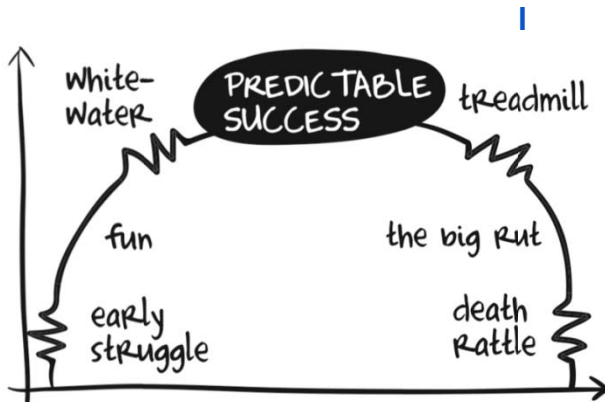




Cheat Sheet: *Predictable Success* by Les McKeown

The Five Characteristics that Distinguish Organizations in Predictable Growth



1. **Decision making:** Ability to readily make and consistently implement decisions
2. **Goal setting:** Ability to readily set and consistently achieve goals
3. **Alignment:** Harmony between structure, process, and people
4. **Accountability:** Employees accountable to selves and others
5. **Ownership:** Employees take responsibility for actions and outcomes

The Stages: How to Know You're There and What To Do About It

Stage	How You Know You're There	What's Hard About It	What To Do About It
Early Struggle	"It feels like you're hacking through a jungle, fighting to keep your newborn organization alive" (17).	<ol style="list-style-type: none"> 1. Making sure there's enough cash to keep going 2. Clearly establishing that there's a market for the product / service 	Get out of Early Struggle as quickly as possible: <ol style="list-style-type: none"> 1. Maximize access to external funding 2. Minimize path to viable market (prioritize, listen, experiment, adapt) 3. Connect funding to market as quickly as possible
Fun	It's fun! Company is grow quickly, but it's not clear how or why. New customers are coming quickly. There's extra cash on hand. Sales leads. Legends form. Risk taking and self-confidence (46 – 52).	<ol style="list-style-type: none"> 1. Constant uncertainty 2. Need to deal with ambiguity 3. Frequent changes in direction 4. Out of control costs 5. Egomania 	Enjoy it until the complexity kicks in and the company moves to Whitewater



<p>Whitewater</p>	<p>Complexity! Focus shifts from selling to servicing past sales. Emphasis on profitability over sales. Lots of firefighting. More sales makes situation worse. Consistent processes are necessary (19, 63).</p>	<ol style="list-style-type: none"> 1. Natural reaction to reject systems and processes 2. Learn how to excel at things other than sales. 3. Implementing decisions and making them stick 4. Managing organization's identity crisis 	<p>Provide a structure for making and implementing decisions with creativity, enthusiasm, and vision (134):</p> <ol style="list-style-type: none"> 1. Redraw org chart: represent reality, clearly define responsibilities of key management roles, implement teams and regular meetings with customers 2. Learn to manage laterally and proactively 3. Align after org chart and lateral management implemented: revisit mission, vision, values and break silo-based management 4. After managers model lateral collaboration, implement 1 – 2 cross-functional teams: Communicate expectations, encourage reflexive cross-functional thinking, hire collaborative people 5. Empower existing x-functional teams with more responsibility
<p>Predictable Success</p>	<p>Organization has “ability to readily set and consistently achieve goals” (81). Balances tension between creativity & initiative and consistency & profitability (83).</p>		<ol style="list-style-type: none"> 1. Install and maintain balancing systems for creativity and accountability 2. Institutionalize innovation and risk taking
<p>Treadmill</p>	<p>Overdependence on process and policies, less risk taking and initiative, formulaic and arthritic organization. Sense of little momentum. Good people leaving.</p>	<ol style="list-style-type: none"> 1. Loss of innovation 2. Loss of “step growth” (periodic, substantial growth spurts) (181). 3. Suppression of bad news 	<ol style="list-style-type: none"> 1. Watch for signals: use real people as truth-tellers and appoint new external board members 2. Hire competitively: lateral moves, defined, cross-functional process, seek active curiosity in new hires 3. Deploy new people well: engage in “why” conversations during orientation, used fixed-term postings, and promote sabbaticals, shadowing, and job swaps 4. Assess performance: Focus on successes, not failures; make it a dialogue; focus on development 5. Train: Encourage inquiry and debate; focus on development; involve C-level 6. Mentor and coach: Find genuine mentors; get coaches for top 3 executives; reduce reporting and encourage exploration; move mentoring outside line of command 7. Focus on the future: biannual off-site meetings
<p>The Big Rut</p>	<p>Process and administration more important than action and results. Can't diagnose own sickness and decline (21). Loss of desire to be creative and take risks (118).</p>	<ol style="list-style-type: none"> 1. Loss of key personnel 2. Creativity, risk taking, vision, passion die 3. Interest in customer replaced by navel-gazing 4. Frustration replaced by complacency 	<ol style="list-style-type: none"> 1. Acquisition 2. Crisis startles company into action 3. Internal skunk works save company 4. Wake up call at leadership level
<p>Death Rattle</p>	<p>Final attempts made to resuscitate organization (21). Efforts fail, organization dies through lack of resources, technological irrelevance, market abandonment, liquidation, sale (126 – 7).</p>		

