



Ignite Business Coaching Whitepaper

Breakfast – The Most Important Meal of the Day



There are times when we fall into the trap of thinking our product and service is so good it will market itself. As long as we introduce it to the right people, a team can count on a successful introduction. With such a winning concept, each of the organization's leaders can branch off, move forward with an agenda and at the end, bring it all together into one cohesive and executable plan. Simple.

As a prospective new hire, I was invited to a trade show by the CEO. He wanted me to meet my potential new colleagues and see firsthand the response the small company's product was receiving. People lined up two and three deep to catch a glimpse of their newest technology. Since the company was small, most of the leadership team was involved in the development of the product. Everyone loved being in the limelight and having his name tied to the company and product.

At breakfast the next morning, Tom, the CEO, and I began to chat. We talked about the organization's need for a COO with a strong financial background. A sound strategic plan and corresponding financial plan were needed. The group was looking for someone to bring it all together. The other partners each had different strengths. One was technically savvy, the other had a great marketing strategy, and the third partner was strong in developing strategic alliances to help promote business. Tom had other interests and was looking for someone to develop the role he had envisioned.

I asked Tom for an estimate of the bottom line. He quoted a rather healthy number. With the show perceived to be a success and Tom's candidness, I thought this group had potential. I asked Tom for a face-to-face meeting with everyone the next week. That way I could get a good read on everyone.

The meeting took place at their corporate office. Each person introduced himself, provided his professional background and presented his unique vision for the organization. While they were talking, a common theme emerged. Each member's vision was different and no one really had a firm grasp on the company's ability to be self-sustaining. Yes, the revenue was growing fast, yet there was no consensus on earnings for the year. Even with some potential pitfalls in front of me, I signed up.

After a month and a half, I was able to develop a profit estimate for the year. My number was quite different from Tom's. As a matter of fact, it showed a

rather substantial loss. The reality was that each partner had been doing things without the others' knowledge. This was done out of enthusiasm, not to keep the others in the dark. There were side deals with clients who would never pay, demo products and free products distributed to key customers, invoices in desks from nine months ago, and vendors everywhere screaming to be paid. We were owed royalty payments from our partners but could not collect the money. How do we get out of this mess?

What happened? The company was shuttered six months later. In reviewing the situation, there were many signs that failure was a distinct possibility. The leadership team all acted as individual members. The product introduction had missed its window of opportunity, but they were too busy to realize this. There was a lack of communication among the leadership team. Each person assumed the other was worrying about the details. The organization was in love with its brand but didn't fully understand the market's needs.

There are many things that could have been done to prevent this from happening. The leadership group could have had a simple new product development program with distinct phases and milestones, a solid business plan with financial estimates that were updated regularly and key performance measures to determine if the business was on track. Creating a business plan is time-consuming, hard work. If we had done this earlier, we might have been able to make corrections when things went off-course. Moreover, the planning process forces a leadership team to communicate and make difficult decisions.

There is little room for a surprise that impacts execution and the financial health of a young organization. Openness, accountability and a commitment to managing the details could have prevented this collapse. During this financial crisis, we have learned the value of honesty, teamwork and strong leadership. The recent economic failures, the loss of wealth, and the increase in the jobless rate are signs that this kind of thing can happen to a lot of companies large and small.

Once our small team realized what was taking place, we began having breakfast meetings together to review results. It's not too late for you and your team to have breakfast together. Review the whole menu, too. There might be something on it that's a bad choice. If you use the opportunity wisely, breakfast could indeed become the most important meal of your

day.

About Ignite Business Coaching

Ignite Business Coaching provides leadership development coaching and business consulting services. Coaching clients include financial professionals and teams looking to improve their competitive advantage to provide more value to clients and employees while achieving personal goals. Consulting clients engage Ignite to develop strategic plans, analyze business models, and design or optimize business processes.



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