



The Four Levers of the Apocalypse

Or the four areas of focus for every team member; every moment of every day.

$$\begin{aligned} &\text{Selling Price} \\ &+ \\ &\text{Volume Sold} \\ &+ \\ &\text{Cost} \\ &+ \\ &\text{Productivity} \\ &= \\ &\text{PROFIT} \end{aligned}$$

Business Team Managers script for Team Leader Briefing

The key to make your message easily understood for the audience may well be the story telling style.

Imagine yourself sitting at your desk the end of another day; a day that seems to pass with all the energy, noise and speed of a hurricane. To your amazement we all seem to be here, alive and well, and a warm glow of not only survival, but success. Another day when we were the best we could be.

However

Every day we have to make a margin to reinvest to ensure the survival of our business,
And pay interest on the money that people have lent us to run our business.
And let us remind ourselves that that most companies are owned by shareholders,
And most shareholders are pension funds like the one you and I belong to.
Our pensions will be funded in part by the interest, "dividends", that companies like us pay to our shareholders. Dividends can only be paid from Profits.

Profit is a consequence of only 4 things

The fee/price we charge
The volume of work we generate
The cost associated with doing that volume of work,
And our productivity; did we achieve the individual or team outputs today that our bid/costing was based on; or did it take longer. We produced 4 widgets when our selling price is based on us doing 5.

I would therefore ask, as you reflect at the end of the day about the performance of your team, and you as an individual; to use this frame work.

What did we do as team today that convinced the customer that we are great value for the price we charge?

Was every customer helped through the process in a manner that left them feeling good about the service they were receiving?

If one of us rang them as soon as we had finished; would they say their expectations were exceeded. When one of your team speaks on the phone, writes a letter or E mail, they are speaking on behalf of all the employees of this organisation; who depend on your team member to defend or improve our brand reputation.



Did the team member make it easy for the customer to keep buying from us; to keep us in work?

Are communications from your team the best they can be? Given the importance of each communication.

What has the team done today to think about a new offering that we can sell to our customers?

Is there a service/product we can add to our process that will add value/ save money for our clients?

New offerings that our competitors currently do not have are less price sensitive in the first year, we must keep a continuous flow of new offerings if we are to maintain our margin/customer satisfaction level across the whole portfolio of products and services.

What did we do as team today to defend our volume? What did we do today to make it easy for our clients to give us more work without concerning themselves that our quality would fall because we could not cope?

Blaming "Too much" work for a drop in quality is not going to encourage the customers to maintain current volumes, let alone send us more. Every team, and business unit must a surge plan to cope with rapid volume increase. Customer's view of our abilities is much coloured by how we manage fluctuations in work load. We must be excellent at it if we are not only going to defend our volumes but increase them.

Costs.

What did we do twice today because we didn't get it right first time?

What did I do that a team member should have done, but they still haven't mastered it.

What did I do about the sulking team member whose performance is causing everybody to slow down their output? Slow down because they are spending more time at the coffee machine talking about when is something going to be done about "sulky Sid"

Have I got someone I am paying £10 an hour doing work that could be just as easily done by someone on £8? Because then I have more resource to sell at a higher margin

All these things and more, mean our cost to do work may be more than the customers will pay.

Productivity

Are we doing this the best way?

With inflation of our organisations purchases running at 5%, our energy bill alone went up 60% in the last 2 years; we have to have a 5% reduction in unit costs just to stand still. The biggest driver of this is productivity improvement.

If we have 100 manufacturing minutes to carry out all the tasks associated with a product/service today; next year we must strive to do it in 95 minutes. What did your team do today that will result in us taking the 5 minutes out of the process.

These 4 levers sit at every desk; and are in ever body's hands every day. Your key role is to ensure that that they were used every day. Our progress into the future is determined by these four levers.

End of Team Managers script for Team Leader Briefing