



Focus on Results or Process?

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While every successful businessperson has to be results-oriented, an imbalanced focus on results will lead to ultimate failure. Success over the long term is assured if the focus is on the process – doing things right. That is, if you focus on execution of your process, on doing things consistently well, good results will inevitably follow.

1. Making Money

Last night I attended a charity auction, which had over 400 leading citizens making average bids of \$3,000 each. As we sat there, another co-founder of this auction and I, mused how in the early days, 17 years ago, if we got 40 people to event, and if they collectively bid \$3,000, we were happy. The little seeds planted long ago for a method and process to raise money for the cause were, today, well in the hands of the subsequent generations of organizers. Another fundraising event for the same group, only three months ago raised over \$300,000. Who would ever have thought? If we had any pride in these magnificent results, it was because we had focused long ago on setting up a process for the auction, the collection of material to auction off, the building of the prestige of the event, the assurance of fine food and a good evening's entertainment, as well as attracting enough of the right people. That is, we set in place a meticulous process that we knew was right and therefore should eventually pay off for us. It was a focus on process so that good results would become an inevitable consequence.

2. The Persistently Wrong Goal

As my associates and I deal with companies in the pursuit of helping them improve measurably using a proven, repeatable process, our greatest frustration lies with those CEOs and managers who focus on result as opposed to process to get those results. In a few words, all too frequently we encounter people looking for a quick fix rather than setting in motion the long-term measures to do things right – the band-aid solution rather than getting to the root causes which, itself is simply the embodiment of a good management approaches. Specifically the roots start with assessing your position in the world in which you live (bad economy, good market opportunity, etc.) but have little influence over, followed by your leadership style which must be driven from a willingness to un-

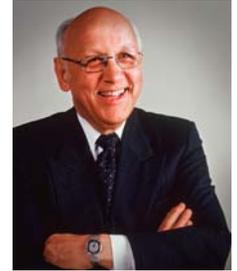
derstand and respect all those people who are helping you¹ and finally, drawing upon that team, their collective wisdom and efforts. The common unworthy alternative is taking three or four steps to relieve a current agony, when, to get the ship righted for a prosperous long-term future, 20 to 50 process steps² are really needed.

3. Profits

A focus on profits, to the exclusion of all else, is described aptly by Peter Senge in his book, *The Dance of Change*:

“In the business world, the vicious addictive spiral [to immediate results] extends into the investment community. Investor pressures for improved short-term financial performance lead to calls for more aggressive top management. New hero-leaders come forward who can boost short-term performance. But their strategies typically preclude long-term investments in developing collective capacities to innovate, thereby guaranteeing long-term mediocre financial results. This, in turn, leads to more pressures from investors and more hero-leaders. In other words, the investment community paradoxically colludes in sustaining a system guaranteed to undermine creation of wealth in the long run.” [Reference 1]

¹ Inherently, all people, from babies to the elderly, want the same thing in order to be motivated in their lives:
a. To be in control of their decisions
b. To feel they are contributing to something worthwhile
c. To achieve success in what they are doing
d. Upon achieving success, to move to the next level of task, of increasing complexity
e. To learn and to grow from that learning
Respect, is ensuring all of the above, for those who report to you.
² The more than 50 steps to manage the 'right' way are embodied in the 12-volume series, *The Respect Revolution* (reference 3). The processes outlined lead to predictable, repeatable results for any group endeavor.



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A focus made on profits for an enterprise is the same as a focus on happiness. It just won't happen because everybody wants it; the proper mechanisms have to be in place first. Happiness is the outcome of doing things right. Profits are the outcome of doing things right. With profits, true shareholder value increases.

I was winding up a planning session in Philadelphia on the third day (reference 2), getting to a level of \$2 million projected profit for the company in the coming year, when one of the key managers spoke out: "Two million in profit! We should be ashamed of ourselves. With sales of ninety million, our profits should be double or triple that!" The others, on cue, hung their heads in shame—even the CEO.

I said to the group: "Did I misunderstand something? Did we set out as a parameter to have four million profit? We have been evolving this plan for three days now and we have arrived at this point by consensus. I am not your boss or your planner, but someone trying to guide you to the results you want. I did not hear until this moment that the goal was more profits."

"Well, that's true enough, Bill," spoke up the CEO, "but we all know that four million profit is quite reasonable in this business at this time."

My reply was: "If we were after four million profit at the outset, we could have planned for it and we can plan for it now. You have initiated new branches in Harrisburg and Pittsburgh. Both are professionally set up, but, being new, both have very low sales. We spent a day deciding how they should be managed. Cut them both and we shoot up to four million in profits. Does anyone want to cut out George and Veronica [the respective managers]?"

"Well, no, Bill. But there must be something else we can do."

"What you have done is decide to spend two million dollars of your profits in developing Harrisburg and Pittsburgh. This is a strategic decision. Don't renege on it for a short-term gain. As you can see in the projections, the subsequent year's profits from the two new branches will roll in. In five year's time, the profits could be well over two million for them. It's clearly within your grasp, collectively developed by you, and it's up there in black and white for everyone to see. And that income will continue to grow year after year. Take out the new branches and that growth pattern will not continue."

Bringing the group back into a strategic approach instead of paying lip service to short-term profit goals made people realize that the new branches were the right thing to do, and the results (profits) would be low in the short term to do that. The direction boiled down to a strategic choice. That was almost ten years ago. The company has never looked back.

4. The Stock Market

The 2000–2001 stock market meltdown, viewed from high above, was predictable. Companies were not doing things right, and for a while, I have to admit, with stock prices booming for no sane reason, I was re-examining my own approaches to business to see if there had been some change in basics that I was missing. Was a new economic order upon us? Time has shown otherwise.

5. Hockey

A couple of years ago, the hockey player Shaun Van Allen of the Ottawa Senators was feted by the press for having a remarkable hockey season. He had more points and goals than any of his numerous previous seasons. In the twilight of his career, he answered reporters by attributing his success at scoring goals to not setting his objective to score, but to playing the game properly. Then the goals just happened. Said Mr. Van Allen "When I focused on goals, they didn't happen and I didn't play the game that well, either."

6. Basketball

As a final note to this paper, we turn to John Wooden (reference 4), who coached UCLA basketball teams to 88 consecutive victories – a winning streak unparalleled in sport. On evaluating his success, he said: "Success is peace of mind which is a direct result of self-satisfaction in knowing you made the effort to become the best of which you are capable." He offered a number of wisdoms related to his approach to, and attainment of, success, namely:

"Little things make big things happen."

"The star of the team is the team. 'We' supercedes 'me'."

"Be yourself. Don't be thrown off by events whether good or bad."

"Have utmost concern for what's right rather than who's right."

"Stay the course. When thwarted, try again; harder; smarter. Persevere relentlessly."

"Success travels in the company of very hard work. There is no trick, no easy way."

Bill Caswell

References:

1. P. Senge, *The Dance of Change* (New York: Doubleday-Random House, 1999), p12
2. W. Caswell, *The Climb to Excellence* (Renfrew ON: General Store Publishing House, 2004), p110
3. W. Caswell, *The Respect Revolution*, a 12-volume books series (Renfrew ON: General Store Publishing House, to be published in 2007)
4. J. Wooden, *Wooden on Leadership*, www.coachjohnwooden.com (2007)