? Then you’re in good company, because once again what’s important here is not the knowledge itself, but how you implement that knowledge.

### 1. Shaping the organization

When you next have the chance, ask your employees what they are responsible for. Asking the question: “What are your responsibilities here?” often produces surprising dialogues. Many employees will start by telling you what they do all day and all year, but they have problems getting to the crux of their actual responsibilities. It’s worth discussing because it will either make the employee aware of responsibilities that he or she hasn’t questioned in the past, or it will become apparent that their duties were not made clear enough in the first place and that further dialogues are needed.

### 2. Management meetings

“What have you achieved since our last meeting?”—if posed correctly, this question shifts the focus onto results

and so saves time since, in hindsight, the process that led to the result is usually irrelevant. The only exception: If changes in behavior are needed, every promising activity in this area should be appreciated.

### 3. Job interviews

Does an applicant go into lengthy accounts of their past activities or concentrate on past achievements? Is the focus on processes or results? This is a way of drastically cutting short some job interviews and avoiding others.

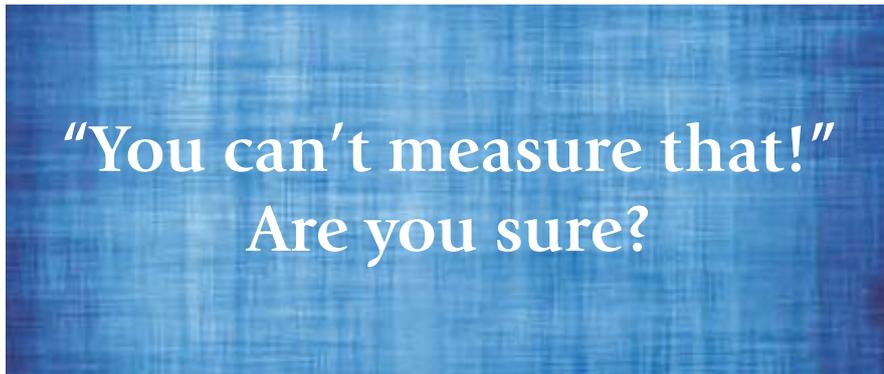
### 4. “Calculate backwards”

If you currently have an initiative running in your company to look at improving your operations and processes, make sure that each process is always looked at from the end first, before the team starts considering what steps are necessary for the process. This is one of the most effective tools we use in our consultancy projects for creating growth-oriented corporate processes: What is the desired result of the process? What is needed to start the process? What’s the quickest way to achieve this result? Think that’s obvious? Think again!

In the midst of all this “result orientation,” remember one thing: Results mean action. Once a goal has been set, what’s important is undertaking the right actions in order to best reach that goal. In this respect, the right actions are key.

# Strategy & Leadership

by Guido Quelle



Have you noticed that every time non-monetary results have to be measured, working groups, project teams, and in fact the whole company start to moan that it simply isn't possible and isn't necessary? The start of a new change project and the pace at which its goals are achieved? Not measurable. Marketing performance? Of course it's not measurable. A higher level of passion, increased employee motivation that comes from within? Impossible to measure. The effect of a new way of approaching customers on sales? It could be measured, but it's very difficult because of other influences.

Most of the complaints about difficulties in measuring something that isn't really measurable are nothing more than excuses. At best this says something about the employee's lack of ability to decide on concrete methods and parameters that go beyond black-and-white performance figures. No wonder, since making qualitative results measurable is something that is neither taught nor demanded often enough.

This article isn't a plea to measure every action, to dissect any progress you make in an attempt to measure something. It's about dispelling the notion that financial results are the only things that need to be measured to make a company's success and growth comprehensible.

## Example 1: The start of a comprehensive change project.

Let's assume that a company has initiated a growth project, something that always involves an enormous change process, and wants to know whether or not the project is on track—after all, the desired results often only set in once the project is complete. First of all the measures intended to increase growth have to take effect. A measurement that we regularly use in growth projects is the number of employees who feel bound to uphold the new processes agreed on in the project, and who adopt them properly. At the start of a growth project, the number of these employees is limited to the project team, but we ensure that the multiplication cascade sets in as quickly as possible and that more employees become familiar with the new processes and methods and actively embrace them. Does this guarantee that the measures will be successful? No, but the basic requirement that these new processes and methods are implemented in the first place, before their effect is clear, is met when the number of employees who are on board increases—and that's something that certainly can be measured.

### Example 2: Greater employee motivation

As you know, I firmly believe that employees can't be motivated externally in the long term and that managers shouldn't even try to do so. But what managers must do is create a framework or setting for keeping motivated employees motivated. Sometimes it becomes necessary to change this framework if a company realizes that "working by the book" has become widespread and the subject level of motivation levels is sinking. There are a few measurable values that are suitable for at least making the level of motivation and passion apparent, or let's simply say, for measuring them: voluntarily taking on responsibility in projects; fewer employees on sick leave; less unwanted employee turnover; and the attractiveness of the company for job applicants, measured by the number of suitable applications. Other factors include employees contributing more and better ideas which are more relevant in a corporate context, or the reactions of employees to positive or negative developments. You're certain to find other measurement values, but you can't tell me that motivation isn't measurable.

### Example 3: Sales initiatives

Of course the aim of a sales initiative is to improve financial performance. But here we are also talking about a delayed result, which can probably only be quantified at a late stage. You would be well advised to measure the changes introduced to improve those results: How has the way in which the Sales department approaches customers or groups of customers changed? Is their work structured? Or have they stuck with the musty ABC analysis approach? How have talks with customers changed over time? Have they remained at the old level or has the quality improved? How does the Sales department—the "silo department" in many companies—deal with adjacent departments? What does Sales talk to Marketing, Controlling, and R&D about? Has the quality of the meetings in these areas improved? Are decisions implemented more rapidly? Is there more immediate feedback from actions already underway, and are the results evaluated more quickly so that they can be passed on to Sales sooner than in the past?

I'm sure you've seen for yourself how much power of persuasion is needed to measure something that is presumably unquantifiable; the points mentioned above are just a selection. It's much more important to discuss with those involved parameters for making measurable what many assume can't be measured, and to agree to adhere to those parameters. Simply dictating the parameters to be measured is less productive, as they can easily be avoided in both day-to-day and project-related work without it becoming quickly noticeable. Deciding on what should be measured starts the process of implementing the evaluation of qualitative aspects. That's why before the start of every growth project, which involves an enormous investment of both time and money, we speak with our clients not only about the financial results they want to achieve, but also about the qualitative results and how they can be measured. This dialogue alone often produces considerably more clarity, which in our experiences with the project teams we supervise, then continues to improve.

Do we have to measure everything? Of course not, but the investment in making aspects that seem unquantifiable more concrete definitely pays off in light of the money and time lost when this point is ignored.



# 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.

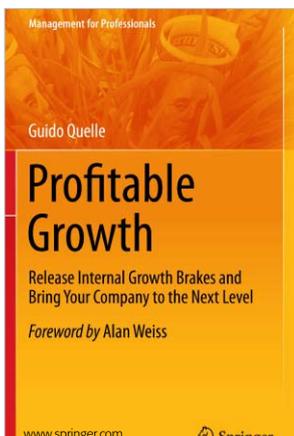
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## Author



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.



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***“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

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