Hello. This is Wayne Rivers at The Family Business Institute. Thanks for tuning in. A quick reminder, it's getting down to crunch time. ***The Contractor Business Boot Camp*** class starts February 18, so if you have rising high-potential people in your organization, sign them up now. It's about your last chance for our winter meeting of this year. Thank you for that.

This week, I want to talk about building accountability into your organizations. This is a huge topic. My friend and peer group member, Arlin Sorenson, came up with some discussion about this that got me thinking. What's important about this to you? Well, we all want accountability in our organizations. When we do our SWOT analysis and our strategic planning, we have our peer group meetings, accountability is one of the things that always, always could be better or stronger in our member organizations.

Arlin laid out about five steps, five specific steps for creating better accountability in your organization. Let's walk through them one by one. The first thing is the senior leaders have to be accountable. If you're preaching, "Do this this way, do this that way. This is the way we do it here," and yet you're not doing it that way, you're the exception to the rule, that cascades throughout your organization. The senior leaders have to be accountable first.

Now, it's very difficult in a closely-held company. I've always said that in a closely-held company, it's almost like being a king. The president or the CEO walks in the door and everybody says good morning, and can I get you a cup of coffee, and all that stuff, and he says, "Okay, you go do this and you go do that," and people do it. It's kind of heady, it's kind of ego-building. Often, I think CEOs and senior leaders don't have anybody in their organizations that can really hold them accountable. It's a very top-down structure.

That's why peer groups are so valuable. That's why I treasure my time with Arlin and the other people in my peer group, because twice a year, for a few days at a time anyway, you've got some people that are your equal, and they're saying, "Wait a minute, you committed to do this, Wayne, and yet you didn't do it." We also have in our organization, I remember our COO one time spoke up in a meeting, and I wasn't following through on a commitment of mine, and he held me accountable in a very charming, tactful way, but by gosh, he held me accountable and I really appreciated that. Number one, senior leaders first must be accountable in their organizations.

The second thing, everybody in your organization needs to know your values, vision, and mission. It has got to be part of your culture. That connects to the strategic plan, your strategic plans we'll talk about next. How we do it here, we tried to figure it out, how in the world do we really hold everyone accountable for knowing the values, vision, and mission? We started doing random tests, calling on people randomly, but we have a volunteer every Monday in our staff meeting, we have 48 staff meetings a year, and somebody volunteers every single week to do mission, vision, and values. We rotate of course, so that everybody has it. That's a simple way to do it. It sounds kind of cliché and preachy, but it's worked for us, maybe it can work for you too.

Third thing, every employee in your organization needs to know how they fit into the strategic plan, okay? You've got your culture items, your mission, vision, and values, you've got your strategic plan that talks about where the company is going during the course of the next one to three years. Then ultimately, everybody needs a job scorecard. It's a one pager, it's fairly simple. They talk about it extensively in the book, Who, we've adopted it. Everybody has a job scorecard, preferably with KPIs. They know exactly what they're responsible for, doing 52 blogs a year is one of mine, for example. It's a fairly easy thing, fairly simple. Again, go back to your book, Who, refer to it. The job scorecard is a nice tool to show everybody how they fit into the strategic plan.

The fourth thing is you need a regular rhythm of meeting. You've got all this stuff out there, mission, vision, values, your strategic plan, your job scorecards. How do you draw this back into communicating with individuals and groups of individuals? Well, you need a regular rhythm of meetings. Some people believe in a daily huddle, that's okay. Some people believe in quarterly meetings, that's okay too. It doesn't really matter so much to me what your regular rhythm of meetings is. It's just that you have to have them.

I don't think an annual meeting is enough, not even close. I don't think quarterly meetings are enough, even though we do that. I think weekly meetings work best because we live our lives in chunks of one week at a time. This week I have to do X, Y, and Z, I have to take my mom to the doctor, I have to make sure my kids are prepared for their test on Friday. We live our lives in one week, seven-day chunks. To me, the week, and Stephen Covey actually came up with this, the week is the perfect measurement for your incremental progress as a company and as individuals in your company associated with the plan. One of the things frequent meetings does for you is it eliminates surprises. If you're only meeting once a quarter, something could have happened 90 days ago that you don't know about announced too late to fix it. If you're meeting every week and the communication is that frequent, you're less likely to be surprised. I hate surprises, I bet you do too.

Finally, with respect to the strategic plan, you can't do it, put it on a shelf, and then think it's going to have any impact in your organization. There is no finish line to strategic planning. In fact, I don't know if you can see this, but we'll post it, we use an annual strategic planning cycle so that we're always referring back to the plan. Each week in our meeting, we track our incremental progress for our quarterly goals, according to the plan. Then we have four scheduled meetings per year, quarterly strategic planning meetings, to check in as a group, as a team, and make sure where we are. Then we schedule additional meetings towards the end of the year, in the fourth quarter, where we're talking about the previous year's plan and extending out three additional years. By about July, August, September, we're already thinking about the upcoming plans for future years.

Don't put your plan on the shelf. Get into a rhythm, get into a cycle of reviewing your plan. In 2020, let's face it, we all had to change our plans. We re-forecast our plan in April when we saw that the pandemic was going to have an effect on our business. We revised our forecast, downward unfortunately, but we got within 2%. We finished a little bit ahead of revised plan and we were only 2% off. That's one of the things that that rhythm of meetings about strategic planning will do for you. It will make you good at forecasting. We're always within one or 2% of our forecast. Last year it happened to be a re-forecast, but that's just the way it is.

Okay, plans, no matter how elaborate, I don't care if your strategic plan is that big, if it's not connected to your people and their weekly activities in your organization, it'll break down. If you want accountability, build a strategic plan, hold your people accountable to mission, vision, and values, do the job scorecard with the KPIs and hold people to it. Remember, the most important piece is you, as the senior leaders, first must be accountable yourselves.

I'd like to hear how you do it in your organizations. This is Wayne Rivers at The Family Business Institute. Thank you.