

Avoiding The Success Trap

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Your company is successful. Your financials are sound and your clients seem satisfied. But is your company designed and built for sustainable success? Sure, the numbers tell you that your business is successful now, but that's no guarantee you'll be successful tomorrow. Numbers measure results; they don't give you any insight into how you achieved them and what's driving your decisions and actions. You need a process and method for examining your company, your culture, your approach to customers, and your vision for the future. That's why I recommend companies periodically perform a Success Audit.

A Success Audit is the due diligence you would undertake before buying a business. You isolate each factor that contributes to, or should be part of, the company's success. It helps you understand what you're doing and why, if you're really meeting your clients' needs, and if you're thinking for the long term. The focus on the crucial strategic elements that drive major success make it a natural prelude to your annual planning session.

You might ask, "Why bother if the financials are sound and our customers are happy?" Your success is one of the reasons you should do an audit. Too often, success seduces companies into abandoning strategic thinking, disciplined execution and a focus on customers. They create complex processes and cumbersome bureaucracies, equating the elements of success with its trappings. They fall into the success trap, focusing on being successful instead of staying successful.

So, how do you conduct a Success Audit? First, you look at everything the company does that is customer facing. Are you doing everything you can to meet their needs? Are you monitoring their satisfaction? Are you responding to their feedback? Most importantly, are you anticipating their future needs, planning and road testing solutions that will meet or exceed them? You need to be sure that your policies and processes haven't turned your focus inward and made your customers essentially an afterthought.

A Success Audit will also help you understand how much of your success is earned versus found. Earned success results from smart strategy, solid execution, and dogged emphasis on customer requirements, present and future. Found success results from happenstance: being in the right market at the right time, selling the products everybody wants, benefiting from the halo effect of your industry or customers. Found success is great, but it doesn't teach you anything about tomorrow's opportunities for success.

Finally, a Success Audit helps you understand if you're focusing enough on the future. Growth is a goal, not a strategy. How are you going to achieve that growth? Recognize that decisions, people and money fall into two categories: today's and tomorrow's. You need both, and you also need to differentiate between the two. Is that new hire someone who fits into the company as it is now, a today person, or are they part of your future plan?

How do you know if something or someone is relevant for tomorrow? That's where leadership and agile planning enter. It's trying half a dozen things and monitoring them closely in real time, deciding which are working and which are not. What you are not doing is as important as what you are doing, provided the action or inaction results from deliberation and consideration.

A client company recently undertook this process, and it helped the owners see gaps in talent, leadership and focus. After careful deliberation with associates and customers, as well as an evaluation of their own skills, the owners decided they shouldn't be in charge. They promoted the head of sales to president, so they would now report to him. The company aggressively went after new talent, recognizing that it needed the fresh perspective and broader skills that outsiders could offer. The company is now on track to expand and achieve new and aggressive goals.

Sustainable success must be built on a rock-solid understanding of what you do, the key success drivers, what's not working, and what's necessary. This includes the same disciplined evaluation of the customer. The insight you will gain from your Success Audit will make you better prepared to deal with extraordinary opportunities, both internal and external.

SUCCESS AUDIT QUESTIONS

Ask yourself these Success Audit questions to see if your focus is where it should be:

1. Would I buy this company? If not, why not?
2. If yes, what would I change?
3. Do we spend the bulk of our time, money and energy on company-centric or customer-centric activities?
4. Are we working on getting better in our customers' eyes, or in our own?
5. What are we doing to anticipate and meet our customers' future needs?
6. Do we offer unique products and services?
7. Are there factors forming a barrier to entry by competitors?
8. What is our strategy for growth?
9. Do we do things because they're necessary, or because they're comfortable and predictable?
10. What's on our "don't do" list?

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