

BusinessMantra™

A resource for executives and business owners

Each bulletin covers topics that are relevant to the success of any organization. It provides information that business folks can put to use with ease.

Coach's Tool Box section in each issue contains practical ideas that are simple to implement.

Read the *Mantra*™ and if you like it, tell the world. If you don't like it, tell us. Your feedback will help us improve future issues.

We allow readers to freely reprint these bulletins so long as they are printed in full including our contact information, without editing or any alteration. We request that you include this notice and our contact information when using or distributing our bulletins.

About Us

PANDE Associates Inc. (PAI) advises CEOs, boards and executives on leadership, strategy formulation and strategy execution.

Through a combination of our practical experiences with the tools of the **CEO Advantage**™, PAI helps organizations get to the next level.

The CEO Advantage™ is a proven process built on the great works of Jim Collins, Patrick Lencioni and Verne Harnish.

For more information on how PAI can take your business to the next level, please visit us at www.pandeassociates.com.

Do you have an outside advisor?

It's lonely at the top.

Of course it is. You know it. I know it. We all know it.

This universal truth in the world of business isn't going to change but with a good outside advisor on your side, your life at the top can be a lot *less stressful*, and a *lot more profitable*.

I know this because I have been there.

(But that's a story for another time)

In a previous *Mantra*™ I talked about Verne Harnish's research where he says that 99.6% of all businesses in the US fail to grow past \$10 million sales level. One of the reasons behind this statistics is that smaller business owners and executives fail to see the value of outside advisors.

I recently had an opportunity to meet a person that I had previously met a few times and discussed business development and the challenges smaller business owners face when trying to move up on growth curve. This person claimed to be doing all the right things but still not meeting success. I asked him how he knew that the things he was doing were the right things. His reply was that he just knew they were the right things. This happens frequently with smaller businesses. Rather than asking me what he may not be doing right, he vehemently defended what he was doing.

WRONG, WRONG, WRONG. That is why 99.6% stay below \$10 million.

Smaller businesses generally shy away from having external advisors with the exception of specialized areas such as Lawyers, CPAs, Bankers, Insurance Providers, HR Consultants, etc.

These people provide the much needed advice in their areas of specialization; however, none of these fill the void at the top. They don't help you decide which leg of the fork to take when you are crossroads with respect to long-term strategies.

There is nothing magical about the \$10 million mark. Regardless of size, businesses get stuck all the time and, without outside help, find it difficult to get to the next level. Many struggle with managing change, so much so that some end up in bankruptcy.

People like Ram Charan, Jim Collins, Verne Harnish, and Patrick Lencioni, to name a few, have written great books that provide excellent ideas and concepts. Instead of simply resorting to books many large companies have used these great authors as advisors. Why – Because they know that self help seldom works.

Of course smaller businesses cannot afford these advisors but there are many good advisors that may be affordable.

What is a good outside advisor?

A good advisor is an advocate who you can trust that is close enough to know you well, but removed enough to see you and your ideas from a clear and independent point of view.

From the Coach's Tool Box

Stand in front of the mirror and talk to person in the mirror. Ask the person in the mirror the following questions:

- What makes me think I am doing the right things?
- When was the last time someone challenged my thinking?
- How would I react if someone told me my thoughts (and actions) are flawed?

Truthfully assess the answers the person in mirror gives you and act accordingly. If you cannot do this on your own, ask someone to challenge you.

If you are interested in a particular topic or you have a question regarding the topic covered in this *Mantra™*, please write to:

ppande@pandeassociates.com

Sincerely,

Prafulla Pande

Prafulla Pande
PANDE Associates Inc.

(248) 736-6612
ppande@pandeassociates.com

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An advisor is a trusted person who will always listen to you and speak his (or her) mind when necessary. He (or she) is an objective witnesses who means it when he (or she) says "that sounds great" and who says "bullshit" when it's needed. He (or she) always cheers for your success and provides a shoulder when you need support.

In general an advisor is your:

- ✚ Sounding board
- ✚ Training partner standing by your side while you do the heavy lifting
- ✚ Coach and answer-finder
- ✚ Helper to assist you in managing change
- ✚ Conscience that keeps you disciplined, focused and accountable

When we get diagnosed with a serious medical situation, we go for a second opinion; sometimes maybe even a third opinion. We do this because we are not sure and we want someone to confirm the leg of the fork we are choosing. In business, leaders are making serious decisions all the time and often without a second opinion.

Larger businesses and some smaller businesses have Boards of Directors. The function of an advisor is very different from that of the Board. Look for more about Boards in future *Mantra™* issues.

The foremost job of an executive is to make decisions. The executive decision-making is occurring today at an unparalleled pace in a global marketplace marked by dynamic change.

Dr. Saj-nicole Joni is an author of "The Third Opinion: How Successful Leaders Use Outside Insight to Create Superior Results". In this book, Dr. Joni talks about a concept she calls The Exponential Thinking. This concept allows you to see all sides of a complex issue; examine its context, look for interrelationships, explore assumptions, and ask questions that reveal the full truth and potential of a situation leading to a sound decision.

Exponential thinking is a new paradigm that is based on three new habits:

- ✚ The habit of mind
- ✚ The habit of relationships
- ✚ The habit of focus

This paradigm shift requires outside help and is extremely difficult to accomplish on your own.

Dr. Joni's concepts apply to emerging leaders, key leaders and senior leaders in our organizations.

Some argue that much of what an advisor does is common sense and discipline. Anyone should be able to do that, they contend. This is a true statement but how many actually practice it. Only a few indeed! If players could do it, sports teams would not have coaches. If students could learn on their own, schools would not have teachers and professors. If business owners and executives were doing it, 99.6% would not be struggling to get past \$10 million. Analogies can go on. My answer to this argument is – When was the last time you set foot on that thousand dollar treadmill sitting in your basement?

People that resort to these arguments are missing an opportunity.

An opportunity to take their business to the next level.

Find an advisor sooner than later. A year after you have been working with one, you will be thankful you did.

On another note, I tell all my clients: "Success must be preserved. If it is not preserved, it can become the biggest cause of your failure". Preserve every success you achieve and build on it. Don't let it become a cause of failure. Read about this in the next *Mantra™*.