Give Them A Good Reason

I got this phone message today…

> *"Ellen, call me. My team wants to know why we are changing everything. Why we are moving to flat rate pricing. Why we are implementing a new way to pay. Why we are keeping score. I am afraid of an all out rebellion. Help!"*

I called him back.(Let's call him Ken.) After he took a few breaths, I asked him, "Why *are* you doing all this?"

> *"Because I have had it! We are barely profitable. I am tired of the work-today, bill-tomorrow, get-paid-whenever business cycle. I'm embarrassed by how I am currently paying people…which is all over the place, based on how desperate I am to keep people working here. I'm frustrated because I gave big fat holiday bonuses at the end of last year and my employees were not very appreciative. Some didn't care and some thought it wasn't enough. Something has to change for me to keep this business going."*

Ken hasn't successfully communicated these reasons to his employees. And if he doesn't craft a better way of expressing them, he is going to unload on his team and damage his already fragile cultural climate.

"The 'hows' don't matter until the *why* is established." ~Simon Sinek, author of *Start With Why*

Let's define some business building basics. And let's start with *why*.

The Mission is your *Why*. This is the what-gets-you-out-of-bed reason for this business to exist. For example, "So that my family is well cared for." Or, "So that my employees can provide for their families." It can be as simple as that. Or, it can be lofty. "To demonstrate greatness and integrity in all we do." Whatever drives you, that's your Mission.

Your Most Important Goal is the Vision. Can you describe, in dollars, numbers and dates, what your company looks like 3-5 years from now? That statement is your Vision. For example, "To have $3 million in sales, with 10 service technicians, operating with a

written business plan and operations manual, delivering 20% profit and maintaining a 2:1 current ratio, while living our company values."

Additional Goals are milestones on your way to the Vision. Aligned with the Mission and the Vision, one of the Goals may be to, "To have a budget that provides this year's financial Goals and a supporting selling price. The budget is due by _____."

Next, engage activities, Projects, that will help you achieve your Goals. These are the "hows." This is a basic approach to business planning.

Let's return to Ken....

Reflect …

Suppose Ken took a day or two to craft his Mission and his Vision, and set a few Goals for this year. The path from where he is now to where he wants to be – his Vision, his Goals – will involve changing *something*.

Regroup…

It's Ken's job as the owner to develop the Mission and Vision. However, he would be well served at this point to let others in on the game. If he can present his Vision in a compelling way, he make it happen, and positively impact others' lives, too. That means making sure there is enough *why* in it for his employees.

Ken could share his Mission and his Vision and a few of his Goals. He may share the budget. Then, he could work with the team to come up with additional Goals, and a list of Projects that would move them forward.

That list of Projects might include…

Create a flat rate pricebook with new, higher selling prices.

What's the *why* for the team? Higher prices make sure customers are paying for first rate training, new equipment, great benefits and all other costs of doing business. Flat rate pricing helps the company break free of "commodity" pricing, which assumes that all technicians are the same and a

T&M price is the only differentiating feature. Even better, flat rate gives customers a big benefit: The power to say yes or no to the work before the tech gets started.

Create a clear Organizational Chart with transparent Salary Levels.

Why? Clear pay scales and career paths mean less worry and frustration about how and when team members qualify for a promotion and/or a raise. When the salaries are built into the budget, the pay plan is sound and sustainable...win win.

Create a bonus program based on sales and/or production.

Why? It makes sense that people who deliver more are rewarded and recognized. To be a member of the team, certain standards must be maintained. For those who consistently exceed standards, it's reasonable that they can qualify for a bonus based on objective standards. For instance, delivering sales above goal or bringing production work in at or below bid. To deliver on this promise, you have to keep score.

Create/secure training for Technical and Sales skills development.

Why? If you are going to keep score, you have to provide the training and opportunity to get good. Otherwise, scorekeeping is petty and meaningless. Solid training happens in-house, grounded in written procedures. How nice it is to know what you are responsible for as well as how to do it! The promise is that what is necessary to be successful will be provided to all team members. Note that not all of your training or systems will be in place yet. Vow to work together to update the manuals and formalize consistent, productive training at all levels of the Org Chart.

Start and *finish* with *why*.

Ken's employees may drop their resistance, if they understand what's in it for them. While business is not a democracy, it does no good to constantly deliver decrees. Some things are negotiable. Ken can work with his employees, particularly the managers, to discover the reasons why change is necessary and beneficial.   As they do, they will fix the problems they find along the way... if they feel respected and like they are part of the process.

Suppose, after all this, one or two team members still won't buy in? His Vision won't appeal to everyone. It doesn't make someone wrong or bad if they don't get it. Let them go so they can find a better career fit elsewhere. There are bound to be those who are inspired by the Mission and Vision and Goals. When the intention is clear, and the game is good, the right people will want to play.