

Ten Keys for Running an Effective Business

Written by Dr. Chris Alexander, PE | Saturday, June 10, 2017

Organizations succeed or failure based on the performance of leaders. In companies, we pay people at the top to see what we don't. When leaders do their jobs well, great things happen. Unfortunately, we they don't disaster is often inevitable. In this short article, I share ten thoughts to help leaders focus on what's important – mainly the people they lead.

1. Take care of people by what you do and not what you say (stop talking and start doing!). *Speech lies somewhere between thought and action and is often a substitute for both.*
2. Don't be afraid to make mistakes, but admit when you do. It's better to make "mid-course" corrections in route than never move at all.
3. Learn to "weigh" the advice of others. Companies should be very hesitant to heed advice from people with unproven track records. If a person has not proven themselves within your company by either inspiring others or generating revenue as a rainmaker (preferably both), it is unwise for them to influence the direction of your business until they have proven themselves.
4. Take interest in the lives of young people and don't leave them to "fend for themselves". Young professionals benefit significantly when provided guidance related to matters including career opportunities, being encouraged to take challenges, and work-life balance. Businesses have a moral responsibility to raise the next generation of leaders and workers.
5. Admit mistakes. Everyone makes mistakes and a lack of vulnerability communicates, at best, hypocrisy and arrogance; at worst, it erodes trust. People will follow leaders who are willing to admit mistakes. And we know from history followers are willing to die for great leader.
6. Hold people accountable based on their level of responsibility within the organization. This means people have a clear understanding of what's expected of them.
7. Don't avoid confrontation and discipline. Just like being a parent, organizations and the people in them require discipline. This should always be done in a caring manner with the aim of restoring performance.
8. Don't be afraid to fire people. This is one distinction between a family and a business (we can't fire family members!). Once a person has demonstrated an unwillingness or inability to perform at the level expected of them, termination must be an option. This should be a last resort; however, failure to fire people for poor performance leads to reduced morale and breeds apathy among the troops.
9. Reward people based on performance, not position or years of service. "Leaders eat last", meaning that good leaders put those under their charge before themselves. This is especially true when it comes to rewarding top performers in an organization. Failure to reward performance will ultimately lead to failure of the organization. And finally, don't forget the value of saying "thank you" for a job well done; it costs nothing, but will do wonders for the people around you.
10. Read. *Leaders who aren't reading aren't leading.* As humans, we don't live long enough to make every mistake in the book, so we benefit in learning from the insight of others and reading of the mistakes they have made. In addition to the Bible that has answers to every problem known to man (especially for those who have a personal relationship with God through Jesus, i.e., John 3:16), listed below are five books that have profoundly impacted my view on life, leadership, and business:
 - Jim Collin's *Good to Great* – good overall book on leadership and what it takes to be the best
 - Patrick Lencioni's *The Five Dysfunctions of a Team* – this is undoubtedly the best book ever written on how to build successful teams, which leads to profitable companies.
 - David Maister's *Managing the Professional Service Firm* – this is a "must read" for anyone in the service business, especially consultants.
 - Harry Beckwith's *Selling the Invisible* – wonderful book with creative ideas for those in the service business, and let's face it, we're all in the service business!
 - Marcus Buckingham's *First, Break All the Rules* – I read this book many years ago, but it left an indelible impression on my mind in what it takes to be a good manager.