RHYTHM

How to Achieve Breakthrough Execution and Accelerate Growth

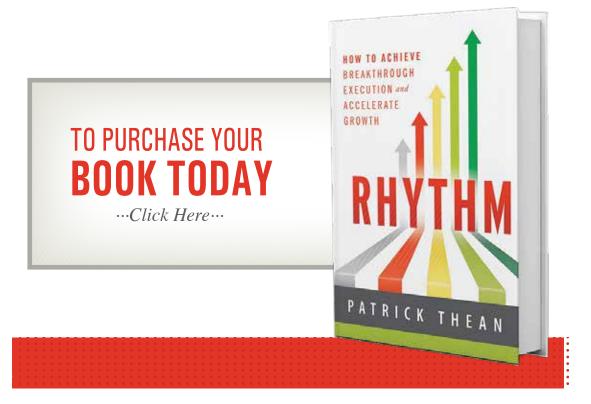
Closing Chapter

From Good Execution to Great Execution with Rhythm

PATRICK THEAN

As you're reading this chapter, you may consider the Rhythm Software that pairs with the strategies within the book. It helps you develop and execute your team's long term strategy, Winning Moves, quarterly and annual plans and weekly execution using KPIs and Dashboards.





FROM GOOD EXECUTION TO GREAT EXECUTION WITH RHYTHM

A journey of a thousand miles must begin with a single step.

—Lao Tzu

In 2013, I was invited to speak at the ImageFIRST annual meeting in Chicago. It was a real privilege for me. As I prepared for the keynote, I thought back over the past seven years to when I first began working with ImageFIRST. I was impressed with Jeff Berstein, CEO of ImageFIRST, from our very first call. Jeff is an avid learner and was highly motivated by Jim Collins's book *Good to Great*. He was excited about taking his company on a quest from being a good company to becoming a great one. "We have a very simple business. We just do laundry for the health-care industry. I think our competitive edge has to be about being a great company. The kind of company that serves customers in a way that both employees and customers love!"

When I asked him what his biggest challenges were, he spotlighted execution. "Our business may seem simple, but it seems like it is harder to accomplish our goals than it used to be." He told me he felt as if they weren't well organized or disciplined enough. This is a problem many growth companies face, and it is easy to blame it on growth. But Jeff recognized that if the company did not get more

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organized and disciplined, he would still have these challenges even without growth.

As I started working with them, it was clear to me that Image-FIRST was indeed a very good company, and they were actually pretty well organized and disciplined. They had a highly talented leadership team that knew how to work well together. Yet, when their instincts told them that they needed to work on an area of the business, they did not always have confidence that they were making the right adjustments for the best results. They had opportunities to install consistent rhythms to think, plan, and do. Like our other clients, implementing these rhythms would give them a systematic way to work on their business and get the work done.

They were also missing a few leading indicators with clear success criteria that would give them insight as to where to focus their energy. For example, while they were already focused on customer service, they did not have a clear KPI to confirm that they were making impactful improvements. They had this promise on their website: "Every customer interaction will be a positive one." At our first meeting, I asked, "So how do you know if you're actually having a positive touch?" There was silence for a moment and then Jeff said, "I guess we don't." They had no way of knowing whether they were delivering on a stated promise.

Jeff understood that it would be a process and that it would take time. We started to implement the three rhythms to help him accelerate and enjoy his journey of going from good to great. And over the next five years, they were able to double the revenues of the company!

They would discover the right things to do in the Think Rhythm, build their execution plans in the Plan Rhythm, and get on a path of consistently improving their execution every week with the Do Rhythm. Over time, they grew and improved the quality of the business. On one of our coaching calls, Jeff was really excited. He said, "Patrick, my business is really simple. I have realized that if I can get every single associate at ImageFIRST to focus on four operating principles, we will become a great company: One, we need to show our customers we care and build strong loyalty. Two, our associates need to take pride in being the best they can be. Three, growth. Four, profit." I am always excited when clients tell me that their businesses are simple. That means that they have come to really understand their businesses and have found a way to explain to their employees in very simple terms where they should be focusing their energy. That is powerful! These principles eventually became known as the ImageFIRST Way. While I did not help Jeff come up with the ImageFIRST Way, we helped him roll it out by leveraging the three rhythms. Over the last seven years, this has transformed the company.

Using the Think Rhythm, they worked on the four operating principles and came up with ways to improve the company and grow their team. Using the Plan Rhythm, they planned their rollout and execution of the ImageFIRST Way over the year. They initially wanted to roll out all of the initiatives at once, but I shared with them that focusing on one at a time, developing good execution habits and consistency along the way, would improve their results in the long run. After all, the great companies did not become great overnight. They became great by improving their companies one step at a time until eventually they were great. So in the first quarter, they developed and implemented their customer loyalty programs. The quarter went well and they saw a strong improvement in loyalty metrics. They had planned to roll out programs for the associates in the second quarter. But during the quarterly planning session, as the team discussed and debated their progress, they realized that they weren't quite done with establishing the customer loyalty principle. So instead of starting a new initiative, they made an adjustment. They decided to spend another quarter emphasizing customer loyalty.

Through their second operating principle, they got serious about people. It became important to get the right people doing the right The best companies are able to face brutal facts and make adjustments.

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things, aligned with their strengths. They identified people who weren't doing well and then found them different seats on the bus (to use a Jim Collins phrase)—positions that would allow them to excel. We helped them identify leading indicators to focus on improving the number of A players in the company. After an initial-stage improvement, it became more difficult to increase the percentage of A players in the company. Marcus Buckingham, author of *First, Break All the Rules*, teaches that your frontline managers determine the quality and capability of your frontline employees. So we focused on the leading indicator of making sure that every manager at ImageFIRST was an A player. By relentlessly focusing on the leading indicator of "percentage of A player managers," their percentage of total A players grew by an additional 27 percent over two quarters! This was essential to executing the second principle.

The best companies are able to face brutal facts and make adjustments. As part of ImageFIRST's Think Rhythm, the executive team continually reviewed the effectiveness of the ImageFIRST Way. After two years, and much discussion, they came to the realization that while customer loyalty is key to their success, they had made a mistake in setting that as their number-one principle. Instead, they came to believe that their number-one principle should have been "Our associates need to take pride in being the best they can be." Most companies would not have had the courage to admit that mistake and make the change. Joe Geraghty, the Chief Operating Officer, led the charge as they shared this newly gained insight with all their associates and embraced this opportunity to further improve the company. I asked Joe what helped him the most to make this major rollout successful. Joe replied, "After our executive planning session, we spent time discussing this with all our different locations in their planning sessions. We asked for their input on how to best educate the associates at their locations. Everyone was excited about making associates our numberone principle moving forward."

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Today, Jamee Rivers is the head of Human Resources. She provides "360" evaluations for every manager to help each one gain self-awareness as a manager and leader. Then she provides tools and training to help them grow their management skills and abilities. They have a management toolkit with fourteen specific tools that managers can use to help their associates take pride in what they do and be the best that they can be. They are serious about operating according to the ImageFIRST Way and helping people grow.

And cascading the planning process to all locations and departments got all associates focused and aligned on achieving the company's plan. Discussions about performance became team oriented and objective. This has been both empowering and uplifting for their associates, transforming them into powerful ambassadors for the company. Today, because of ImageFIRST's Customer Advocate drivers, the company receives love letters from clients who are thankful for the care their drivers have shown. Competitors may be able to duplicate their services and products, but it is almost impossible to duplicate the way they service and care for their employees and customers. This has developed into a true competitive advantage for ImageFIRST.

Jim Malandra, their Chief Financial Officer, shared that being accountable to executing their plan by using KPIs and dashboards is how they get things done now. "I am able to have good discussions every week with my team. We discuss any adjustments we may need to make. I like the idea of winning our thirteen-week race every quarter." Jeff Berstein agreed: "We have been able to make these rhythms a part of our culture quarter after quarter. They have given us a framework to be more disciplined and focused. The way the business runs now is very methodical. In some ways, despite all of our incredible growth, ImageFIRST has become a pleasantly boring place! And we are enjoying the journey of becoming a great company."

The funny thing about greatness is that as soon as you start to

believe that you have achieved it, you start to decline—hubris, biting off more than you can chew, less candor and self-awareness. These are the killers of growth and greatness. Why should any company care about Think, Plan, and Do Rhythms? Because they can take you from good to great, and they encourage you to continue to learn and improve no matter what level you're at.

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Rhythm is a process, not an event. It takes time. You improve bit by bit by bit. Gradually you move from firefighting to fire prevention. Before you know it, you are breaking through or avoiding ceiling after ceiling of complexity. Use the Think, Plan, and Do Rhythms to get your teams focused, aligned, and accountable. Keep your plan on track as you grow your company.

Start Advancing Down Your Path Now

Start implementing rhythm somewhere. It doesn't matter where. Maybe it's KPIs or priorities or Weekly Adjustment Meetings. Yes, there is a bit of progression in the Think, Plan, Do Rhythms, but

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focus on making progress this week by taking a first simple step in implementing rhythm in your organization. Don't wait until you can develop an annual plan or until you've refined your list of winning moves. Start today, and step by step, you will advance down that path and your company will grow and improve.

Rhythm Resources

Rhythm Software is a simple system to get your executive team and all your departments focused, aligned and accountable. It helps you collaborate on your long term strategy, Winning Moves, develop strong quarterly and annual plans and create the right KPIs and weekly Dashboards to keep your plan on track.



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