

Decide!



The One Common Denominator
of All Great Leaders

Gino Wickman

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ISBN 978-0-9797990-1-3

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Introduction

The only reason you have a problem is that you haven't made a decision.

The idea for this book came to me on a flight to Chicago. I don't want to call it an epiphany, but it certainly was close. I was reflecting on what it is that I really do for my clients every day. The conclusion was that I help them make decisions. I spend on average 130 days a year in full-day sessions with the leadership teams of entrepreneurial companies. Simply put, I help entrepreneurial companies gain traction. I've delivered over 1,400 full-day sessions with these organizations. I figure we make about fifteen decisions per session that affect the company and the people in it. That adds up to 21,000 business decisions that I've helped guide, not to mention the thousands of phone calls and one-on-one conversations that lead to decisions being made.

I also thought about the common threads that run through the process of decision making. As we all know, some people are great at it and some are terrible. The

number one common denominator with great leaders and leadership teams is the ability to make good decisions.

Earlier that week, a client had sent one of its leadership team members to sit in on one of my sessions with another client's leadership team, which consists of amazing decision makers. She watched us solve about forty issues in that session and was blown away. Her comment at the end of the day? "Our leadership team would still be on issue number two."

During my reflection, I realized that working with thirty-five companies at any given time gives me a rare perspective on what's going on in the real world of small business. Given the current economic conditions, many of the leaders I meet are frozen with uncertainty. To be honest, I think they're a little spoiled because the last ten years have been so good. In any case, they aren't making decisions like they should. I spend the first few hours of some sessions just getting their heads in the right place to make the decisions they need to make.

That series of realizations on that plane ride led me to

write this book. By reading it, you'll learn about four key discoveries I've made about decision making. More importantly, you'll learn a simple process to help with the vital decisions that must be made. It really works. You have to realize that while this may be the worst economic downturn of our lifetime, it may also be the best opportunity for those who make good decisions. The ones who can see the big picture will grab market share in these tough times from those who vacillate. This may be the very moment when your company could make that big push.

The number one barrier holding most people back from achieving their companies' full potential is their inability to make decisions. As Napoleon Bonaparte said, "Nothing is more difficult and therefore more precious than to be able to decide."

Leaders struggle with two challenges when trying to make good decisions: making bad decisions and taking far too long to make them. This book will address both in a simple, efficient manner. I'll lay out the four major discoveries about making good decisions, and then the exact process for doing so. I'll give plenty of examples of leaders who

have succeeded using these methods. Once they learned the process, they found that they were focusing on the real problems their companies were having. Learning how to drill down to the actual problem is often the first step toward its solution.

In my experience, the main ideas in most books can be covered in around thirty pages. That's what we're going to do in this book: keep it short, sweet, and to the point.

Before we begin, I should point out the type of companies that I work with. These companies are entrepreneurial, ranging in size from \$2 to 50 million in revenue and ten to 250 employees. Without question, this process will help many others—for instance, families, communities, non-profits, and individuals as well as companies large and small. But the examples you will read all come from my clients.

That's because these discoveries work in the real world, not just in theory.

Let's take a look at the discoveries.

The Four Discoveries



Discovery #1: **You must have clarity of vision**

To make good decisions, you must be clear on your direction. To find the right direction, you must answer the five foundational questions that follow. Why should you look at your foundation? Because that's where you find the answers. When you clearly know who you are, what you are, and where you want to go, you'll have an internal compass to guide you. I've seen very few external issues that can't be solved by looking internally.

Question 1: What are your core values?

Core values define who you are as a person and as an organization. When you know what matters most to you, the rudder on the ship you're sailing is much easier to control. You stay on course with less effort required, and

you sail forward. For instance, if one of your company's values is "do the right thing" and you're faced with a questionable billing issue with a client or vendor, knowing the answer to this foundational question quickly gives you the direction that leads to the right answer.

You aren't just making a decision about yourself, though. When your core values are clear, all of your people decisions will become simple. When people don't share your core values, they shouldn't be in your company. You must hire, fire, review, reward, and recognize every person in your organization according to your core values. Many of my clients have "wrong people" in their organizations and don't realize it until we work through a very simple process to help them discover and define their core values.

Just recently, one client discovered that its top salesperson, while very friendly, professional in approach, and knowledgeable, was a man without integrity. He constantly shaded the truth to make sure he had the successful quote. His new business growth was 20 percent per year, and his clients never openly complained. So the situation dragged on for twelve months.

Once the leadership team defined its core values and began bringing them to life with employees and clients, this gentleman stuck out like a sore thumb. The client ultimately made the seemingly difficult decision to let him go. Almost immediately, employees, clients, and vendors came forward with their true feelings and concerns about him. The company's reputation had been being damaged the entire time he had worked for it. Had the client not discovered and defined its core values and used them as a rudder that helped to make this decision, the harm this one salesman might have ultimately done could have been irreparable.

If you haven't yet defined your core values and aren't sure of where to start, use the following list. Choose three to seven that define your culture and try them on:

- Excellence
- Strive for perfection
- Competitive
- Do the right thing
- Compassion
- Honesty and integrity
- Hungry for achievement
- Encourage individual ability and creativity
- Accountability
- Service the customer above all else
- Work hard
- Never satisfied
- Continuous self-improvement
- Help first
- Professionalism
- Individual initiative
- Growth-oriented
- Treat everyone with respect
- Opportunity based on merit; no one is entitled to anything
- Creativity and imagination
- Personal integrity
- No cynicism
- Humbly confident

Be careful not to go through the motions here. One client felt that its core values were complete when coming into the session. It had four:

1. We put people first
2. "Yes" is the answer
3. A passion for excellence
4. Living the dream

Upon taking the members of the leadership team through the exercise, I got them to really challenge what they brought, forcing them to really look around the table at who they really were. In the end, they had defined a completely different and ultimately accurate set of core values:

1. Competitive
2. High standards
3. Lifetime learners
4. Hospitality

They realized that they'd gotten lost in all of the chaos of growth and lost sight of who they were. As a result, they were hiring the wrong people around core values that were trite and making bad decisions. Now that they've defined their true and correct core values, they're completely reinvigorated. It has helped them tremendously in hiring and retaining great employees, and they're once again on a growth path.

Once you've chosen three to seven core values that define your culture, bring them to life. Communicate them regularly and use them to evaluate everyone in your company. Make sure each member of your team is living by them and making every decision with these core values in mind.

Question 2: What is your Core Focus?

Where do you excel? What do you love doing? What are you great at doing? What are you passionate about? Why does your organization exist? If you and your organization know the answer to this key question, it becomes a filtering and guiding mechanism for you to make decisions. For instance, if you decide that your sweet spot is in providing

the highest level of service in your market and you have an opportunity to take on a client that cares only about price, you have the foundation to make a very simple decision.

By crystallizing your Core Focus, it will create absolute clarity for you to make good decisions. You'll be amazed by how it will reinvigorate you and your company.

When you have this clarity and begin to align all of your people, processes, and systems with your Core Focus, you'll truly be operating in the zone, doing what you love and what you're great at doing. As a result, you'll see things more clearly and know what does fit or what you shouldn't be doing.

Clients have rid themselves of full business units as a result of this clarity. One in particular is PowerObjects, a technology company that had more than 15 successful years under its belt. They came into the process having previously defined their sweet spot as "leveraging technology to solve business problems." Because the PowerObjects team includes some of the very best programmers in the world, that catchy phrase accurately

represented the capabilities of the company. They rightly felt they could craft a technology solution to virtually every business problem.

However, that broad "mission statement" made it very difficult for them to do two important things—communicate clearly to their prospective clients and focus the energies of the leadership team on the few lead dominoes that would take the company to the next level.

If you took a look at their website before they began the process, you'd have been hard-pressed to determine exactly what they did well, although they had begun developing a stellar reputation as a leading provider of solutions built with Microsoft Dynamics CRM. As a result, they were stuck—unable to grow beyond a revenue ceiling of about \$3 million.

Very early in the process, the leadership team had a breakthrough. It wasn't easy, but with the team working hard to get themselves on the same page, it very quickly became clear that a more narrow focus was critical.

In a single meeting, they decided to focus 100 percent of the company's energy on Microsoft Dynamics CRM, and the pace with which they executed on this decision was breathtaking. The team decided to sell or close several small divisions so as not to be distracted by something other than their new Core Focus. The website was redesigned within a few weeks, the entire leadership team devoted itself to becoming a preferred Microsoft partner, and the guts of the organization were reorganized and rebuilt around this new focus. Things are simpler and clearer both inside and outside the company, and they are moving forward.

As I write this, the entire company is getting tremendous traction from their relationship with Microsoft as they are now able to get recognition within the organization, their marketing and sales efforts are paying off, and it's now just a matter of time before things absolutely take off for them—all because they made an important decision together and committed fully to making it work.

Your Core Focus will become a filtering and guiding mechanism for great decision making.

Question 3: What is your 10-Year Target?

As Yogi Berra said, "You've got to be careful if you don't know where you are going, 'cause you might not get there." Many of the teams I work with have trouble thinking ten years out. That's a real obstacle to making better decisions. If you have trouble thinking ahead, we've uncovered one of the key reasons you're not making good decisions or taking far too long to make them.

Once you're clear on your longer range target, you'll start making decisions based on that target. Here's a primary example of why this is so necessary. If you decide you want your company to be four times its size in ten years, and you have people that want to maintain the size it is, you have your answer as to why you're not making good decisions: You're not on the same page.

A client that had clarified its 10-Year Target in the first session was a partnership, and the two partners realized they had two completely different goals. One wanted rapid growth, and the other was content. They decided to end the partnership and split the company, and, by the next

session, had worked out a separation agreement. The partner that wanted growth stayed with me as a client, and the following year, his company generated its highest revenue and the largest profit ever.

That case was easy. The toughest partner issue I've dealt with occurred when two partners were six months into the process with me, and by that point, it was clear to all of us—the leadership team of six people, the two partners, and me—that these two men weren't on the same page and never would be. They didn't have the same core values, couldn't agree on a Core Focus, and completely disagreed on the 10-Year Target. After I spent months counseling them one on one, they decided to part ways. One bought the other out, and, after closing the transaction, the sole owner now has a cohesive leadership that's 100 percent on the same page and executing well.

Question 4: Who is your ideal customer, and what is the most appealing message to them?

You can't be all things to all people. You don't need them all. You shouldn't want them all. When you decide exactly

what you're selling in a short, sweet, and simple message, and decide who your ideal customer is. You'll clear the fog of who you should and shouldn't be doing business with. That will in turn create a laser focus on who you should be targeting.

A great example is The Professional Group, a group of companies that provide various services to all types of facilities including janitorial services and supplies, landscaping, and snow removal, who defined its ideal client and its value proposition. As a result, it realized it had a handful of customers that didn't stack up. They were the wrong type of customers, weren't profitable customers, or were too difficult to manage and didn't value what they were being offered. As a result, TPG went to work on either turning these non-target market customers into target market customers or getting rid of them. The results were incredible. As CEO/owner Doug Hamburger says, "We increased profitability substantially and reduced the amount of time required from operations." TPG now has a list called the "dirty dozen," where it constantly upgrades its bottom twelve customers and increases profits and efficiencies as a result.

As Paul Kesman, the integrator* of Identity Marketing, says, "As our company grew over the years, the number of clients we represented in the real estate industry continued to grow. By the end of 2007, the percentage of Identity clients related in some way to the industry was over 50 percent. We realized that this was a risk. Having witnessed how other local public relations firms that relied almost exclusively on the automotive industry were subject to its highs and lows, we decided to make a concerted effort to diversify our client base and target other industries, with the long-term goal that we would establish ourselves nationally as a leading firm in those specific industries, as we had done with real estate.

"We made this decision in early 2008. At that time, our real estate practice was still strong and growing. That said, we focused our marketing efforts on three other industries that we felt offered potential for growing a national practice. We formulated a plan and began to roll it out in the summer. Mark Winter, my partner, who was managing that effort, took the lead. It remains his focus and it's something we review and address together on a regular basis. As it turned out, the timing was ideal, as the real estate industry

began to be especially affected by the economic downturn. The early results have been positive."

While it might not seem focused for Identity Marketing to have four industries in its target market, it's actually extremely focused, as it has more than thirty industries to choose from. This narrowing helps it to excel in a handful of industries and keep its client base relatively diversified. This enables Identity Marketing to make better decisions about marketing, selling, training, and hiring to attract and retain its ideal clients.

*The term Integrator defines the person who is accountable for running the company. He or she is the person who is in charge of harmoniously integrating the major functions of the business.

Question 5: What is your three-year picture?

If you and everyone in your organization can clearly see the same picture in three years and that everyone's energy is going in that direction, you'll eliminate 50 percent of the confusion, murkiness, delays, and bad decisions.

With life and business moving fast in the twenty-first century, there's little value in detailed strategic planning beyond a three-year window. A lot can change during that time span. For the investment of time and money into that kind of planning, there's typically very little return. It's still valuable, however, to create a picture of the future organization three years out. This will accomplish a vital objective. Your people will be able to "see" what you're saying and determine if they want to be part of that plan. As Napoleon Hill said, "Whatever the mind of a man can conceive and believe, it can surely achieve."

Once everyone sees the three-year picture, you can make decisions to get there faster than if you didn't have a three-year picture at all.

Truth be told, right now you probably have people in your organization who see a different vision than you do. You might be thinking of fifty clients at \$50,000 in revenue each, and they might be thinking of 500 clients at \$5,000 in revenue each. While both total the same amount of revenue, those two business models are very different in terms of how you build the infrastructure, what prospects you should be targeting, and who you should be hiring. Now is the time to know which one it is so that you can start making those decisions.

With your three-year picture now clear, you've answered the last of the five foundational questions, and you should have the clarity of vision to go forward to discovery number two.

To summarize this first discovery, having clarity of vision, it's vital that you answer the five foundational questions. If you have partners or a leadership team, everyone must be 100 percent on the same page with the answers to them. Once you've answered the five questions, this will lay the foundation to simplify your decision making. You'll have the clarity, the direction, and a guiding mechanism to make

great and efficient decisions.

Once the partners of MKD, a financial planning firm, were clear on how they wanted to go forward to the next level, they realized they had a decision to make about one of their people. As one of the partners, Mike Komara, puts it, “The partners of our firm had serious discussions about firing an employee who works in a key position. The employee’s performance was mediocre. The employee had the capacity, but didn’t ‘get it,’ and we weren’t sure if he ‘wanted it.’ After an initial discussion among the partners, two favored dismissal and one favored retention.

“As a result, we decided to engage the employee in a process of discovery. We asked him, ‘If we were sitting here one year from today, and you were to look back over that year, back to today, what kinds of things would need to occur here in order for you to feel happy about your work?’ We asked him to write out his response to that question along with his thoughts on what part of the business he enjoys the most, the role he could see himself growing into, etc.

“He took the process seriously and, after a week, came back to us with two typed pages explaining his goals, ambitions, desires, and wants. The letter led to further dialogue with the employee as well as the partners. We mutually agreed upon a ‘growth track’ for the employee that included additional education, earning a professional designation, and higher standards of performance on a daily basis. If he achieved those goals, we would gradually increase his responsibility in the areas he said he wanted to pursue and spend the majority of his time.

“Within fifteen months, the employee did take the initiative to receive additional education. He did pass an extensive exam leading to a prestigious professional designation in our industry. He has brought a higher level of passion and creativity to his work and has become a very valuable member of our team—so much so, that it’s hard to imagine our organization without him. He has expressed to us that he derives a greater sense of satisfaction from his work now. The quality of his work is evidence of that. Without clarifying where we wanted to go as an organization, we may have never had the awareness and the original conversation with him.”

Another example of the advantage of having clarity of vision is shared by Rob Dube, the integrator and co-owner of Image One, a company that manages copiers, multifunctional devices, and laser printers for organizations. Rob shares how clearly knowing his vision helped both him and his partner to make the tough decision to buy back their company after selling it to a large publicly held company.

When Rob and his partner, Joel Pearlman, were approached by this company, they weren't looking to sell but ultimately did. They sold and became vice presidents for a very frustrating year and a half, dealing with slow decision making, lack of corporate vision, and countless executive changes. Fed up, they scheduled a meeting and flew out to meet with the new CEO and passionately communicate their vision, concerns, and ideas.

Two weeks later, they received a call from a top executive, who had instructions from the new CEO to ask them if they would be interested in taking Image One back. As Rob puts it, "Based on everything, you would think this would be a no-brainer for Joel and me. It wasn't. There were financial

considerations, countless details, and the decision if we even wanted it back."

Faced with this decision, they were invigorated by the thought of a "new" Image One. That began a series of discussions and off-site "vision" days. Rob says, "We decided that if the financials could be worked out, we would move forward with three major things we would do differently: (1) revisit our values and enhance our culture, (2) build a selling-first mentality (we were always operationally focused), and (3) make a difference in the world—our purpose had to be bigger than Image One's success.

"The deal worked out and we were off and running with our 'new' company. We immediately redefined our culture to reflect Joel's and my true personalities (starting with wearing jeans as often as possible). We hired a vice president of sales and started to build a sales team as well as sending a sales-first message to the entire company. Most importantly, we created a goal to raise \$1,000,000 to help organizations that focus on supporting or curing autism through the donation of 20 percent of Image One's

profits to these organizations and a new company we launched, TonerForAutism.com, from which 5 percent of all revenues go to these organizations.

“Buying back Image One was a huge decision on many levels. It took a great deal of vision, strategy, and execution. In the end, it was one of the best decisions I have made during my entrepreneurial career and couldn’t have been without clarity of vision.”



Discovery #2:
**Good decision making
requires clarity and
confidence**

One of the practices that great leaders maintain is taking “Clarity Breaks.” That means getting out of the office at regular intervals for some thinking time to gain some clarity and protect your confidence. I’m a fourteen-year student of The Strategic Coach Program by Dan Sullivan, which has taught over 14,000 entrepreneurs. Dan’s program helps people stay clear and confident. He teaches that you can’t

do your best work as an entrepreneur without maintaining this state of mind.

The superlative leaders I’ve observed have a habit of taking time-outs in one of three ways. They take thirty quiet minutes every day, one to two quiet hours per week, or a half-day a month of uninterrupted thinking time out of the office. Because they can rise above the nonstop petty demands of their business, they can see it more clearly. They make some of the best decisions I’ve ever seen. They exude confidence.

You have to step back and take a look at the big picture on a regular basis. To paraphrase philosopher and logician Kurt Gödel, you can’t be in a system while at the same time understanding the system you’re in.

Pausing on a regular basis allows you to block out all of the noise that’s clouding your judgment and creating murkiness. In this state, you’ll be able to not only think better but also listen to your gut. You’ve heard that expression a million times: Trust your gut. Now this old adage has been scientifically proven. In his book, *Get Out of Your Own Way*, author Robert K. Cooper, Ph.D., explains

that scientists who study the elaborate systems of nerve cells and neurochemicals found in the intestinal tract now report that about 100 million neurons live in the enteric nervous system (ENS), which is being called the “second brain.”

You don’t have to convince Brad Sorock, the visionary of Niche Retail, a \$20 million e-commerce company. “The way I make decisions is all in my gut. I can’t pinpoint it, but I find the confidence for my decision literally in my stomach and body, when it feels right. My thought process is that of just letting things sink in during thinking time.

“When asked how I chose websites for our business, I’ve had a hard time describing how I came to the decision to actually pull the trigger. It was always a gut feeling of ‘Yes, let’s go for it.’

Fortunately, our first few were great choices and home runs. To be honest, after a few successful ones, I didn’t use my gut. I just accepted the model and thought I could do no wrong, I didn’t give them the time to sink in and feel it, there were some failures and some lame ducks. That cost

us money and some ego hurt, but they were great learning experiences and validated the right approach for me.”

If you’re not taking Clarity Breaks, you won’t have the clarity and the ability to tap into all of your senses to make good decisions. You’ll always be buried in the day-to-day chaos and not be at your best.

To be at your best, go to your calendar right now and schedule an appointment with yourself in the next seven days for one hour and try it. You’ll be amazed. If you don’t have a quiet place, find a local coffee shop. That’s where I do mine.



Discovery #3:
You must avoid ten bad decision-making habits

If you or your team are stuck and making little or no progress, you're probably suffering from one or all of the following ten obstacles. These pitfalls arise when you don't follow what are known as the ten commandments of decision making. Assess yourself and your team to determine if you're breaking any of them.

The Ten Commandments of Good Decision Making

1. Thou Shalt Not Rule by Consensus

On a healthy team, where the vision is clear and everyone is on the same page, eight out of ten times, everyone will agree with the solution to a problem. However, sometimes they won't, and someone needs to make the final decision. That someone is the leader.

Consensus management doesn't work, period. Eventually,

group consensus decisions will put you out of business. When the leader makes the final decision in these situations, not everyone will be pleased, but as long as their voices have been heard and if the team is healthy, they can usually live with it. From there, you must always present a united front moving forward.

One of the worst cases of consensus management that I've experienced was a company being run by its next generation of family members. The company's growth was stagnant, and some tough decisions needed to be made to restore profitability. In our first few sessions, every time a hard decision needed to be made, either the team would retreat out of fear of hurting someone's feelings or someone would say, "Let's vote." This waffling had been going on for years. They were some of the nicest people you could ever meet. Yet they would come to the next session complaining about all of the same issues and how nothing was working. After a year of forcing more openness and a few very uncomfortable sessions for some people, one of the owners finally stepped up as the company integrator and started to make the tough decisions. Finally, the ship started to turn around for them.

In countless cases I've observed when the team was divided, if the leader had gone along with the majority, it would have been the wrong decision. In a *Fortune* magazine issue on decision making, Jim Collins, the author of *Good to Great*, is quoted as saying that in his years and years of research, "No major decision we've studied was ever taken at a point of unanimous agreement."

2. Thou Shalt Not Be a Weenie

The solution is often simple. It's just not always easy. You must have a strong will, firm resolve, and the willingness to make the tough decision.

For instance, Patrick Gysel, the integrator of RCS, a \$7 million international distribution company, explains, "The toughest decision I ever made was to present an aggressive budget that would impact the partners' compensation considerably over the next one to two years. I worked on the budget the entire fourth quarter and went back and forth many times before finally deciding to go for it the night before the meeting. At our annual meeting in January, I presented it. It was a tough sell, but I knew it was the right thing to do for the greater good of the

company. It was a tough meeting and took a few hours, but they agreed. Since I received the partners' buy-in, RCS went from having our worst year to having our best year, and next year looks like more of the same. I plan on having generous partner distributions by the end of this year and moving forward."

3. Thou Shalt Be Decisive

In the classic book *Think & Grow Rich*, Napoleon Hill cited a study that analyzed 25,000 people who had experienced failure. Lack of decision, or procrastination, was one of the major causes. In contrast, analysis of several hundred millionaires revealed that every one of them had the habit of reaching decisions promptly and changing them slowly. It's less important *what* you decide than it is *that* you decide ... so, decide!

4. Thou Shalt Not Rely on Secondhand Information

You can't solve an issue involving multiple people without all the parties present. If the issue at hand involves more than the people in the room, schedule a time when everyone can attend. One client calls these "pow-wows." When someone brings him an issue involving others or

secondhand information, he says, “Time for a pow-wow” and pulls everyone involved together and solves it.

5. Thou Shalt Fight for the Greater Good

Put your egos, titles, emotions, and past beliefs aside. Focus on the vision for your organization (the answers to the five questions). You’ll cut through the candy coating, personalities, and politics. If you stay focused on the greater good, it will lead you to better and faster decisions.

6. Thou Shalt Not Try to Solve Them All

Take issues one at a time, in order of priority. What counts isn’t quantity but quality. You’re never going to solve them all at one time. The faster you understand that, the better your odds are of staying sane. Solve the most important one first, then move on to the next. You’ll also find that when you do this, some of the other issues on the list will drop off because they were symptoms of the real issue that you solved.

7. Thou Shalt Live with It, End It, or Change It

This is a great lesson from my dad, who is a very successful entrepreneur and one of my greatest mentors. In solving

an issue, he teaches that you have three options: You can live with it, end it, or change it. There are no other choices. With this understanding, you must decide which of the three it’s going to be. If you can no longer live with the issue, you have two options: change it or end it. If you don’t have the wherewithal to do those, then agree to live with it and stop complaining. Living with it should, however, be the last resort.

8. Thou Shalt Choose Short-Term Pain and Suffering

Both long-term and short-term pain involve suffering. You have a choice with all of the issues you face. A great rule of thumb that makes this point is called “thirty-six hours of pain.”

If you’re wrestling with a tough decision, whether it involves strategy, customers, or people, and you’re procrastinating because of the prospect of it being painful, hopefully this will give you some motivation. During the growth of Niche Retail, Tyler Smith kept someone around for a year too long because he was having a really hard time making the decision to let him go. What made the problem really tough was that this person had been with

them through the early years. The company had outgrown him, though. He was aware of this, and, over time, his attitude had soured. The leadership team finally realized that there was simply no other option. The person was no longer right for the organization. As a result, after much anguish and soul-searching, Tyler finally made the tough decision to let him go. A couple of days later, Tyler called me and shared this term that's now a staple in my work with clients: thirty-six hours of pain.

The months, weeks, days, and hours leading up to the termination were painful, but after that, he realized it was one of the best decisions he had made for the greater good of the company. He couldn't understand why he hadn't done it sooner. The work environment was so much better and less tense for everyone. Other employees thanked him for making the tough decision. He experienced all that pain for a year, when in hindsight he could have experienced only thirty-six hours of pain, probably for both parties. Incidentally, the terminated gentleman is now doing well and pursuing his passion. The decision was best for all.

Solve your problem now rather than later. The fear of doing it is worse than actually doing it. Choose short-term suffering.

9. Thou Shalt Enter the Danger

The issue you fear the most is the one you most need to discuss and resolve.

In tough times, people tend to freeze. When you're afraid, your brain actually works against you. Research now shows us that when we are fearful, we use the back part of our brain, the amygdala. That's our primal brain, developed thousands of years ago to protect us from predators. It's our fight-or-flight response, which doesn't serve us well when solving business problems.

You must shift to the prefrontal part of the brain, the rational and critical thinking part. That will serve you well in the decision-making situations. The way to do this is to simply list all of the things that are worrying you: all of the problems, concerns, and fears. You can do this as an individual during your Clarity Break or as leadership in one of your meetings. Being open and honest will enable you to confront and solve your critical issues and get moving forward again.

10. Thou Shalt Take a Shot

Taking a shot means that you should propose a solution. Don't wait around for someone else to solve it. If you're wrong, your team will let you know. Sometimes a leadership discussion can drag on because everyone is afraid to voice a solution, even though someone may have it right at the tip of his or her tongue. Often, a team will discuss an issue for far too long. It'll be stuck and no one will be offering solutions, when suddenly the quietest person in the room might speak up and suggest an answer. After a few moments of silence, someone says, "That's a good idea," and everyone agrees. Don't be afraid to take a shot. Yours might be the good idea.



Discovery #4: **Not all good decisions are made at the same speed**

This is possibly the most important discovery that I've made. If I were to chart the amount of time it takes my ten best decision-making teams to make decisions, the slowest team would literally take four times

as long as the fastest. And that's not all bad.

Keep in mind they're both making good decisions. The realization is that each team has its own decision-making tempo. This tempo is the pace at which you solve issues.

A profiling tool called the Kolbe Index explains this odd point. This powerful, inexpensive profiling tool, available at Kolbe.com, is different from other profiling tools because it doesn't measure how smart you are or how you feel. It measures what you will do. It measures your natural and instinctual tendencies in four areas when solving a problem: fact finder, follow through, quick start, and implementer.

For the purpose of this discovery, we are focusing on the fact-finder aspect. This measures your need for information when making a decision. Everyone falls somewhere on a scale of one to ten. A "ten" fact finder is going to need ten times the information that a "one" fact finder needs.

If you're a high fact finder, that's not going to change. It is what it is. You're born with it, and you die with it. The Kolbe

Index gives people the freedom to be themselves. This tool can help build synergistic teams and eliminate the stress of problem solving as a group if you understand your natural abilities as well as those of the other members on your team.

So when I'm working with a team that has a combined average of eight compared with a team averaging a four, the team at eight will take about twice as long as the four, and that's okay. As long as they answer the five questions, take Clarity Breaks, and live by the ten commandments of good decision making, they're making good decisions.

A great technique to help temper high fact finding teams is used by the Marine Corps. It's called "the 70 percent solution," and it works like this: If you have 70 percent of the information and you feel 70 percent confident, move forward with a decision.

I used to think that I could move every team at the same pace. I'd get extremely frustrated with the groups that weren't moving as fast as the quickest, until I realized this was an unfair expectation.

A good comparison is two actual clients from different ends of the spectrum. The first client made two key leadership team changes in the first three months of the process. That means he removed two key people from the organization and replaced them in ninety days. That's blinding speed. The second client took two and a half years to make the first change on his leadership team, and after four years, has yet to make the second. This isn't a criticism. If I pushed him any faster, it would actually be detrimental. He must feel ready to make the decision. In the meantime, his company still grows at 8 percent per year.

I should point out a critical disclaimer: You can't use the knowledge that your team is a high fact finder team as the reason you're taking so long to make decisions or not making decisions at all. Believe me, many have tried. No matter what, you shouldn't let unresolved issues linger. You must always be moving forward. Standing still can't be an option.

With the four discoveries clearly in mind, let's turn to the exact process for becoming expert decision makers.



The Process

Over the last thirteen years and 1,400 full-day sessions, I've created an efficient process for making good decisions. I'm hardly alone. There are thousands of books on the subject and hundreds of models for decision making—enough to make your head spin. Some are very good. The problem is, they're so complex, you'd have to spend the next two years studying them to really utilize them. By then, you could have made a hundred good decisions by following a much simpler process.

Most leadership teams spend their time discussing the heck out of everything but rarely solving anything. What's draining your energy isn't having so much work to do. Rather, it's having unresolved issues. You're about to learn a process that will help you and your leadership team quickly dig to the root of your issue, discuss solutions, and then decide—therefore keeping you moving forward and giving you energy by pulling up the anchors holding you back. The statement that summarizes this best is a maxim

my dad taught me long ago: "It's less important *what* you decide than it is *that* you decide." More is lost by indecision than by wrong decisions.

It's human nature to put off making a hard decision. Given the option, most people would prefer not to address an issue and hope that it goes away on its own. Yet this reluctance to act can be a serious drag on growth.

Your ability to succeed stems in direct proportion from your ability to solve your problems. The better you are at solving problems, the more successful you become.

When new clients implement this discipline and solve their major issues in the early stages of the process, they typically say, "That one has been around for years," or "We've been trying to solve that issue forever." Each unresolved issue is an incomplete project weighing down your organization and holding you back. You have only so much capacity, and these unresolved issues take up time and energy. Ultimately, you or your organization will implode under the burden. By solving these issues, you'll free up capacity, creating more time and energy.

This system consists of two parts to building an organization that makes good decisions like the best of them. With this process, you'll have the tools to wield against obstacles holding your company back. The first part of the process is creating an Issues List. The second part is the Issues Solving Track.

Part 1: The Issues List

It's normal to have issues. The sooner you can admit you have them and not view that as negative thinking or some kind of a weakness, the faster you'll move forward. The good news is that there are only a handful of issues in the history of business. The same ones crop up over and over again. What changes is your ability to solve them. The key is to create an environment that smokes them out.

A vital first step is creating a workplace where your people feel comfortable calling out the issues that stand in the way of your vision. To do this, you and your leadership team must be comfortable with this type of environment. My only expectation with every client is that the team be open and honest with each other. If your leadership becomes open and honest, you'll end up with an open and honest

organization. As goes the leadership team, so goes the company.

No one has ever died from being open about issues. You have nothing to lose and everything to gain. Start with your leadership team meetings, and this behavior will trickle down throughout the entire organization. The result is an environment in which everyone feels comfortable being open and honest about everything.

If, on the other hand, the leadership team isn't healthy, the organization never will be. In his book *The Five Dysfunctions of a Team*, Patrick Lencioni makes the point that a high level of trust is the foundation that makes teams healthy and functional. In *Managing by Values*, Ken Blanchard and Michael O'Connor write, "Communication happens naturally when you make the work environment safe." Trust creates an open culture in which everyone feels comfortable talking about issues as they arise.

You can't achieve this openness if people fear losing their jobs or some other terrible ramification. Therefore, trust starts with you. You set the tone by openly admitting

mistakes and issues, then working together to solve them. Everyone must know that it's okay to raise issues as long as they're corrected.

The Issues List is meaningless if no one ever puts anything useful on it. The way to get meaningful issues on the list is to create open and honest teams. Your organization is made up of teams. Each must be healthy, starting with your leadership team. As each team becomes healthier, you'll notice issues flowing more freely and the trust level increasing.

As Kelly Karasiewicz, a leadership team member of Zoup! Fresh Soup Company, says, "The toughest business decision I had to make taught me a lot about being open and honest with my leadership team. It was ultimately my decision, but I needed the leadership's input to make it. It taught me so much and has become the most important because it was such a learning experience.

"I had a general manager who'd worked for Zoup! for about six years at the time. He was a superstar when it came to customer service, but when it came to the numbers,

he couldn't hit the mark. My first year in the operations manager position, I thought that, with my guidance, he could be successful. I felt that you can teach the numbers, but you can't teach that great service aspect that he had. I spent a great deal of time getting him in line with benchmarks, and working a great deal with him to maintain them. As soon as I started letting up a bit, the numbers started slipping again. I would again refocus him and spend more time working with him to get him back on track. After a few months of this, I started to back off again, and the numbers again started to slip. I started wearing myself out and losing motivation because I felt it was me who was failing him.

"I started to open up to another leadership member about feeling so inadequate and asked for her ideas on a way I could be better. She asked me if I truly felt that the general manager wanted to learn and be better. It was *this* question that changed things. I realized that if he did, things would not keep slipping. I realized that I had been trying to fit a square peg into a round hole, and it was never going to work. After this conversation, I had more discussions with my entire leadership team to get their

input on the successes and failures that this particular individual had. I was able to weigh out the good and the bad, and realize that this was not the right position for this person. The hardest thing I had to do was let him go. He was one terrific guy, but just not in the right seat and I was not helping him by keeping him on.

“I was hurting myself and the company by not accepting this reality and by throwing my focus onto one individual rather than developing my team. Since then, I’ve replaced him with someone who not only gets the culture and the service aspect but cares about and drives the numbers! We found the round peg! He is always willing and wanting to learn and be better, and with an open mind. He’s in the right seat! He wants it, he gets it, and he has the capacity!

“This decision was a turning point for me. I learned to trust my leadership team. I learned I could count on them to back up my decisions and help me with the tough aspects of my job when I doubt I can do them alone. It was the first time I went to the team for advice on a big change in the company, and though this took a very long time to do, it helped me to trust my team.”

With an open and honest organization, the Issues List becomes a device and a discipline to keep all of your issues out in the open and organized in one place. There should be three types of Issues Lists in your organization:

1. Long-term Issues Lists: These are company issues that can be shelved beyond ninety days. These issues are tackled in future meetings. The issues that aren’t a big enough priority for this week or this quarter must be stored somewhere so that you don’t lose sight of them—a back parking lot, if you will. The long-term Issues List is the place for those issues. The reason for sequestering them is that you don’t want them bogging you down by being on one of the following short-term Issues Lists. This long-term Issues List will include issues as diverse as new product ideas, key employee issues, technology needs, office relocation, capital needs, and the need for HR policies. They go there if this isn’t the quarter to solve them because you have bigger fish to fry.

2. Weekly leadership team Issues Lists: The time frame on these items is much shorter. These are all of the relevant issues for this week and quarter that must be

tackled at the highest level. These issues will be resolved in your weekly leadership team meetings. These will typically be more strategic in nature. You shouldn't be solving departmental issues. If it can be solved at a departmental level, push it down. Leadership issues include items as diverse as company priorities being off track, bad numbers for the week, key employee issues, major client difficulties, and process- and system-related problems.

3. Departmental Issues Lists: These issues are on a more local level. These include all the relevant departmental issues for the week that must be tackled during the weekly departmental meetings. The sales team might have hitting call numbers, presentations, closing business, marketing, and presentation materials on its list, while the operations team might have fulfilling orders, purchasing, customer complaints, and low production numbers on its list.

With an open and honest culture and the three Issues Lists clear, issues will start flowing freely. You can now compartmentalize each issue onto the appropriate list.

A client shared a great idea that he used when he was having a hard time getting the people in his department to be open and honest in the identification and resolution of issues. For his next meeting, he made it mandatory that everyone bring two issues. If someone didn't have two, he or she couldn't attend the meeting. He said it was the best meeting his team had ever had. With the floodgates opened, they're healthier than ever and issues are readily shared.

Each issue that arises in your organization has a place, which means you have to start working on solving them. The most effective way to do that is by following the Issues Solving Track.

Part 2: The Issues Solving Track (IDS)

When it's time to make decisions, leadership teams spend most of their time discussing the heck out of everything, rarely identifying anything, and hardly ever solving something. It's truly an epidemic within the business world.

Most teams suffer from a common set of challenges when making decisions. These include fear of conflict, lack of focus, lack of discipline, lack of commitment, and personal ego. After observing this phenomenon for many years, I created a simple tool that allowed my clients to resolve their issues efficiently and make good decisions. It's called the Issues Solving Track.

The Issues Solving Track consists of three steps:

1. Identify
2. Discuss
3. Solve

To start, examine your Issues List and quickly decide on the top three issues to be solved. Don't make the mistake of starting at the top of your Issues List and working your way down. If the most important issue is seventh on the list, you'll rarely handle that many issues in one sitting, and, as a result, you won't get to the most important one.

In addition, when you take them in order of priority, a few issues will fall off the list because they turn out to be symptoms of the real issue you already solved. For

example, say you decide that the most important issue is that the handoff process from sales to operations is ineffective. After solving it, you might realize that the first and second issues on the list—frustration with the sales team and slow project starts—were also symptoms of the same problem. As a result, they go away on their own.

Assuming you've decided what the three most important issues are, start with the most important and follow the Issues Solving Track:

Step 1: Identify

Clearly identify the real issue, because the stated problem is rarely the real one. The underlying issue is a few layers down. Most of the time, the stated problem is a symptom of the real issue, so you must find the root of the matter. By batting the issue back and forth and going deeper, you'll reach the true cause. Problems are like mushrooms: When it's dark and rainy, they multiply. Under bright light, they diminish.

Prepare to get a little bit uncomfortable. Most causes of real issues are people. The discussion can hit close to home

if either someone on the leadership team or one of his or her staff is responsible. You have to be able to talk about the elephant in the room. That's why trust is so important. You have to become more vulnerable with each other and be willing to be straight about real problems. Remember the greater good, and be open and honest.

The time spent identifying the real issue can take far longer than the time used for the second and third steps, and that's okay. That's because the root problem may have multiple symptoms. Put another way, sometimes you'll spend most of your time identifying the issue. As a result, the discussion and solution steps will take just a few minutes because the real issue is now clear.

Here's an example: The stated issue is that John's customers are too demanding. John runs the warehouse and has been complaining that, between ordering and receiving products, customers are expecting too much with a two-day delivery time. By discussing the issue, you go from thinking that John's customers are too demanding to thinking you might not be communicating with your clients as well as you should. As you dig further, you might feel

that maybe the process isn't working. But through more digging, you discover that it's John that isn't working.

All the way down at the bottom, you realize that John is in the wrong seat. The reality is that the customer's two-day delivery request is very reasonable, and if you don't achieve it, the company will start losing those customers. John is just incapable of organizing, managing, and getting product out on time. He doesn't have the capacity. So, assuming you've now clearly identified the real issue—John is in the wrong seat—you can now move on to discuss what to do. Sometimes this process feels like peeling an onion.

Step 2: Discuss

Most people spend the majority of their time at this step. They rarely identify the real problem before they start discussing, and thus they rarely solve anything. They just discuss everything ad nauseam and actually think they're being productive. Don't move on to this step until you feel you've clearly identified the real issue that you're about to solve.

The task of clearly identifying an issue enables you to stay

focused on the issue at hand and avoid tangents. Once the issue is clearly identified, don't be afraid to suggest a solution. Sometimes you don't have to spend much time in the discussion step because the issue is so clear and the solution is so obvious. In the above example of John, what more is there to discuss? The solution is to assess John, sit down with him, determine if he can correct his issues, and then create a plan of attack.

In its simplest form, the discussion step is everyone's opportunity to say everything he or she has to say about the issue. You get everything on the table in an open environment where nothing is sacred. Taking a shot at voicing a solution forces others to react, which prompts a fuller discussion.

I'll add one stipulation: Everyone should say what he or she believes but say it only once, because more than once is politicking. In the discussion step, you need to fight for the greater good, not what's best for you or your department. If an issue is starting to hit home and the solution causes you discomfort, you must try not to push the solution in a direction that's more favorable to you or your team. If you

do, you aren't fighting for the greater good of the company. You're just protecting your turf. You should have healthy conflict and let the best solution come to light, even if it causes you some pain.

Likewise, when the discussion starts to become redundant, it's time to move to step three. But before we do, let's have a quick word on tangents.

TANGENT ALERT!

RE/MAX First was suffering from veering off on tangents more than any other client I'd ever had, so much so that I was running out of ways to help. As a last resort, during a break, I looked up the definition of the word in the dictionary and wrote it in big block letters at the front of the room. When the leadership team members came back, this is what they saw:

*Tangent:
Diverging from an original purpose or course;
See irrelevant*

That did the trick. To this day, they're one of the best at staying focused, and are now much more productive.

Incidentally, after that meeting, they went on to have the most profitable year in the history of the company.

The number one reason most leadership teams spend the majority of their time talking is tangents. I've observed teams that go on as many as ten during the discussion of one issue. I know this because I write each of them down and then share them when the team is done discussing. That can be a great wake-up call. They'll start out talking about increasing sales, and five tangents later, they're talking about letterhead. The conversation goes like this: Sales are down; we have to increase sales. Then someone brings up the salespeople and what they're doing, and from there, we discuss one of the salespeople, Jack. Then the subject of Jack leads to that of Jack and Sue in accounting not getting along. This leads to the question, "Did Sue send the letter to customers who are past due?" which raises the question, "Did she use the new letterhead?"

You don't have to sit there helplessly. When someone starts to go on a tangent, get in the habit of saying "Tangent Alert!" It's a friendly triggering mechanism that keeps you on track. If the tangent is a real issue, but not relevant to

the current one being discussed, put it on the Issues List and get to it in order of priority.

Upon completing the discussion step, all of your options, data, ideas, solutions, and concerns regarding the issue at hand will be out in the open. This enables you to move to step three—making the issue go away forever.

Step 3: Solve

The solution step is a conclusion or solution that usually becomes an action item for someone to do. The item ends up on the To-Do List, and when the action item is completed, the issue goes away forever.

George Perles, the head football coach of the Michigan State Spartans from 1983 to 1994, once gave a dinner talk at a function I attended. He shared a mantra from his days as an assistant coach for the Pittsburgh Steelers during their heyday in the 1970s. He said, "We made every decision like we were going to the Super Bowl," and they ended up winning the Super Bowl four times. That's what every leadership team needs to do. You should make all of your decisions as though you're going to your own Super Bowl—as though you were achieving your vision.

Solving issues takes time. By solving issues now, you'll save time exponentially across departments by eliminating all future symptomatic issues. The old days of shoving issues to the side so you can make it to next week have to come to an end. Jury-rigging problems with duct tape and twine will become a thing of the past. To be great, you have to make good decisions for the long term in accordance with your vision.

Three types of resolutions will emerge from your decision making. The first is when the issue is solved and requires action—for example, "John is going to revise the accounts receivable past-due letter to include the new language." In this case, John takes the action item and completes it, and it's solved.

The second is when the issue is merely awareness, and the conclusion is that everyone concurs with that awareness—for example, "Okay, so we all agree that meetings will start on time."

The third is when the issue needs more research or facts. In this case, someone is assigned an action item to do

the research and bring it to a subsequent meeting—for example, "Bill will gather the client data for the last two years, and we will make the issue a top priority in next week's meeting."

One important point: When the issue is completely solved, someone must make the solution statement. For example, in the case of John being in the wrong seat, someone states the solution: "Barbara will sit down with John and discuss the warehouse seat issue, offer him the assistant manager seat, and see if he wants it. If not, we will part ways." You'll know after the statement that the problem is solved because you'll hear the sweet sound of agreement in the room. The issue is then owned by someone (in this case, Barbara), it's added to the To-Do List, and it gets done.

Occasionally after the solution statement, someone will say, "Wait a minute, that's not what I heard," and the discussion will begin again. That's okay. You're creating clarity and getting everyone on the same page. Be patient.

The Issues Solving Track always follows these three steps: identify, discuss, and solve. The acronym for the track is IDS. As you move forward in mastering good decision making, IDS will become an important aspect of your day-to-day running of the business. From now on, when faced with an issue, you simply “IDS it.”

The power and simplicity of IDS is demonstrated by two of my clients who do business together. They were facing some tough issues, so they scheduled a meeting. They sat down in the conference room, and one walked up to the whiteboard and wrote this:

The image shows the acronym 'IDS' written in a casual, handwritten style on a whiteboard. The letters are dark and slightly slanted, with the 'I' and 'S' having a similar height and the 'D' being shorter and positioned between them.

The other smiled, and they went to work and resolved all of their issues. The Issues Solving Track works not only internally but also externally. The ability to “IDS it” became a common language between the two of them, and it’s helped them not only to achieve resolution but also to get there faster.

With the process clear, you can create an open and honest organization that comfortably calls out issues and uses the Issues List and the Issues Solving Track to document and eliminate them.

In Summary

What are the four discoveries again?

1. You must have clarity of vision.
 - Answer the five foundational questions
2. Good decision making requires clarity and confidence.
 - Take Clarity Breaks
3. You must avoid ten bad decision-making habits.
 - Follow the ten commandments of good decision making
4. Not all good decisions are made at the same speed.
 - Know your decision-making tempo

What is the exact process for solving issues?

1. Make an Issues List and smoke out all issues.
 - Make long-term and short-term Issues Lists
 - Be open, honest, and healthy
2. Then solve them with the Issues Solving Track (IDS).
 - Identify
 - Discuss
 - Solve

You're now positioned to make good decisions as you go forward.

A great first step is to take a Clarity Break, sit down with a legal pad, and list everything that's bothering you. Pick the toughest one and then decide!

Stay focused.



The Six Key Components of Your Business

What you've learned in this book is how to make good decisions for yourself and your leadership team. Solving issues well is one of the Six Key Components of your organization, which are as follows:

- The Issues Component
- The Vision Component
- The People Component
- The Data Component
- The Process Component
- The Traction Component

When you strengthen the Issues Component—along with the other five key components—you'll truly build a great organization and gain tremendous traction.

For the complete how-to guide on strengthening all Six Key Components of your organization, purchase the award-winning book *Traction: Get a Grip on Your Business*. For a real-world example of what it looks like to strengthen the Six Key Components of your organization purchase the follow-up book, *Get a Grip: An Entrepreneurial Fable*.

Both are available at amazon.com and Barnes and Noble. For a preview of both books you can download a free chapter of each book on our website at www.eosworldwide.com.

While at the EOS Worldwide website, complete a free organizational checkup on your company and freely download supportive tools from the EOS Toolbox™.



About the Author and EOS Worldwide

Gino Wickman's passion is helping people get what they want from their businesses. To fulfill that passion, Gino created the Entrepreneurial Operating System (EOS), a system that, when implemented into an organization, helps leaders run better businesses, get better control, have better life balance, and gain more traction. Gino spends most of his time as an EOS Implementer, working hands-on with the leadership teams of entrepreneurial companies to help them fully implement EOS in their organizations. He is the author of *Traction: Get a Grip on Your Business* and *Get a Grip: An Entrepreneurial Fable* as well as the founder of EOS Worldwide, a growing organization of successful entrepreneurs from a variety of business backgrounds collaborating as certified EOS Implementers to help other entrepreneurs throughout the United States and world to get complete control of their companies.

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If you're interested in assistance with implementing EOS in your company, please contact us at 1-877-EOS-1877 or through our website at eosworldwide.com.

If you're interested in becoming an EOS Implementer, please complete the EOS Implementer Questionnaire on our website at eosworldwide.com.