'The alignment factor': approach to success

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- As an entrepreneur and small business owner, what does success mean to you and your business? Of course, success could simply mean “staying in business during the pandemic.” But having a vision of success beyond this event is essential.

At a time when social media bombards us with information and misinformation and when the pandemic is negatively affecting all of our businesses, it is critical to avoid distractions and clearly navigate to success.

As challenging as it may sound, it is possible to survive and even thrive by simplifying and maintaining a clear focus through what we call a page of meaningful information. The key is knowing what information is most critical to your success.

Vision of success

As an entrepreneur and small business owner, what does success mean to you and your business? Of course, success could simply mean “staying in business during the pandemic.” But having a vision of success beyond this event is essential, and you must include in that vision the expectations of your key relationships (i.e., customers, creditors, suppliers and partners) and the tangible results that will indicate that they have been met. We call these indicators critical success factors.

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For example, to measure your success in customer relationship satisfaction, you can look at your sales growth percentage, the percentage of your sales from the same customers, or the customer satisfaction index based on a feedback survey. Creditors would be interested in your debt / equity ratio, net worth, and credit score. Your suppliers will require clear specifications, loyalty and payments on time. A supplier satisfaction index that measures supplier requirements can also be obtained through a survey. Ultimately, your partners will be interested in your financial success which could include your net margin and **Economic Value Added** (EVA), which measures your overall financial condition.

These are just a few examples to think about. Once you've compiled a list of the critical success factors that are most valuable to you, you will have the beginning of a page of meaningful information.

One page focus

Next, it is important to know the current baseline status of each of the critical success factors. For example, what is the percentage of growth in your sales, the percentage of repeat business, or your current customer satisfaction rating? What is your current debt-to-equity ratio or net margin?

The next step is to set reasonable goals for each critical success factor. There are three that we recommend: Minimal, Satisfactory, and Outstanding. The minimum goal is the acceptable threshold of performance. Outstanding is the best possible level, and Satisfactory is your next step towards Outstanding. These goals can provide the motivation to act. If the outstanding goal is long-term and challenging, you may need to move your satisfactory goal several times as you work

towards the outstanding.

The factors you have identified are important, but not equally. First analyze their relative importance, then assign a weight to each by distributing 100 points among them. The result of this exercise is a list of factors (with weights), the current state and its three levels of objectives. Basically, you have set up your dashboard for success. Your critical success factor in the first column, relative weight in the second, status in the third, and all three goal levels in the fourth, fifth, and sixth columns. We call this your **Focus Report.**

Review and reflect to move towards success

To keep moving forward, it is important that you establish a weekly rate of review of your progress in your focus report. Make a formal appointment with yourself and enter it on your calendar. And don’t cancel it!

Look at the current status of each factor and compare it to the three levels of objectives. Think about what happened during the week that helped or hindered your progress. Can you identify an action that produced a good result and therefore repeat it? Was there a negative result that requires attention? Stay on top of your current state and how far you are progressing towards your goals.

Choose one of the factors for an in-depth analysis. This could be a factor with the highest gap or one with the lowest gap of the satisfactory goal. Your decision depends on the weight you have assigned to it. One factor may have a high gap, but may not be as important as another with a low gap. Naturally, I would choose the one with a low but highly significant gap, a factor that could be easier to address and improve, and one that could produce highly beneficial and motivating results.

For the selected factor, you will need to develop an action plan for improvement, one that requires a root cause analysis. You can find guidelines for action planning in the driving literature. An effective one will typically involve identifying the real problem behind the poor performance, the root causes, the solution strategy, and the action steps to implement the solution strategy.

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Once you've come up with a creative action plan, it will become your main focus for the next week. Each subsequent week provides a new opportunity to review your data, reflect, learn, and witness progress. That learning will impact your adjustments, and your progress will encourage you to stay on track and keep improving.

Waterfall

If you discipline yourself to follow the simple guide in this article, you will be surprised at the benefits you will get. Naturally, you will want to pass your learning on to others. We recommend that you consider cascading the process described in this article throughout your organization. If you are an entrepreneur with a few employees or hundreds, you can encourage each person to create a unique page that includes the key results for success in the same way that you did. These key results or critical success factors can come from measuring job objectives or from measuring the expectations of four key relationships: customer, supplier, boss, and employer. Whichever methodology is used, the result can be a set of critical success factors for the person who fits into that single page and determines their focus report.

Transfer your own learning from your experience with the concepts in this article with your collaborators. Imagine all

of your employees striving for success based on key performance indicators that each can impact!

Stay focused

With your one-page focus report in hand, you can avoid voices that distract you and try to grab your attention. Use it as a security shield against information bombardment and misinformation. Just keep your eye on the single page and use it as a clear guide to navigate your business to success.

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