

Title: 21 Great Ways to Build a High Profit Business

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Hello, I'm Brian Tracy and welcome to this program. Over the last 25 years, I have worked with hundreds of businesses, large and small, from entrepreneurial start-ups to Fortune 500 corporations. I have read thousands of books and articles, taken a Masters Degree in Business and consulted with more than 500 businesses. I have saved or made my clients many, many millions of dollars over the years by helping them to apply the ideas you are going to learn in this program.

The fact is that 20% of the businesses in any industry make 80% of the profits in that industry. Some companies, selling very much the same product or service in the same market, earn ten times as much as other companies. The question is, "Why are some businesses more profitable than others?"

We know that there is a cause and effect relationship between corporate activities and profitability. If you do the things that profitable companies do, you soon enjoy the kind of profits profitable companies realize. To put it another way, profitability is predictable if you can figure out how and why it occurs in your business or your industry.

Perhaps the most important single factor in determining the profitability of a business is the quality of the thinking of its management and leadership. In high profit companies, the top people are focused on performance, results and profitability every day, all day long.

According to the Menninger Institute, the most important single quality an executive can develop is the quality of flexibility. In times of turbulence and rapid change, such as today, your ability to remain fluid, fast and flexible is absolutely indispensable to the success and the success of your business.

The very best thinking tool for ongoing flexibility is what I call "Zero-Based Thinking." This requires that you continually ask yourself this question, "Is there anything that I am doing in my business today that, knowing what I now know, I wouldn't start up again today, if I had to do it over?"

Whenever you are experiencing stress, frustration, resistance or poor results, either with products, services or people, you should stop and ask yourself this question, "Is there anything that I am doing today, that knowing what I now know, I wouldn't get into again today, if I had to do it over?"

The inability to stop doing things that are no longer working and to discontinue people who are no longer performing, is the primary reason for failure in business. On the other hand, your ability to be fast and flexible in the face of this dynamic market environment is the key to your success and the success of your business.

To put these 21 power principles into action, you must be open to the possibility that what you are doing today is no longer appropriate for the current situation. You must learn to make three statements, over and over again, for the rest of your business life.

First, you must learn to say, "I was wrong!" Fully 70% of your decisions will turnout to be wrong in the fullness of time. The sooner you realize that you are on the wrong road and turn back, the faster you will get to your destination of business growth and high profitability.

You must be willing to say, "I made a mistake." The fact is that everyone around you is aware that you have made a mistake and they are just waiting for you to have the courage and character to face up to it. The sooner you admit that you have made a mistake and stop doing whatever it is, the faster you move toward your real goals.

The third statement that you must learn to say, over and over again is, "I changed my mind." The superior executive is always willing to

change his or her mind in the face of new information that challenges the old ideas or the established way of doing things.

When you make a decision to set performance, results and profitability as your highest goal in business management, and you are willing to let go of the old that is not working in order to embrace the new that might work even better, you are on the road to building a high profit business.

Here are the 21 keys to high profitability, based on more than 50 years of research with many thousands of corporations. The absence of any one of these 21 keys can, in itself, undermine your profitability and even lead to the collapse of the enterprise.

Key number one: Develop a clear mission for your business.

For you, your business and your people to perform at a high level, they need a clear vision of what the business stands for and where it is going. Why does your business exist at all? A mission must always be defined in terms of how your business serves and benefits other people. A good mission statement will contain a method by which the mission is to be achieved. In addition, a good mission statement will contain a measure so that an objective third party can assess whether or not the business is living up to the mission that it set for itself.

In a study of what Ken Blanchard called the "Fortunate 500" they discovered that the top 20% of companies, in every industry, over a 30 year period, had clear written values and principles that everyone knew and was committed to. In addition, the company had a mission statement that everyone agreed with. Other companies had values and missions as well, but either they were not written down or nobody really knew what they were.

To apply for the Baldrige Award for Quality, you must fill out a 50 page application and then invite Baldrige inspectors to walk around your company for many months. The inspectors are empowered to stop any employee, at an level, and ask that employee what the values, vision and mission of the company are. 95% of all the employees that the Baldrige inspectors interview must be able to give the answer without referring to notes. If the employees do not know your values, vision and mission, the Baldrige inspectors close the file and drop your application.

Establishing a clear mission for your company, based on the values that you believe in and refuse to compromise, is the equivalent to building a deep concrete foundation for building before you begin construction. The good news is that, you can go back at any time and build this foundation and begin putting your future on a solid basis.

What are your corporate values? What is your vision for your company in the years ahead? What is your mission and how will you know that you have accomplished it? Why does your company exist in the first place? What great service is your enterprise committed to offering to the world? These are the most important questions of all in building a high profit business.

Key number two: Determine exactly what business you are in.

It is absolutely amazing how many people are not quite sure what business they are in, even though they work in that business all day long. You always define your business from the point of view of your customer. You always define the business you are in in terms of what your products or services do for your customer. What effects do your products or services have in the lives and work of your customer? What are the specific benefits that your customers enjoy from using your products or services?

For example, at one time the railroads dominated cross country transportation in the United States. But they defined themselves as being in the business of running railroads. In reality, their mission should have been to move people and freight over long distances in the very best way possible at the very best prices.

Because their vision of their business was so limited, bus companies, trucking companies, shipping companies and eventually airline companies were able to move in and dominate the industry, especially in the high profit areas of moving people and moving mail.

What business are you in today, from the point of view of your customer? What business will you be in tomorrow with the way things are going in your industry? What business should you be in if you want to survive and thrive in this dynamic and competitive environment? What business could you be in if you were to make the critical changes necessary to lead your field? Remember, the very best way to predict the future is to create it. And, as Michael Kamay, the strategic planner said, "Those who do not plan for the future cannot have one."

Whatever business you are in today, the likelihood is that it is going to change dramatically in the years ahead. Your job is to be a master of this change, not a victim of this change. This is a major key to profitability.

Key number three: Determine exactly who your customer is.

This is the central questioning of all marketing, sales and profitability. The ability to accurately answer this question, "Who is

my customer?" is the primary determinant of the success of your business.

Define your customer as accurately and as precisely as you can. What is your customer's age, education, income, position, value base, philosophy and background? Where exactly is your customer located, both geographically and within specific businesses or organizations? Especially, what does your customer consider value? What is your customer willing to pay for? What does your customer want or need that he or she is not now getting from someone else?

Why does your potential customer buy from your competitors? What would you have to do to get your non-customers to switch to your products or services?

Keep practicing "Zero-base thinking." If you were not now serving this market, with these products and services, would you start up again today?" And, who is your customer likely to be tomorrow, next year, in five years? Who could your customer be if you were to change your product or service offerings? Who should your customer be if you want to be a high profit business in the future?

Finally, what changes do you need to make in your business to be able to attract and keep the high profit customers of tomorrow? This

is perhaps the most important question that you ask and answer in building and maintaining a high profit business.

Key number four: Develop competitive advantage – or don't compete.

Your business depends for its very survival on your ability to develop and maintain a meaningful competitive advantage of some kind. What is it that your company does really well? Where do you perform at a high level? What is the area of excellence of your key products or services?

Your competitive advantage is the aspect of your product or service that makes you superior in a meaningful way to your competitors. Your area of competitive advantage is always defined in terms of what your customer wants, needs and is willing to pay for.

Every company that survives and thrives has a specific and valued competitive advantage that customers recognize and appreciate. Every company that gets into trouble is a company that has either lost its competitive advantage, relative to its competitors in the marketplace, or a company that never had one at all.

Your ability to develop, maintain and protect your competitive advantage is the absolutely indispensable prerequisite for company growth and high profitability.

And since your market is changing so rapidly, you must continually ask, what will my competitive advantage be tomorrow, based on the way things are going? What should your competitive advantage be if you want to rise to the top of your field? What could your competitive advantage be if you were to make the necessary changes in your product and service offerings?

Jack Welch of General Electric is famous for his belief that you must be either number one or number two in your industry or you must get out and concentrate your resources where becoming number one or number two is possible. He says, "If you don't have competitive advantage, don't compete!" The major competitive advantages today are "Faster, Better, Cheaper" combined with superb and timely customer service. All the most successful and most profitable companies offer high quality products and services and they offer them quickly. In addition, they give excellent customer service which they continually improve. As the result, they are amongst the most successful companies in their industries.

Key number five: Take a long term view of the business.

Your ability to think well about your business today and about your business in the future have an inordinate impact on the success and profitability of your enterprise. All top executives are long term thinkers. They project forward five years and think about where they want to be and what they will have to be doing at that time in order to achieve those goals.

The best work on strategic planning today is being done by Gary Hamel and Gary Prahalad. Their contribution to business thinking centers on their idea that, in order to lead your field in the future, you will have to develop specific core competencies that you probably do not have today. The key to long term strategic thinking is for you to identify the core competencies you will require and then begin immediately to either develop or to acquire those core competencies so that you will be strongly positioned for the marketplaces of the future.

Peter Drucker says that he never makes predictions. He merely looks at what is going on already and identifies the likely consequences in the years ahead. You should do the same. What are the trends in your business? Where is your market going? How is your market changing with regard to people, technology, products, services, finances and competition? What new capabilities and skills will you need three to five years from now to be at the top of your field? What steps will

you have to take today in order to begin developing those skills and abilities?

Your job is to stand back, think about the future, and then begin taking steps in the short term to guarantee that you will achieve the profitability that you desire in the long term. This ability to think long term has never been more important or more valuable than it is today.

Key number six: Develop a clear sense of direction.

You have heard it said that , when you are up to your "you know what" in alligators, it's hard to remember that you came here to drain the swamp.

Because of the turbulence of today's marketplace, most executives and managers have been reduced to operating, almost like firefighters, on a daily basis. They are totally preoccupied with short term problems and the need to get short term operating results. They mean to spend more time thinking and planning for the future, but they don't ever seem to get around to it.

But this is not for you. You need to set clear targets for yourself and for every part of your business. In fact, perhaps your most important responsibility to your people is to give them a clear sense of direction

in their work. According to psychologists, the greatest single demotivator in the world of work is, "Not knowing what's expected."

There is a simple five part formula that you can use for the rest of your career. It is called the "GOSPA Formula." "G" stands for Goals.

A goal is a specific place where you want to end up at the end of a specific period. For example, your goal could be a certain volume of sales or a certain level of profitability at the end of a year.

"O" stands for Objectives. These are the sub-goals that you will have to accomplish in order to achieve your long term goal. If your one year goal was a certain dollar level of profitability, your objectives could be in the areas of sales, distribution, manufacturing, cost control, staff development, technology installation and so on.

The third letter in GOSPA, "S" stands for Strategies. Your strategy is the method that you are going to use to accomplish the objective on the way to your goal. For example, with regard to sales, your strategy could be to build an internal sales force. Your strategy could also be to outsource all selling to a professional sales organization. And there could be numerous sub-strategies within the single sales strategy.

The fourth letter in the GOSPA formula, "P," stands for Priorities. What are the things that you will have to do first and what are the

things that you will have to do second? Which items are more important and which items are less important?

The final letter in the GOSPA formula is "A," which stands for Activities. These are the specific daily functions that are clearly delegated to specific individuals with standards of performance and deadlines.

If you have thought out this process completely, each activity will be determined by the current priorities. The achievement of the priorities will lead to the accomplishing of the strategy. When your strategy is carried out, you will achieve your objectives, and at the end of the time period, you will have reached your goal of a specific level of profitability.

One of the primary qualities of executives in high profit businesses is that they think and act strategically at all times. They are always playing down the board. They are always thinking about the future and about the various different things that they can do to make their desired future a reality.

Step number seven: Focus on key profit areas.

One of the keys to high profitability in your business is for you to focus more and more time and energy on producing and delivering

the products and services that yield the highest possible profit to your organization.

One of the reasons for failure in business is that the company diversifies too much, spreads its energies and resources over too many products and ends up producing too many things that contribute only marginal amounts to the bottomline. You know exactly what I mean.

Too many companies are offering too many products and services, at too many price points, to too many different markets, in too many different ways. The proper strategy is for you to focus and concentrate your corporate resources on those specific areas where the highest levels of profitability are possible.

Make a list of every product or service you offer. Gather all of the costs that are involved in bringing that product or service to the market. Examine the level of sales volume of that product and then determine exactly how much profit you make for each one of those products or services that you sell.

You will find that, if you have a dozen products and services, one of those products and services is yielding more profit than any of the others. You will find that 20% of your products or services are yielding 80% of the total profits of the business. You will also find

that the 80% of products and services that are only giving you 20% of the profits are probably consuming 80% of your costs of operation. When you do the analysis, it is often surprising, and sometimes shocking!

Then, because you are a long term thinker, you should ask, "What are going to be the high profit products or services of tomorrow? What are the trends? What will we have to do today to be in a position to dominate the high profit markets of the future?" This is a major key to profitability.

Step number eight: Set clear performance targets.

Remember, what gets measured, gets done. You need clear performance targets, that are quantifiable and measurable. You can't hit a target that you can't see. It is absolutely amazing how many people in every organization have no real idea how to measure their performance. This is a major source of demoralization and unhappiness.

Human beings have a subconscious "urge to completion." In order to be happy, people have to have a beginning, a middle and an end to every task.

One of the most important jobs you have is to set standards of performance for every task and every activity. It is for you to establish clear lines of responsibility, schedules and deadlines for the accomplishment of specific jobs. And then, your job is to make sure that everyone does what they are supposed to do to the required standard, on the required schedule.

High performance, high profit organizations are companies where everyone knows exactly what they supposed to do, when they are supposed to do it and how they will be measured. All rewards and bonuses are tied in to clear, measurable performance. This leads to high levels of motivation, commitment and enthusiasm amongst everybody who is working toward the achievement of clear goals.

Key number nine: Manage by wandering around.

The best executives spend 75% of their time walking around and interacting with their staff. This enables them to get accurate and timely feedback about what is going on, long before it ever appears on a report or monthly statement.

Lou Gersner turned IBM around within one year by freeing up the sales managers from paperwork and sending them out into the field with their salespeople to visit customers and make sales. Since in the

final analysis it is only revenue growth that leads to high profitability, within one year, IBM had turned around completely.

Have a staff meeting once a week. Discuss what everybody is doing and how it is going. Meet with your individual staff members on a regular basis, daily if possible. Keep your door open and keep the flow of communication going. In this way, you will know everything that is going on and you will be in a position to move quickly whenever quick action on your part is advisable or necessary. This is a major key to high profitability.

Step number ten: Develop an obsession with customer service.

There is a direct relationship between the philosophy of the executive and the way the staff treats the customer. In excellent organizations, the key people look upon the customers as special and important in every way. This philosophy or tone permeates the entire organization.

Today, we have entered the age of the customer as never before. Today, customers will walk away from us, after having been with us for years, if someone else will serve them better or cheaper. Every day, the bar on customer service is being raised by our competitors and we have to continue to jump higher just to keep our place in line.

There are four levels of customer service in your business. The first is to meet expectations. If all you do today is meet expectations, you are living on borrowed time.

The second level is to exceed expectations. Your ability to exceed expectations will keep you in the market for a little while longer, but you are a sitting duck for a competitor who can do better.

The third level of customer expectations is for you to delight your customers, by doing things for them, faster and more cheerfully than they could have possibly expected.

The fourth level of customer service is for you to amaze your customers, for you to do things for them that make them so surprised that they tell other people about their experiences.

It is the individuals and organizations that delight and amaze their customers that own the future markets. Your job is to set these standards within your organization. Your job is to continually emphasize how important your customers are and both encourage and reward every single person who demonstrates this attitude in dealing with customers. This is a real key to high profitability.

Key number eleven: Put a strong emphasis on sales and marketing.

The key to high profitability is high sales. The key to business success is high sales. The key to high stock prices and a great future for yourself and others is high sales. On the other hand, the primary reason for business failure is low sales. The primary cause for stress, frustration, firings, takeovers and bankruptcies is low sales.

In the best companies, the sales and marketing people are the most respected people of all. They are paid well and promoted faster. The entire company thinks and talks about sales and customers all the time, all day long.

The keys to great sales are simple. First, hire well. The best companies have the best salespeople. And they have the best salespeople because they hire them very carefully. Second, train them thoroughly. The best and most profitable companies have the most advanced sales training programs. The worst companies do no sales training at all.

Third, manage them professionally. A good sales and marketing team is like a crack military organization. It has great officers and great leadership. Your ability to build that top line, higher and higher is the key to profitability, without which, nothing else will work.

Step number twelve: Appoint and support strong, effective key executives.

Leadership makes the critical difference in every organization. 28 chief executive officers have been fired from Fortune 500 corporations in the last few years. In every case, the ultimate reason given for the firing was "failure to perform." And the major reason these senior executives failed to perform was because they appointed weak managers and executives under them who they did not have the courage to replace when the results failed to materialized.

There is nothing that brings about a more rapid change in the fortunes of a business than to change the key people in charge of getting results. Top executives are future oriented, goal oriented, result oriented, solution oriented and action oriented. Top executives have high levels of energy and they are continually in motion. They take high levels of initiative and are always looking for ways to go the extra mile, to exceed expectations, to do more than anyone expects.

The fastest way for you to move to the front in your business is for you to do more than you are paid for, for you to ask for or grab additional responsibility and then get more and better results than anyone expected. A company can only achieve high profits if it has competent executives in every key position. The absence of just one key executive in one key position can be enough to cause the company to under perform.

Key number thirteen: Staff well at all levels.

The best companies have the best people. The second best companies have the second best people. The third best companies are on their way out of business. Your ability to select good people and then to manage them well is the critical determinant of the success of your business. People are everything.

95% of your success will be determined by the people you hire for key positions. 95% of your problems will come from having put the wrong people in the wrong positions. The rule is for you to "hire slow and fire fast." Interview people at least three times and check their references carefully. Take your time. Be patient. And once you have hired a person, provide someone to work with that person full time until he or she feels comfortable with the job.

Fortunately, you can learn how to interview and hire good people. It is a key skill, a key result area. Your ability to pick excellent people can be the major factor in your success as an executive.

Key number fourteen: Teach, train and develop your people.

The rule is that you cannot expect people to perform at high levels unless they have been thoroughly trained to perform at those levels.

The highest profit companies in America spend the largest amount on training. The companies that are marginal spend little or nothing on training. Xerox conducted a study on the effectiveness of their training programs recently. They found that they are getting \$22 back to the bottomline to every dollar they invest in training their people. IBM found that they are getting \$26 back to the bottomline for every dollar they invest in their people. And Motorola found that they are getting \$33 back for every dollar they invest in their people.

Resolve today to turn your company into a learning organization. The top 20% of companies in America, according to the American Society for Training and Development, spend 3% or more of their gross revenues on training the people who are expected to generate and process those revenues. How does this compare with the amount that you spend in your company?

The president of a Fortune 500 company said recently that, "Our only source of sustainable competitive advantage is our ability to learn and apply new ideas faster than our competition."

Key number fifteen: Develop a caring work environment.

You've heard it said that, "They don't care how much you know until they know how much you care." Not only are the people the most important asset of your business, but people are also completely

emotional. People perform to the degree to which they feel that their superiors care about them as individuals.

In today's tight labor markets, your ability to attract and keep good people is vital to your success. And the better your people are, the more demanding they are that they be treated with kindness, courtesy, respect and openness.

Treat your staff as though they were members of your own family. Treat them as though they were volunteers who were working without pay and who could withhold their services at any time. Treat them as though they have just received a job offer from another company at a higher salary. Treat them as if your whole business and future depends on them, because it does.

Key number sixteen: Develop and maintain high levels of commitment.

Only hire and keep people who are willing to put their whole heart into the job and into making the company successful. Your very best people will always be those with the highest level of personal commitment to you and to getting results. Your biggest problems will always come from people who are uncommitted in some way, for some reason.

The average person works at less than 50% of capacity. Many of them complain, criticize and condemn on a regular basis. This form of negativity undermines all your best efforts to build a top team.

Ask yourself, based on your experience, "Is there anybody working for me today that, knowing what I now know, I wouldn't hire back again today, if I had to do it over?"

Your job as the executive is to create and maintain harmony amongst your team members. And the measure of how much harmony there is is how much people laugh together at work. A happy, healthy work environment is one where people laugh a lot, joke a lot, smile a lot and are generally happy at work. And one negative, uncommitted person can disrupt an entire work organization.

Most companies today hire on the basis of attitude and personality. People can learn the skills and abilities but attitude and personality are largely fixed. Create an environment where people feel terrific about themselves.

Key number seventeen: Run the business like a turnaround.

Whenever a business gets into serious trouble, they bring in a team of turnaround artists. These people take firm control of every

expenditure in the company and begin operating as if the company were on the verge of financial collapse.

You should do the same. Run a tight ship. Be deadly serious about costs and expenses. Pay very close attention to every dollar that flows in and out of the company. Cut out, cut back, and eliminate all non-essential expenditures on a regular basis.

Set a standard for frugality, for careful use of funds. Lead by example. Help everyone in the company to be extremely sensitive to the impact that expenditures have on the bottomline and on the future success of the enterprise.

All good companies are very thoughtful and careful about money. As a result, they make far better buying and selling decisions and turn to be more profitable in the long term.

Key number eighteen: Form strategic alliances at all levels.

Strategic alliances are essential for the long term health and prosperity of your company. Business is so complex today that the only way you can succeed is by aligning yourself with a variety of other business enterprises, at all levels, so that you can all perform at your very best.

Form strategic alliances with your suppliers and work together with them to improve quality, delivery times and inventory levels. Form strategic alliances with your customers so that they see you and your business as an essential part of their business as well.

Form strategic alliances with your competitors, the businesses that offer products and services to your same customers but which are not directly competitive with yours.

The key to high profitability is for you to simplify your operations and specialize on high value, high profit activities. This requires that you downsize, outsource or even eliminate those activities that are not absolutely essential for the success of your business. The most successful companies today are those who have built a network of strategic alliances all around them, at all levels. These alliance partners help them to operate at the highest levels of efficiency and they, in turn, help their alliance partners in every way possible.

Key number nineteen: Provide outstanding quality, performance and service.

Your most important asset as a company is your reputation in the marketplace. It is how you are known to your customers. Your most valuable asset is contained in the way your customers think about

you, talk about you and describe you to others when you are not there.

To achieve high profitability, you should think through and decide clearly how you want to be seen and thought about in the marketplace. You must then organize and reorganize every part of your business so that you create the impression that is most conducive to high levels of repeat sales and high profitability of your most important products and services.

A reputation for quality in everything you do will help you more than any other single reputation in selling more and more of your products and services to more and more customers. Never relax your striving for ever higher levels of quality. Never become complacent with success. Remember, "Good enough, seldom is."

A great rule for business success is this, "Only do those things that you can do in an excellent fashion." If you can not do it in an excellent fashion, better than any of your competitors, and you do not have the resources to bring your standards up to that level, you should not be in that area of business at all.

Demand the best — of yourself, of your people, and of your products and services. Be relentless in your pursuit of quality. Tell everyone around you that product and service of quality are absolutely

essential. Make any sacrifice, pay any price and even take any loss, if necessary, to keep up your high standards. This will add to your profitability as much or more than any other single factor.

Key number twenty: Dedicate resources to research and development.

Successful companies spend 10% or more of their gross revenues on research and development activities aimed at bringing new products and services to the market. 3M aims to have 20% of their revenues each year coming from new products developed within the last five years. The fastest growing companies in America, especially high-tech companies, invest hundreds of millions, and even billions of dollars in research and development. They work at a frantic pace. Because their competitors, on all sides, are also willing to invest the same sums to develop an edge in the industry.

Think things through and then be willing to take intelligent risks to develop the products and services of tomorrow. Fully 80% of everything that everyone is consuming today will be obsolete within five years. This means that fully 80% of all products and services being consumed in five years do not even exist today.

Many companies have found, by vigorously pursuing research and developing activities, that they can enter into brand new markets

with brand new products and services that enable them to become giants in their industries. And this is only possible with a senior executive focus, combined with substantial budgets, on developing the products and services of tomorrow.

Here's a good exercise: Assume that your primary revenue generated today, your primary product or service, will be obsolete and out of the market within 3-5 years. What will be your next product or service? What do you have developed to replace your top selling products of today?

Every year, leading companies are pushed aside by aggressive, brash, smaller competitors who were willing to channel large sums into R & D and who have managed to jump to the lead position in the industry. You remember Satchel Paige, the baseball player once said, "Don't look back; something might be gaining on you."

In today's dynamic marketplace, your competitors are racing to get ahead of you, 24 hours a day. You have to run twice as fast just to stay where you are.

Key number twenty one: Create great morale in your organization.

There was a study completed a few years ago entitled, "A great place to work." In this study, they interviewed many thousands of

employees to ask them what constituted a great job and a great company. Here are the answers:

First, the work was challenging and interesting. Second, there was a high level of trust and support, which was demonstrated in that the managers did not criticize people for making mistakes. This was an extremely important part of a great place to work.

Third, people felt that they were "in the know." The company had wide open communications, in all directions, and everybody felt as if they were active participants in everything that was going on.

Fourth, in a great place to work, employees felt as if their boss cared about them as a person rather than just as an employee. The boss practiced consideration, courtesy and kindness on a regular basis.

Fifth, the happiest employees said that they knew exactly what they were supposed to do, and to what standard, and by what time.

Finally, in a great place to work, people felt that there were opportunities for advancement based on hard work and excellent performance.

Your job is to create a place where people feel terrific about themselves. Your job is to create a high morale environment, where people are enthusiastic about coming to work. Your job is to be a

positive, supportive and at the same time, result oriented boss. These are the ingredients necessary to create a great morale, high productivity, high levels of creativity and a loyal staff.

Let me summarize this message with a few key points. Perhaps the most important is that the real key to business success is leadership. The key to leadership is for you to accept 100% responsibility for results, with no excuses, no complaining and no blaming of other people.

The most important thing a leader can do is to lead by example. Be a role model for the people around you. Continually ask yourself this question, "What kind of a company would this company be, if everyone in it was just like me?"

Whatever your answer to that question, make sure that, if everyone behaved the way you did, this would be a great place to work.

Be open to new ideas, all the time. Be willing to try something new and different with no guarantees. Read, learn, discuss and seek forth good ideas everywhere. Invite and encourage suggestions and input from everyone.

Finally, become extremely action oriented. All successful executives and successful companies are on what is called a "Continuous

Offensive." They are always trying new things, always moving forward. They have a sense of urgency and a bias for action.

Resolve today to build an exciting, happy, high energy, high profit organization and then do what thousands of other companies have done to make this goal a reality. There are no limits except the limits you place on yourself. Good luck!