

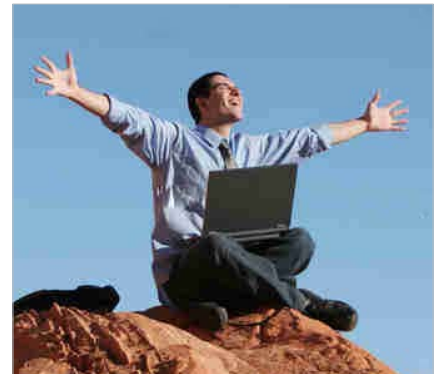
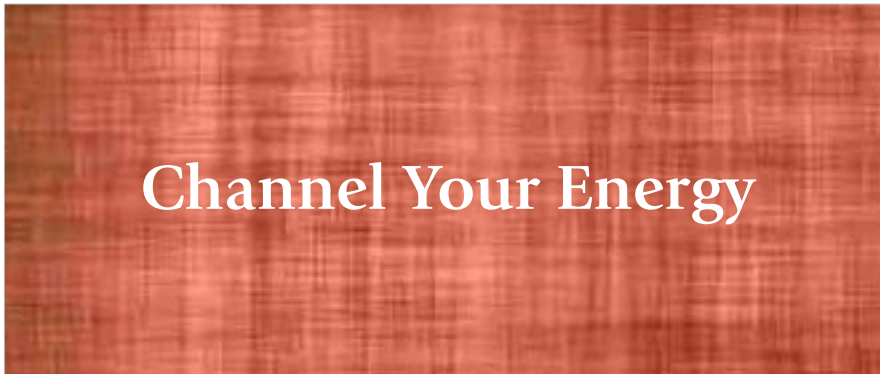


MANDAT  GR  WTH LETTER®

Growth Focus: Energy

CEO-Tip *of the Month*

by Guido Quelle



One of the most absurd statements I know is when someone tells an individual or a team they need to give “120 percent.” Not only does this not work mathematically, it also makes poor business sense. Granted, you could demand that tomorrow someone give you 120 percent of what they delivered today, as that would mean you expect them to get 20 more done, but telling people you expect them to deliver 120 percent on a regular basis is nonsense, is a message that won’t sink in, and will tend to waste more energy than it releases.

On any given day, we should have 100 percent of our energy. True, if we’re feeling fine that 100 percent tends to go a longer way than when we drag ourselves to work even though we’re sick, but still every day we have 100 percent—nothing more and nothing less. The question that arises is how that energy can best be channeled so as to be most effective, and so that at the end of the day we’re not asking ourselves where all our energy went. Here are three helpful tips:

1. Concentration

Concentrate on just a few things that you can make concrete progress on. This statement has a double meaning, and is intended to: on the one hand, you have to be able to concretely make progress with regard to these things, and on the other, the things you focus on must be of such nature that such progress with regard to their development, mood or insights can be made. Focus on fewer topics, not on more. Of course there are more than three

or five subjects that we need to or want to work on, but: all in good time, and not all at once. Focusing allows you to invest more energy in each subject. Also, concentrate more on future-oriented issues and less on those that concern the past.

2. Making the most of negative energy

An American colleague of mine, Chad Barr, once told me he’d come to the realization that problems made him increasingly angry, the longer he had to deal with them. To counteract this, he had learned to use the energy of his frustration for something more productive, like writing an article. At first I wasn’t convinced, but a closer—admittedly “pseudo-mathematical”—observation shows: the energy level is the same, regardless of whether you’re happy or angry. As such, the challenge lies in repurposing that energy. Does it always work? No, but even if it only works once, it’s better than just stewing in your own anger.

3. Attention

This third tip is very closely linked to the first, as your attention can be more easily focused when you deal with fewer topics at once and not with more. But attention is something that can release a great deal of energy. Have you ever noticed how when you had a clearly set and consistently pursued goal, it shifted the attention of your entire team to achieving that goal, which they also ultimately did? There you go, proof positive.

Strategy & Leadership

by Guido Quelle



Good leadership produces good strategies. Good leadership cultivates talent. Good leadership leads to growth. Nearly all of us would agree with these three basic statements. The question is, then, why in the world leaders have such a hard time with these three tasks. As usual, we can't offer you a "one-size-fits-all" solution, but in the course of nearly 400 successful projects we most certainly have made a few fundamental observations, which we'd like to share with you in the following:

Attraction instead of pressure

Can you still remember the experiment from your high-school physics class, where the teacher placed a square magnet in the middle of a sheet of glass covered with metal shavings? Like magic, the metal shavings moved about, perfectly displaying the magnetic field. The magnet pulled on the shavings nearest to it, and the effect was then transmitted to their neighbors: attraction as a principle. Now, as for pressure: if we'd put a square metal block of the same size but that wasn't magnetic on the glass and tried to shove the metal shavings into the desired pattern, we'd probably still be sitting in the lab today, trying to get it right. But that's exactly what happens in companies day after day: instead of trying to attract interest, they exert pressure. Employees are told that things "have" to be done instead of being given the chance to recognize for themselves that doing them would make good sense.

Pressure is a principle that can only be maintained if it constantly receives new energy. In corporate leadership practice, people often speak of putting a fire under the kettle, of finally making some "serious pressure," or of putting the market, the competition, or even an employee "under pressure"; the "pressure from the shareholders" (or from the banks) is especially high.

If the point is raised that, with too much pressure and no release valve, the lid of the kettle will soon be blown sky-high, the standard retort is that diamonds, too, are formed under pressure. But that doesn't exactly help; unlike diamonds, which are objects, leadership is all about dealing with people. Though a certain degree of positive stimulation can be helpful and a solid framework is in fact necessary, it can be observed that often far too much pressure is put into play. Of course it's harder to generate attraction and fascination, but exactly that is the challenge.

Growth is a product of fascination

Above all, fascination is what sparks growth. When do we change? When there is a benefit in doing so. When do we buy something? When there is a benefit in doing so, either quantitative or qualitative. Quantitative aspects can always be measured. But qualitative ones? No one truly needs an iPhone, but we're fascinated by them. No one needs a Ferrari, but we're fascinated by the my-

thos. No one needs a Louis Vuitton bag, a Cartier pen, or a Brioni suit, but we want to look and feel good, to stand out, to make a statement, all of which are benefits. Fascinating.

But once we have recognized that growth is a product of fascination (among others), the question promptly presents itself as to how companies whose employees are not fascinated by their duties are supposed to generate growth. Just as companies will only have enthusiastic customers if the majority of their employees are also enthusiastic, the same is true for fascination. But fascination certainly cannot thrive under pressure; it is the product of discovery and insight, development and experience. The necessary precondition: interest.

Strategies succeed because of interest

If growth is the result of successful growth strategies, it's worth posing the question what makes strategies successful to begin with. Beyond excellent content, which many strategies can boast, above all the key is the participants' interest in working together to turn the strategy from something that looks brilliant on paper into concrete actions. Here, too, we should keep the magnet experiment in mind and focus on attraction, not pressure. In our consulting projects, there's one aspect we always have on the agenda, namely: how can we reach a "critical mass" of supporters? Together, these people form our magnet, because it is only when we have a critical mass of people in support of change—and a new strategy almost always means change—that strategies have a much higher chance of becoming realities than when pressure alone is used.

The objection could be raised that a certain amount of initial pressure is needed so as to make it clear that changes are necessary. And that's true, as long as we're talking about a first impulse and not massive pressure. Just like a car needs a certain amount of initial energy to make it up and over a hill, change processes are very similar, the major difference being that corporate leadership doesn't call for physical energy, but instead conviction, attention and consistency. If a strategic plan is presented with enough conviction and subsequently receives the necessary amount of attention to be consistently implemented in day-to-day business, then the foundation for success has been laid.

Strong leaders don't need much pressure

It's easy to lead with pressure, except for the small problem that in the long run doing so completely demotivates those who work for and with you. Given a sufficient degree of disciplinary power, anyone can lead with pressure. The true challenge, however, is to lead with as little pressure as possible, to carefully ensure that your employees' talents are being put to best use, to make corporate issues involving, and to make sure that the right people stand behind those issues. Does that mean relinquishing control? To a certain degree, yes, which is exactly what bad leaders fear most: that things could get out of control. Here's a newsflash: for bad leaders, things will eventually get out of control, no matter what they do.

Strong leaders don't need much pressure. Instead, they focus on reaching shared successes, which is the result of their employees' voluntary participation within the context of certain agreed-upon boundaries. Strong leaders have strong employees, and strong employees generate growth, a fact that strong companies demonstrate day after day.



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.

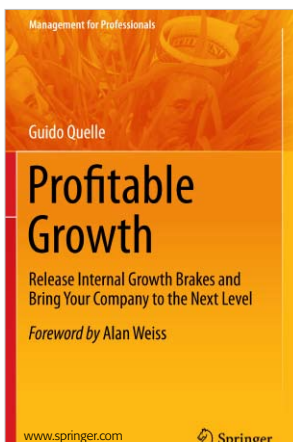
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Professor Dr. Guido Quelle, “The Growth Driver,” is one of the rare people worldwide who focuses on creating profitable and sustainable growth as an entrepreneur, consultant, author and speaker for more than 20 years. His clients are active CEOs, general 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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