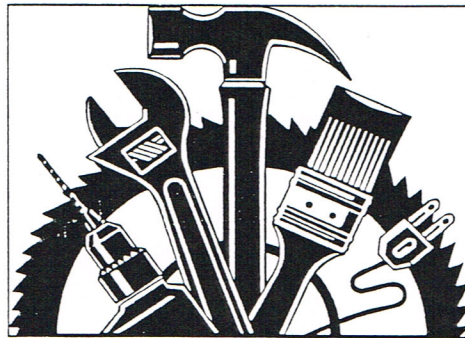


The Profitmaker's Toolchest

Seven Benchmarks and 150 Tools to Grow Profits Right Now!



*CEO TOOLS.com.
I know Free Tools.*

Kraig W. Kramers
CORPORATE PARTNERS INC.
159 Glen Eagle Way

McDonough, Georgia 30253
(770) 389-8511 Phone & Fax

Email: ceotools@mindspring.com

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What Profitable Change is *Really* All About:

**KEEP DOING WHAT
YOU'RE DOING...**

**AND YOU'LL KEEP
GETTING WHAT
YOU'RE GETTING.**

The Profitmaker's Toolchest

Take home a FULL TOOLCHEST of TOOLS for accelerating your profit\$ right now! These are tools for working ON, not just IN, your business for greater success.

All successful executives have a "toolbox" of knowledge and experience, stocked over time with some pain...and hopefully, more than equal gain. The speaker shares his experiences as senior executive and as CEO in several widely diverse businesses, from service to manufacturing, small to large, coast to coast, and private to public.

As a nationally-known speaker for 19 years, the Kraig Kramers provides stories of success -- and anecdotal but learning tales of failures -- in both growth and turnaround situations. He describes in detail over 150 profit-producing tools, leaving the recipient with a well-filled toolbox to take home and turn into immediately profitable business action.

This is a hands-on, "how to" discussion for accelerating profit, while dealing with the real-world problems of cash-flow, capitalization, people and process gone wrong.

Kraig Kramers was CEO of 8 different operating companies in an equal number of different industries. He brings "been there, done that" realism to his consulting and to this presentation. He's a business warrior from growth, acquisition, and turnaround situations and now consults internationally with businesses like yours. Making over 100 presentations each year to executive groups throughout North America, he stays in touch with the challenges of business today.

Discussion Outline:

1. Seven Guidelines to Benchmark Your Company's Performance
 - 1a. The Profitmaker's Top 10 CUSTOMER Tools
 - 1d. The Profitmaker Keeps Customers with T-O-M-A
 - 2a. The Profitmaker's Top 10 Tools for Maximizing CASH
 - 2d. The Profitmaker's Top 10 Tools for FINANCING Businesses
 - 2g. The Profitmaker's Top 10 TRACKING Tools
 - 3a. The Profitmaker's Top 10 PLANNING Tools
 - 3e. The Profitmaker's Top 10 STRATEGY Tools
 - 4a. The Profitmaker's Top 10 PEOPLE Tools
 - 4b. The Profitmaker Sets TOP PLAYER's ROLES
 - 4c. The Profitmaker HIRES & ENCOURAGES Winners
 - 4d. The Profitmaker's Top 10 PRODUCTIVITY Tools
 - 4e. The Profitmaker's Top 13 COMMUNICATION Tools
 - 5a. The Profitmaker's Top 10 VALUES-ALIGNING Tools
 - 5e. The Profitmaker's BUSINESS KARDINALS
 - 5f. The Profitmaker's Guide to EXECUTIVE FOCUS
 - 5g. The Profitmaker's Takes a Minute for a TIME AUDIT
 - 5i. The Profitmaker's Guide to EXECUTIVE ROLES
 - 5k. The Profitmaker's Guide to the BOARD of DIRECTORS
 - 6a. The Profitmaker's Top 10 GOALSETTING Tools
 - 6c. The Profitmaker's Top 10 MEASUREMENT Tools
 - 7a. The Profitmaker's Top 10 CELEBRATION Tools
 - 7b. The Profitmaker's Top 10 RECOGNITION Tools
 8. The Profitmaker's Own Top 10 Business Improvers

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Corporate Partners Inc.*

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Profitmakers Benchmark Their Own Companies

Seven Key Questions to Judge a Company's Success

Developed During Business Reviews of Over 10,000 Companies

- | | |
|--|---|
| <p>1. IS THE COMPANY FOCUSED ON THE CUSTOMER?
Do employees constantly talk about customers and what good happened for customers recently? Are there regular customer initiatives?</p> | <p>CUSTOMER</p> |
| <p>2. IS IT FINANCIALLY SOUND?
This should focus on the balance sheet first, the company's cash flow second, plus a good hard look at profitability measures and trends.</p> | <p>CASH/CAPITAL
FINANCING
TRACKING</p> |
| <p>3. DOES IT ANTICIPATE THE FUTURE & CREATE GROWTH?
Is the company routinely fire-fighting or is it ready to handle just about any surprise? Does it anticipate, plan ahead, and CREATE the future?</p> | <p>PLANNING
STRATEGY</p> |
| <p>4. IS IT GROWING ITS PEOPLE AND ADDING KEY PLAYERS?
Does the company promote from within more than hire outsiders? Are key players being added in functions that can't be grown inside? Is PERSONAL GROWTH built into the culture?</p> | <p>PEOPLE
PRODUCTIVITY</p> |
| <p>5. IS ITS MANAGEMENT SYSTEM CONSISTENT & EVOLVING?
Does the company anticipate process-and-structure stalls? Does it ask "how can we improve and extend our management process" beyond what it was designed to handle? Does it re-assess management's roles regularly?</p> | <p>VALUES
ROLES
RE-ENGINEERING</p> |
| <p>6. IS IT ALWAYS TRYING TO IMPROVE (Kaizen)?
What evidence is there that the company reaches for an extra percent (%) in every area? Does it try to better this month over the same month last year? Is it always stretching for more?</p> | <p>GOALS
MEASUREMENT
FEEDBACK</p> |
| <p>7. IS THE COMPANY HAVING FUN?
Fun means the people are being challenged, are realizing success, and are both giving and getting personal recognition for performance, and for helping the customer beyond the call of duty.</p> | <p>CELEBRATION
RECOGNITION</p> |

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CELEBRATION
RECOGNITION

The Profitmaker's Top 10 CUSTOMER Tools

As Confirmed by CEOs of 2,000 Customer-Friendly Companies

1. **Key Customer-Impacting Jobs** = *Find the key jobs affecting customers, put the right people in those jobs, and really support them.*
2. **Customer Care Concept** = *Walk in your customers' shoes – step through each move in their process to **simplify and ease getting their job done**. Anticipate their every need, even if it's not what you do. **Make your customer's life easy!** Teach and re-teach customer care. Be the pacesetter on customer care.*
3. **Help Your Customers Help Their Customers** = *Look way beyond the immediate. Find out what might be done to help your customers succeed with their customers. **Then go do it!***
4. **The CEO should be the "CCO"** = *Every CEO should be the **Chief Customer Officer!** This doesn't mean top salesperson or even sales manager. It **does mean** leading the team in **precedent-setting customer care**.*
5. **Treat Older Customers Better** = *Yes, **practice age-discrimination** with customers who've been with you longer! Give them **better service, better prices, better care**. Don't ever start to think they're an annuity you're due!*
6. **Feed Your Customer Garden** = *Jim Cecil teaches us nurture marketing and Top-of-Mind-Awareness with prospects. But don't we forget to ask "**what have I done today for my customer?**" Top-of-mind-awareness must apply to us too, so be customer-specific and do something special for each, every day!*
7. **Create a "Customer Calendar"** = *Why not put together a **calendar of key events** related to what you do **with and for your customers** and give it to every employee? Cover the next twelve months and keep it updated so everyone's plugged in!*
8. **Serve Your Customers T-O-M-A** = *Top of Mind Awareness (T-O-M-A) is a marketing technique, but use it to **serve** your customers and magic happens! Give your clients and customers **free** product and service and watch them buy even more from you!*
9. **Weed Your Customer Garden** = *There are a few folks that just shouldn't be customers. They want things you just can't do. Gently weed them out! This will give you **more time to spend with "real" customers**.*
10. **100:100 (Help Me Help You)** = *Join with your customers in a 100:100 partnership. We've seen that 50:50 deals **never** work! Be willing to make it work, no matter what it takes (but only with "real" customers).*

Top 5 Customer-Impacting Jobs

Have You Got Them Right in Your Company?

➤ An article appearing in the Atlanta Business Chronicle in 1995 by Jeffrey Gitomer headlines:

“Receptionist is window into a company’s soul”

Don't we really know the receptionist is the **DIRECTOR OF FIRST IMPRESSIONS**? Why is it then that we haven't taken the trouble to put the right person in this job, align compensation and recognition to motivate that person, and then support the receptionist in every way possible?

This clearly is one of the **KEY CUSTOMER-IMPACTING JOBS** in every business! Why not identify *your* top 5 customer impacting jobs and set about to get them just right?

➤ One Day Seminar for Your Receptionist:



A ONE-DAY SEMINAR

Your wardrobe isn't the only thing people look at when evaluating your professional image. To gain the respect and recognition you deserve, you'll want to attend . . .

How To Be A More Poised & Polished Receptionist

Coming To You In 1996:

Atlanta, GA	Jan 23
Atlanta Hilton And Towers	
Birmingham, AL	Jan 22
Pickwick Center	
Chattanooga, TN	Jan 24
Chattanooga Marriott	

Sample TPA, Inc.

Report:

Prepared by:
Guarantee Insurance Resources
Run from 01/01/94 thru 12/31/94

Prepared: March 29, 1995
Close Ratio - Renewal

Average Renewal Close Ratio
77.14%

Close Ratio - New

Average New Case Close Ratio
2.73%

Loss Ratio - Earned

Average Earned Loss Ratio
78.52%

Loss Ratio - Written

Average Written Loss Ratio
63.19%

Premium Timeliness

Average Timeliness in days
18.30

Claims Accuracy

Average Claims Accuracy
99.93%

Bound Business

Total Current Bound Business
\$2,942,748

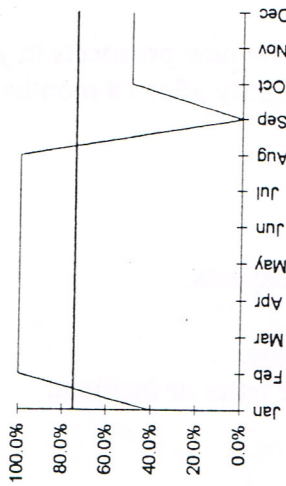
Total Current Projected
\$0

Total Previous Bound
\$2,894,944

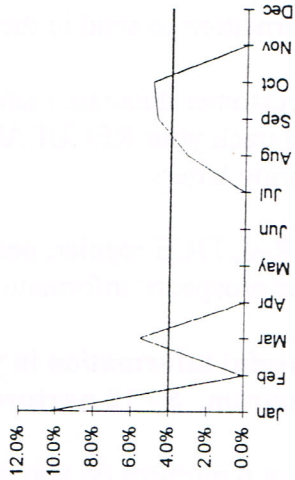
Legend

Industry Standard

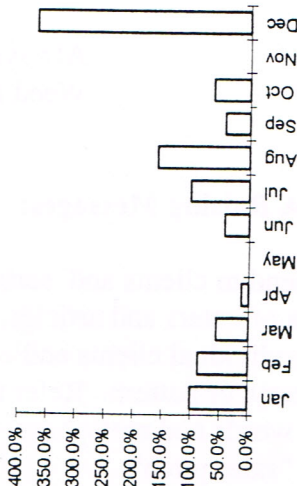
Close Ratio - Renewal



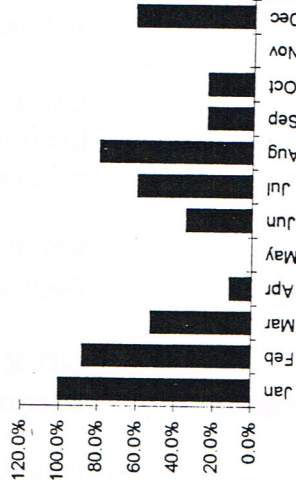
Close Ratio - New



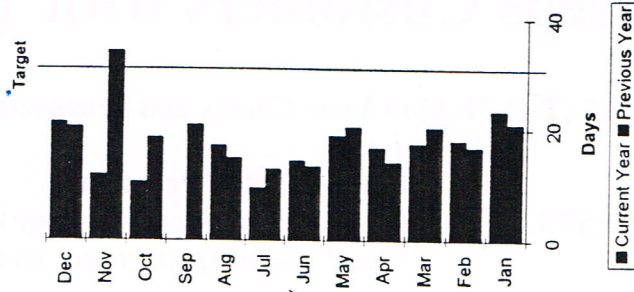
Loss Ratio - Earned



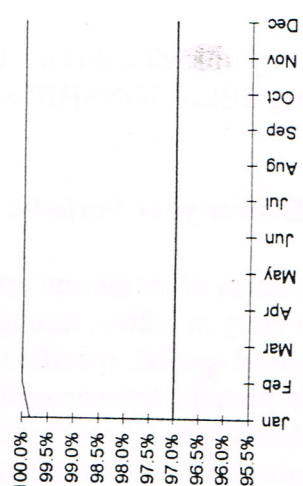
Loss Ratio - Written



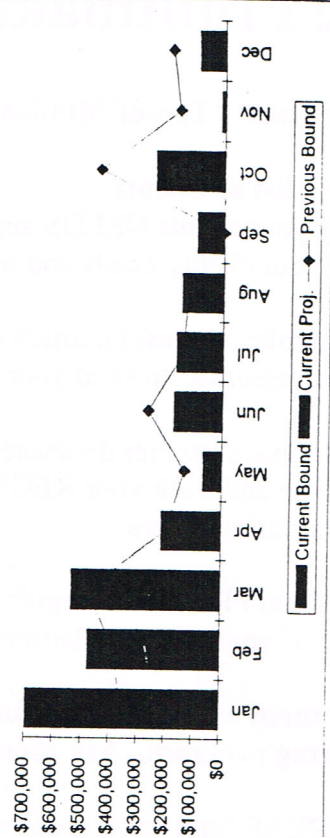
Premium Timeliness



Claims Accuracy



Bound Business



The Profitmaker Keeps Customers with T-O-M-A

How to Raise "Top-of-Mind-Awareness" (T-O-M-A) in Your Clients and Prospects:

Create a list of Clients.

Identify your clients NEEDS and INTERESTS.
"Feed" your clients' needs and interests.

For example: clip useful articles, anecdotes, and "successories" to send your clients.

Use a simple customer database manager to produce and track your REGULAR client nurturing letters.

KNOW and PRACTICE regular, periodic feeding of your clients' relationship needs.

GIVE them useful information in your nurturing program. Ask them if it's helpful!

GET IDEAS from them about what's of interest and what's "hot" right now.

Another way of saying this is: form an ongoing RELATIONSHIP with them!

Create a list of Prospects.

Get proper introductions (they know your name).
"Feed" the prospects' needs and interests.

For example: clip articles, anecdotes, and useful information to send to them.

Use a simple customer database manager to produce and track your REGULAR prospect nurturing letters.

KNOW and PRACTICE regular, periodic feeding of your prospects' information needs.

GIVE them useful information in your nurturing program. 8 - 12 nurtures per year.

Only after about 6 nurtures do you subtly start to market yourself.

Always be adding new prospects to your list.
Weed the list lightly after 18 months.

How to Deliver your Periodic T-O-M-A Raising Messages:

Design a series of letters and articles to send to clients and series for prospects.

Tell your story in a flow, through a series of letters and articles.

Clip and send special, specific things to individual clients and/or prospects.

Link your periodic letters together in a story, or pattern. Refer to a prior letter or incident.

Use "auditory" and "visual" and "touch" words and metaphors.

Always give useful information, never a "sales pitch".

While that outline sounds daunting, you can build it over a period of months or years.

Just do get started now!

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How To Lose Customers Without Really Trying



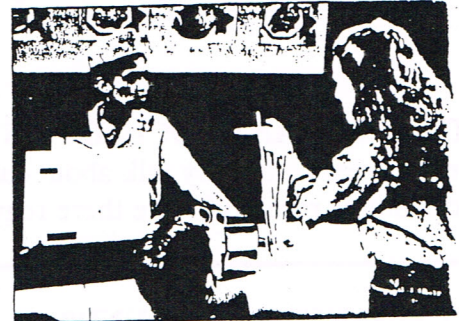
RUN TIME
33 minutes

INCLUDES
Leader's Guide
Briefcase Booklet

KEY MESSAGES

- Put yourself in the customer's position
- Find the need
- Involve the customer
- Acknowledge the customer
- Accept responsibility

It's easy to put customers off; just be aggressive or defensive. Thankfully, keeping customers satisfied is equally easy. From sales to service, at a retail check-out or a reception desk, the same guidelines apply in every area of front-line service.



Customer care is crucial to an organization's reputation — and its ability to attract and keep customers.

Customer care can be trying; not all customers are pleasant. But this video shows it is vital to treat all customers as personal guests, making them welcome and indulging their whims.

CUSTOMER CARE

An Inside Job

Meeting Internal Customer Needs



RUN TIME
23 minutes

INCLUDES
Leader's Guide
Briefcase Booklet

KEY MESSAGES

- Identify your internal customers
- Consult your internal customers
- Serve your internal customers.

SUGGESTED USES

- Organization-wide:
- Internal customer care
 - Communication
 - Quality circles
 - Managing customer care
 - Orientation

TERMS

Long-term license purchase: \$870
1-5 day rental: \$250
Preview: \$50



Don't let an unhappy customer show you why everyone needs to be involved in customer service.

VIDEOARTS®
1-800-553-0091

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Developed During Business Reviews of Over 10,000 Companies

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CASH/CAPITAL
FINANCING
TRACKING

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VALUES
ROLES
RE-ENGINEERING

6. IS IT ALWAYS TRYING TO IMPROVE (Kaizen)?

What evidence is there that the company reaches for an extra percent (%) in every area? Does it try to better this month over the same month last year? Is it always stretching for more?

GOALS
MEASUREMENT
FEEDBACK

7. IS THE COMPANY HAVING FUN?

Fun means the people are being challenged, are realizing success, and are both giving and getting personal recognition for performance, and for helping the customer beyond the call of duty.

CELEBRATION
RECOGNITION

RUN TIME

26 minutes

INCLUDES

Leader's Guide
Briefcase Booklet

KEY MESSAGES

- Recognize both the financial and human sides of working capital control
- Understand the connection between time and money

SUGGESTED USES

- Finance for nonfinance managers
- Business skills
- For all employees in self-directed teams and "open-book" companies

TERMS

Long-term license purchase: \$870

1-5 day rental: \$250

Preview: \$50

Preview combination with The Balance Sheet Barrier

— see page 40

Muppet Breaking Point™

— see pages 50-51



Help all departments develop a better nose for the numbers.

Ready to grow, but wondering where the money will come from? Even a flourishing business can find itself hamstrung by a lack of ready cash. The **Control Of Working Capital** shows how to unlock cash that is tied up in unproductive aspects of the business.

Carruthers (John Cleese) has struck out on his own! Since learning the basics of finance in *The Balance Sheet Barrier* (see page 40), Carruthers feels ready to be his own boss. As he takes the financial reins of his new company, Carruthers is eager to implement his exciting plans, many of which use precious working capital.

Fortunately, Carruthers has a financially savvy friend named Scroggs (Ronny Corbett) who is happy to explain the meaning of working capital. He shows Carruthers where working capital is locked up in the business and how to free it.

To avoid future problems, Scroggs instructs Carruthers in two techniques of working capital control: sales forecasting and regular meetings of all people responsible for keeping down the level of working capital.



A Video Arts Production

Purchasers:

SAVE UP TO 35%

with a Video Arts

Purchase Plan. See page C!

VIDEOARTS®

1-800-553-0091

"PACKAGING"**BANKING RELATIONSHIP INQUIRY**

, Inc. is a leading mechanical service and engineering company. With our *repetitive* service contract base, we service, design, and install commercial and industrial HVAC systems. We work primarily in the _____ area for our large service contract customer base. We employ approximately seventy people including degreed engineers, salesmen, service technicians, pipefitters, and sheetmetal mechanics. Our 1997 revenue was \$9.5 million, up 35% from 1996 which yielded almost six times more net profit.

We are evaluating our banking needs for 1998 and beyond and would like to consider your institution. Our banking needs and financial information are tabulated below. Please look over them and call the president of our company, Mr. _____, at _____ or fax him at _____ if you would like to discuss our needs further.

MAJOR ASSETS

- \$550,000 in net working capital
- Large automatically renewing contract base
- Ten year old growing business

- Strong name recognition
- High quality reputation
- Superior technical staff

"TRUE" ASSETS**LENDING NEEDS**

- \$575,000 three year line of credit or some combination of short term line and long term note
- Business checking accounts (operating, payroll, and Section 125 plan accounts)
- An end-of-day "sweep" feature on the operating account
- Direct deposit capability for payroll checks to deposit in other institutions
- On line banking capability, including monitoring capability of checks in the clearing process if a "sweep" account is not available

BALANCE SHEET SUMMARY**ASSETS**

Current Assets	\$2,072,270
Other Assets	\$ 8,779
Fixed Assets	\$ <u>112,782</u>
Total Assets	\$2,193,831

LIABILITIES

Current Liabilities	\$1,522,235
Long Term Liab.	\$ <u>300,000</u>
Total Liabilities	\$1,822,235
EQUITY	\$ 371,596

INCOME SUMMARY

Revenue	\$9,529,072
Net Income	\$ 277,136
EBITDA	\$ 392,374
Net Working Capital	\$ 550,034

FINANCIAL RATIOS

Current Ratio	1.4 : 1
Debt to Equity Ratio	0.9 : 1
Gross Profit Margin	24.1%

All financial information is as of our fiscal year ended 12/31/97 per review statements prepared by certified public accountants.

Corporate Partners' Favorite Lenders List

Bill Blanton	President & CEO	First Capital Bank Atlanta (Norcross)	(770) 381-9996
Jerry W. Britton	Exec Vice President	GreenTree Financial Corp. Commercial Finance - Atlanta	(770) 410-0079
Stephen Brown (Steve)	Sr. Vice President	GE Capital Commercial Fin - Atlanta	(404) 814-3100
Barry Griffith	Vice President	Congress Financial Atlanta	(770) 956-0094
George Hodges	Sr. Vice President	Premier Bancshares Marietta GA (Atlanta)	(770) 421-7627
Ron Kerdasha	Vice President	LaSalle Business Credit Baltimore, MD	(410) 837-0337
Carol Langendorfer	Vice President	Fleet Capital Atlanta	(770) 859-2400
Chris Livengood	Vice President	Southern Credit Services Winston-Salem, NC	(888) 475-4005
Susan L. Miller (Sue)	Vice President	Congress Financial Corporation Sr. New Biz Officer - Atlanta	(770) 956-0094 (770) 612-5544
J.H. Nutt, III (Jim)	Senior Vice President	Harris Bank Agri-Food Lending	(770) 645-3075 (770) 331-7387
Tammy Slater	Assistant VP	First Union N.B. of GA - Atlanta	(404) 827-7994
Mark Nigro	Vice President	Marine Midland Bank - Atlanta	(770) 935-5161

Types of lending and ranges of amounts have not been shown above since they change from time to time. Suffice it to say that the lenders mentioned above are competitive, range in lending from ABL to LBOs to acquisitions, and range from \$50K up to over \$500 million. You should shop, match selected lenders to your profile, and analyze a good fit very carefully. Remember relationship is still important even though trends may indicate otherwise.

Other Larger Lenders Who Have Exhibited Unusual Panache in the Past:

Westinghouse Finance

CIT Group (Los Angeles)

Whirlpool Finance

Barclays Business Credit (Los Angeles)

TransAmerica Finance

Guaranty Federal (Dallas; construction)

Other Lenders Who Have Done Smaller Deals:

Foothill (Roanoke)

Lighthouse (North Carolina)

Finova (Atlanta: Stanley Holcombe 770-641-3580)

No endorsement of any kind is given or implied by Corporate Partners Inc. regarding any lenders.

All due diligence and all reliance on selecting a lender should be borne by the prospective borrower.

The Profitmaker's Top 10 Business TRACKING Tools

As Chosen by CEOs of 600 Entrepreneurial American Companies

1. **Track Cash Daily & Re-forecast Cash Weekly** = *Cash crunches sneak up on most of us because we're not watching! **Track** your cash, don't grow too fast, and stay well capitalized.*
2. **Re-forecast Sales & Profit Monthly** = *Not knowing you're about to **grow too fast** or suffer an ongoing **string of monthly losses** are excuses your banker will never understand!*
3. **Communicate Results to Maximize Results** = *People like to know whether they're making it, so tell them what's going on. But remember, what gets measured, and **communicated**, is what gets done!*
4. **Look at the Future, then Change the Present** = *Even if you can only look 3 days into the future, you can beat out your competition. Try it...you'll like it!*
5. **Identify Your Top 5 Measures: Daily+Weekly+Monthly** = *Know the most meaningful measures in **your** business...and then **track** them.*
6. **Trailing 12-Month Charts** = *Sum of the 12 prior months, charted for 3 years; **especially** gross margin. You'll be **amazed** at how you suddenly see your business differently!*
7. **The "Right" Growth Rate** = *There's a "right" growth rate for every business. Determine yours and grow at that rate. Any slower and you'll be eaten or steamrolled by those around you -- the S&P 500's **average** earnings grew by **28% annually** in the three years ending in '95. **How fast did you grow?***
8. **Per-unit Measures** = *Monthly dollars-per-unit will measure the price of your various products or markets or services. Finally you'll know how your mix affects profit!*
9. **Monthly Operations Report** = *The Executive's personal report card! **Builds** a track-record of **results**. You'll be surprised how you suddenly focus on the **right** things.*
10. **Timing is Everything!** = *Understand how timing affects the measures. Run regular comparables on your industry to know if your measures are **great** or **just okay**.*

EXAMPLE Monthly Operations Report (MOR)

XYZ Manufacturing Corporation

February 7, 1997

Board of Directors
XYZ Manufacturing Corporation
123 Main Street
Anyoldplace, State 11111

Monthly Operations Report:

XYZ had a good month in January, generating about \$1.7 million in shipments, an increase of 25% over last January. Total A-product was \$930K with B-product at \$780K in January; fill levels were 98%. We are now working on key measures to add an indicator of customer satisfaction with these shipment levels.

Better yet was the growth in pretax income to \$174K this month, surpassing January last year by 27%. As compared to budget, we're up 2% on revenues and 2.3% on pretax profit.

On the operating side of XYZ, the physical move and much of the reorganization were completed this month. The sales/customer service teams are in place with new monthly goals and incentive plan. Shipping has been moved to Building One, however their reorganization is not yet complete. Overall, a few files are still to be put away, but essentially the move is behind us and on budget. A new schedule for redecorating will be developed in February as we learn more about the arrival of materials.

Other key events in January were the new employee newsletter (printed), the issuance of an annual corporate calendar, the initiation of operations meetings, a change in receptionist hours to improve customer service, and the Customer Advisory Committee meeting scheduled for next month. Officers' priorities are nearly implemented at this writing, the aim of which is to improve self-accountability as well as overall teamwork and communication.

Personally, I have met with over half of XYZ's people and a dozen customers in one-on-one's and have learned a great deal about the culture and success factors of the company. I look forward to completing these input interviews in February and beginning the development of a marketing plan and the setting of the longer-term course for the company.

For February, our forecast is currently \$2.1 million of shipments which should be a major step up from February last year. The Employee Health Fair will take place on February 18th, with a great deal of enthusiasm currently being shown from all quarters.

It will be a pleasure to provide this operations report each month to the Board as well as the Officer group, and hopefully the scope and content will expand meaningfully over time with everyone's input.

With best regards,

John B. Doe
President and CEO

The Profitmaker's Top 10 PLANNING Tools

As Picked by CEOs of Over 1000 American Companies

1. **Listen Mightily to Employees** = *The employees **always know** the solutions to a lack of growth, how to turn the company around, and where the opportunities lie. Involve **more of your people** in developing your plans.*
2. **"Tell Me What Your Company Does"** = *When asked this question, most employees (and even CEOs) give a very generic, industry-like description kind of answer. Pursue a niched, differentiating answer to this question – you'll then have **your definitive vision and mission**.*
3. **Lawnmowers vs. Beautiful Lawns** = *Be sure you know what your business really sells or does best! This is your **Unique Business Proposition (UBP)** and will differentiate you from everyone else in the world.*
4. **One-Page Business Plan** = *Create the **one-page** plan to plug **all** employees into a common direction. Let it shout out your **unique business proposition** and your **goals**, plus purpose and strategy - give it to everyone - reinforce its message regularly.*
5. **The "Right" Growth Rate** = *Every company has a "right" growth rate; **pre-determine yours**. Steady up your growth rate and watch more profit\$ plus easy cash management appear before your eyes! Too many businesses grow erratically!*
6. **Just Plan It!** = *75% of companies have no plan yet believe they should! Why not draft your one-page business plan today? **UBP + Goals + Purpose + Strategy**.*
7. **Watch "Hoosiers"** = *This movie isn't about planning, but its **management message** will put your team in an open, brainstorming mood. Try it, you'll like it!*
8. **Timing is Everything** = *All things go in cycles, so study your industry's & company's cycles. Why not set up a tracking system to track your **"industry composite"**?*
9. **TTM as Early Warning** = *Plot what **causes** sales to happen on a Trailing-Twelve-Months chart to get advance warning of when your sales stop growing. For example, track **sales calls** or **number of bids** or **prospect responses**. When this chart starts to falter, go **do something** about it (in advance)0!*
10. **"So What?"** = *Many thanks to TEC and one of Dan Wertenberg's groups in Cincinnati for this tool: just ask yourself "so what?" about any goal, strategy, tactic, or action step you're considering. If you **don't implement it**, it's meaningless!*

Profitmakers Benchmark Their Own Companies

Seven Key Questions to Judge a Company's Success

Developed During Business Reviews of Over 10,000 Companies

1. IS THE COMPANY FOCUSED ON THE CUSTOMER?

Do employees constantly talk about customers and what good happened for customers recently? Are there regular customer initiatives?

CUSTOMER

2. IS IT FINANCIALLY SOUND?

This should focus on the balance sheet first, the company's cash flow second, plus a good hard look at profitability measures and trends.

CASH/CAPITAL
FINANCING
TRACKING

3. DOES IT ANTICIPATE THE FUTURE & CREATE GROWTH?

Is the company routinely fire-fighting or is it ready to handle just about any surprise? Does it anticipate, plan ahead, and CREATE the future?

PLANNING
STRATEGY

4. IS IT GROWING ITS PEOPLE AND ADDING KEY PLAYERS?

Does the company promote from within more than hire outsiders? Are key players being added in functions that can't be grown inside? Is PERSONAL GROWTH built into the culture?

PEOPLE
PRODUCTIVITY

5. IS ITS MANAGEMENT SYSTEM CONSISTENT & EVOLVING?

Does the company anticipate process-and-structure stalls? Does it ask "how can we improve and extend our management process" beyond what it was designed to handle? Does it re-assess management's roles regularly?

VALUES
ROLES
RE-ENGINEERING

6. IS IT ALWAYS TRYING TO IMPROVE (Kaizen)?

What evidence is there that the company reaches for an extra percent (%) in every area? Does it try to better this month over the same month last year? Is it always stretching for more?

GOALS
MEASUREMENT
FEEDBACK

7. IS THE COMPANY HAVING FUN?

Fun means the people are being challenged, are realizing success, and are both giving and getting personal recognition for performance, and for helping the customer beyond the call of duty.

CELEBRATION
RECOGNITION

DEFINE YOUR NICHE "DEAD-ON":

Jeff Gitomer

Don't sell drill bits – sell smooth, perfect holes.

Don't sell insurance – sell safe, financially-secure families protected from tragedy.

Don't sell printing, sell the positive image-piece that promotes the client company's sales and profits.

(from an article published in the Sales Secrets column of the Atlanta Business Chronicle)

Kraig Kramers

Don't sell lawnmowers, sell beautiful lawns.

Don't sell coffee, sell the 6 a.m. waker-upper.

Don't sell printing, sell fine color annual reports.

Don't sell sporting goods, sell the fun of the sport.

**Don't sell engine remanufacturing,
sell worry-free performance.**

(from talks to CEO members of The Executive Committee)

Pre-Meeting Preparation: UNIQUE BUSINESS PROPOSITION

PLEASE TAKE A FEW MINUTES BEFORE THE MEETING TO ANSWER THE QUESTIONS BELOW. PLEASE GIVE A COPY TO THE RESOURCE SPEAKER. THANK YOU!

1. What is unique, different, or unusual about your company that differentiates it from all your competition?

3. What is it your company REALLY does? (Please see the attached examples list.)

2. How do your customers describe you? Why do they say they keep coming back, or come to you in the first place?

3. Write your UNIQUE BUSINESS PROPOSITION in the space provided below:

EXAMPLES:

- "Snapper is the #1 brand of lawnmowers sold through servicing dealers in America."
- "Graphic Arts Center is the leading fine color commercial printer in the United States."
- "Munson Sporting Goods is the largest distributor of hunting, camping, athletic, and marine sporting goods in the eleven Western States."

COMPANY DESCRIPTION

Graphic Arts Center is the leading fine color commercial printer in the United States. We serve America's most dynamic businesses with top quality printing of advertising literature, specialty catalogs and annual reports.

PURPOSE

Graphic Arts Center's purpose for being in business is to care for its customers' needs before, during and after delivery of the printed job, and to do that better than any other printer.

GOALS

Graphic Arts Center's immediate goal is to grow to \$100 million in annual net sales. We also aim to achieve a return of 25% pretax return-on-equity and 6% pretax return-on-sales.

STRATEGY

Graphic Arts Center's strategy is to extend its leading position in the web and sheetfed commercial printing market in the western United States while expanding its position of market leadership in commercial sheetfed printing in the Northwest. At the same time, Graphic Arts Center will continue to enhance its reputation and position nationally as the top quality catalog and annual report producer.

Our plan is to grow by at least 20% annually through greater penetration of the market segments we know best. We will continue to add to our professional salesforce, which is the largest and best commercial printing sales organization in America. We'll continue to use state-of-the-art technology to serve the quality and delivery needs of our customers. And we will continue to penetrate large metropolitan markets where we are not yet fully represented.

To accomplish this strategy, Graphic Arts Center will continue to attract, train and retain the most talented and customer-conscious employees in the industry.

Finally, our strategy will be undertaken while always putting our customers' needs first.

The Profitmaker's Top 10 STRATEGY Tools

As Selected by Scores of CEOs and Corporate Planners

1. **Always Play "What If?"** = *The two most powerful words in any language are "What If?" These words spark the imagination and lead to greatness! Test what could go wrong by asking "what if?" this or that happened. Test **what might be** by asking this question.*
2. **Fill Valleys, THEN Clip Peaks** = *Two decades ago at Fibreboard Corporation we made the mistake of weeding our customer garden before planting. First find new customers, then cut marginal volume. This can be approached on a "seasonal" basis (monthly).*
3. **The S-W-O-T-P-I-C-Ks Approach** = *Most everyone analyzes their Strengths, Weaknesses, Opportunities, and Threats, so now add **Problems, Issues, Concerns, and Keys to success** to your analytical review.*
4. **Price+Mix+Volume Formula** = *Tweak these to maximize market share & drive competitors crazy! Try increasing your effective price by changing your mix, bundling or un-bundling to improve price-mix, or trading price for volume.*
5. **Trade Price for Volume** = *This works great if done carefully and selectively. Get the right tool for tracking to avoid going too far (See Trailing 12 Months Charts.)*
6. **"I Know It's Impossible"** = *Dan Wertenberg taught us the right strategic response to "there's no way it'll work" or "it's impossible". Keep probing with: we **know** it's impossible, but if it were possible, **what would it look like, feel like, be like?** By thinking positively, we often **figure out a way it is possible!***
7. **Understand Your "Sweet Spots"** = *Every business has **sweet spots**, a point in volume, size, or time where everything seems to go well. Figure out **WHY** this is so, and you'll have powerful clues for future strategic direction.*
8. **Vertical→Horizontal→Outside** = *Look at what "Wall Street" does to create new products (e.g., the LBO led to the Roll-Up). Try totally **outside the box** thinking!*
9. **Anticipate Strategy Changes** = *Study how your business **must change** and how it **will change** over time (even without your doing anything). Try **modeling** a number of different **strategic scenarios**.*
10. **Create Dream Time** = *Dreaming, imagining, visioning, what-iffing. Whatever you call it, **please take some time every week for this**. Someone real smart said: the CEO should tell each new manager, "take an hour every day to put your feet on the desk and **think...we pay you far too much just to 'do'.**"*

The Profitmaker DREAMS!

1. Anything you can dream, you can do!

For example, dream of doubling your business in 3 years.

My dream is to _____

2. To achieve your dream, you need a plan.

A plan has a goal, a pathway to get there, and specific action stepping stones.

My goal is to _____

by going down this path: _____

and my specific action stepping stones are: _____

and _____

3. Your Pathway and Stepping Stones Might Include:

Giving my clients more of what they want and in better ways (delivery).

Marketing what I do to get new clients who'll be regular, repetitive.

Marketing with existing clients to get more of their business.

Marketing that increases T-O-M-A (top of mind awareness).

Financing practices for better-than-average collections and payments.

Financing that anticipates future capital and cash needs.

Financing that utilizes some debt but keeps a reserve for tough times.

Tracking that actually helps me achieve my goal along the way.

Tracking that tells me how to improve next month, quarter and year.

Tracking that helps me set more aggressive goals in the future.

The Profitmaker's Top 10 PEOPLE Tools

As Practiced by Executives All Across America

1. **Key Customer-Impacting Jobs** = Find key jobs affecting **customers**, put the right people in those jobs, benchmark and train them, and then **really** support them. For example, the receptionist doesn't even see a phone until after four weeks training. And s/he gets **regular recognition** for good performance!
2. **Big Audacious Goals** = Results **happen** by reaching **higher**, not just by setting **logical** goals. Encourage people to **set their own goals** and they'll reach higher and achieve more than you ever dreamed.
3. **Recognize for Results** = Recognize people for performance on a **regular, scheduled-but-random** basis, founded on real results. Many people don't recognize others because they haven't set up criteria and they are simply out of practice! **Thank for effort, and recognize for results.**
4. **1:1 with Direct Reports** = Prescheduled **individual** uninterrupted weekly meetings keeps your team on top!
5. **Set Top People's Roles** = Decide the **roles and evolution** of the Top 5 People in the company **before** rushing out to hire winners. Otherwise, you'll just confuse the newcomers!
6. **Choice Grid** = Use this format to select key people against **objective criteria**, not on just emotion.
7. **Executive Development Planner** = Easy tool for leapfrogging **personal growth** of managers.
8. **"Help Me Help You"** = As in the **"Jerry McGuire"** movie, teach and espouse a supportive attitude.
9. **Hire Attitude, Not Skills** = In most jobs **"I will"** is more important than **"IQ"**; many thanks to Dick Vermeil for teaching us this.
10. **Best People Philosophy** = Monitor **details**, Measure **results**, Manage **process**, and Lead **people**. This means treating people with respect, **including** the respect involved in helping them learn how to excel.

The Profitmaker Sets TOP PLAYER's ROLES

Decide the Roles of the Company's Key Players

1. Understand and Write the Company's Strategy WITH the Top 5 People.
2. Understand How the Company is Going to GROW Long-Term.
3. Identify the Top 5 Customer-Impacting Jobs & Get Them RIGHT!
4. Then Identify the Roles of the Board, CEO and COO & Get them Right.
5. Only Then is it Safe To Focus on Other Key Roles in the Company.

Some Suggested Roles for Top People

1. Top 5 Customer Impacting = Work Magic at Exceeding the Customers' Needs!
2. BoD = Sets Strategy & Direction with CEO, Works on Big Picture, Monitors Results.
3. CEO = Strategy + Vision + Values + Goals + Communication.
- 3a. CEO = Sets DIRECTION and SUPPORTS EVERYONE in going that way!
4. COO = Implementation (Operations) + Goals + Communication.
5. CFO = Tracker + Champion of Profit and Cashflow + Resourcer.

The Top 10 Organizational/Management Tools

- | | |
|---------------------------------|---|
| 1. Strategy before Structure. | Big Picture, Who We Are, Where We're Going. |
| 2. Role & Function Definitions. | Who Does What, How We Interact. |
| 3. Culture & Environment. | Values, Mission, What We're Like. |
| 4. Hiring & Keeping Winners. | Peopling the Organization to Make It Go! |
| 5. Challenge. | Why the Goals are Important! |
| 6. Recognition. | The Real Reward! |
| 7. Fun. | Part of Environment. |
| 8. Compensation. | What \$ We Get for Our Effort & Results. |
| 9. Personal Growth. | A Thing We All Need. |
| 10. Communication. | How We Make It All Happen. |

Hiring Winners is Important, But ONLY After We Know What We're Doing!

The Profitmaker HIRES & ENCOURAGES Winners

HIRE---> GOALS---> COMPENSATE-----> TRACK---> FEEDBACK--> RECOGNIZE!

1. Tried & True Hiring Approach

- a. Write a 1-page "Benchmark" document:
What you're looking for in a performer! (Traits & Abilities)
What success in this job looks like! (Actual Measurements)
- b. Select from 3 candidates, minimum.
- c. Use a numerical Scorecard (see Kraig's 35 Success Traits).
- d. Deal with chosen candidate's weaknesses BEFORE hiring.
- e. Hire the RIGHT person for the job, not just one that looks RIGHT.
- f. Above all else, hire for ATTITUDE, not just for ability and skills.

2. People Motivate Themselves, But You CAN Help!

- a. Set goals WITH your people, not FOR them. Involve them from the GET-GO!
- b. Match compensation to "budget" but be open-ended to achieve Big Audacious Goals!
- c. Track results and communicate results at least monthly (weekly or daily is best).
- d. Use RECOGNITION regularly (see Kraig's Top 10 Recognition Guidelines).
- e. Continue at all times to TEACH the outcomes you expect in people's work!

The Profitmaker's Top 10 PRODUCTIVITY Tools

Exemplified by Executives Everywhere Who Organize Self and Others

1. **Quarterly Priorities Sharing** = *Encourage managers to share five individual quarterly goals with each other on a regular basis and then **help each other** achieve them! **Quarterly** links the day-to-day out to the year or vision period.*
2. **Time Audit** = *Audit your time to get rid of comfort-zone things you do that aren't focused on customer, people or profit. Studies show that managers spend **over 45% of their time on reactive problem solving and administrivia!** Get rid of these and **refocus on results!***
3. **12-Month Company Calendar** = *Show all key future events to **all** employees, creating **coordinated** teamwork. The results will surprise you! Each quarter, the quarter just ended is deleted and appended for next year; so it's perpetual!*
4. **Organize Self before Others** = *It's really hard to be believable **if you aren't organized!** Take hold of this issue and become an organized executive -- take an AMA seminar on getting organized, try some of the tools on this page, and **then go teach** it to those around you!*
5. **Monthly Operations Report** = *Manager's **personal report card**, builds track-record and results. This is sort of a monthly self-review of what you **should be doing!** By forcing yourself to write it, you force self-realization.*
6. **PC/Spreadsheet/Analytical Literate** = *If you're not, **get there!** Either learn to be an ace (or nerd) yourself, or surround yourself with several. Being PC literate is not the same as being a **spreadsheet/analytical type**. Learn what this and the Internet are really all about!*
7. **The "C-Drawer"** = *Many thanks to Alan Lakein and others who helped us see what getting organized really entailed. The **C-drawer** and its many variations have put many of us right! Unfortunately, this can only be done justice to verbally (not in writing!)*
8. **Efficient Yourself with TTM** = *Try viewing the Trailing-Twelve-Months chart as a means to get really good at strong, steady growth. Imagine how **efficient** your company would be at the **same high growth rate** year after year. No more down-sizing, right-sizing, left-sizing, and wrong-sizing. Get your TTM chart to be a **straight-line** and you're there!*
9. **Get Buy-In on Values** = *The values each of us has determine our own behavior, and our behavior predisposes our performance. Put in place a common Value System and you expand your success ratio 100:1. (See "Values" on page 5a.)*
10. **12-Month Client Calendar** = ***Really** focus your efforts on the customer with this **Client** version.*

The Profitmaker's Top 13 COMMUNICATION Tools

As Chosen by CEOs of More Than 1000 American Companies

1. **Manager's Monthly Letter** = *Get your message to **everyone**, building trust, teamwork and **results**.*
2. **1:1 with Direct Reports** = *Prescheduled **individual** uninterrupted weekly meetings keeps your team on top!*
3. **Communicate Results to Maximize Results** = *People like to know whether they're making it, so tell them what's going on. But remember, what gets measured, and **communicated**, is what gets done!*
4. **Personal Notes Home** = *Send individual cheerleading and congratulating notes to reinforce results.*
5. **Communication & Trust** = *Understand the need to work on **both** to raise performance. (See the Profitmaker's Top 10 RECOGNITION Tools.)*
6. **Share Business Plans with Everyone** = *This dramatically **enhances trust**, multiplies your communication ten-fold, and **really** gets everyone going in the same direction! (See 1-Page Business Plan.)*
7. **Symbolism** = *Take the lead by using symbolism wherever possible: **Q1 = \$1.00** works well; hold up a one-dollar bill and talk about it. Hand out \$1.00 bills to nail it!*
8. **Weekly Employee Update** = *This 1-pager cites key happenings with **customers** and talks about **employee performance**: what else could possibly be as important?*
9. **Use "NLP" As a Tool** = *Plug sight, sound, and touch (from neuro-linguistic programming) into your communications. You'll be absolutely **amazed** at your heightened effectiveness!*
10. **Monthly Superstars Letter** = *Write **winner-praising letters** to the group of people who make the rubber meet the road. Recognize winners, don't even mention laggards, and send the letter to all.*
11. **Taking It to the Street** = *Find every excuse to **reiterate goals and direction**.*
12. **Communicate Bigger** = *Consistency and repetitiveness will dramatically enhance effectiveness.*
13. **Feed the Effort!** = *Volunteer your **personal support** to each person's effort to beat goal.*

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Seven Key Questions to Judge a Company's Success

Developed During Business Reviews of Over 10,000 Companies

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CUSTOMER

2. IS IT FINANCIALLY SOUND?

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CASH/CAPITAL
FINANCING
TRACKING

3. DOES IT ANTICIPATE THE FUTURE & CREATE GROWTH?

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PLANNING
STRATEGY

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PRODUCTIVITY

5. IS ITS MANAGEMENT SYSTEM CONSISTENT & EVOLVING?

Does the company anticipate process-and-structure stalls? Does it ask "how can we improve and extend our management process" beyond what it was designed to handle? Does it re-assess management's roles regularly?

VALUES
ROLES
RE-ENGINEERING

6. IS IT ALWAYS TRYING TO IMPROVE (Kaizen)?

What evidence is there that the company reaches for an extra percent (%) in every area? Does it try to better this month over the same month last year? Is it always stretching for more?

GOALS
MEASUREMENT
FEEDBACK

7. IS THE COMPANY HAVING FUN?

Fun means the people are being challenged, are realizing success, and are both giving and getting personal recognition for performance, and for helping the customer beyond the call of duty.

CELEBRATION
RECOGNITION

The Profitmaker's Top 10 VALUES-ALIGNING Tools

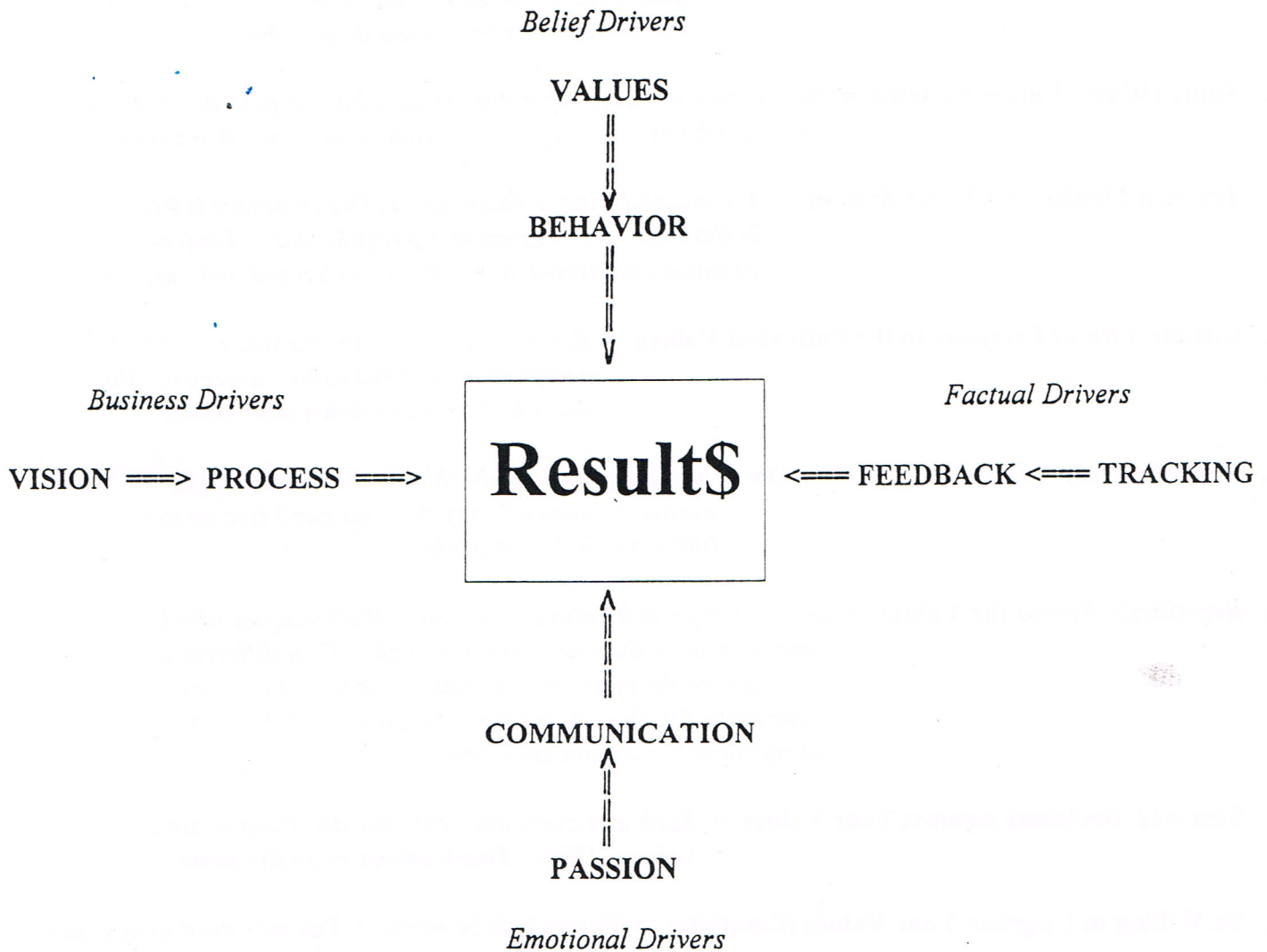
Assembled from Leading American Companies with Published Values

1. **Get Values Input from ALL Stakeholders** = *Start by getting **input from every employee** and all your other stakeholders on values. Then sort for a consensus of as few values as possible.*
2. **Study Others' Values Systems** = *Incorporate as many other published values as possible, but still end up with only one page (5 - 15 values) in total. Word simply.*
3. **Try Ron Fleisher's 3-Value System** = *A wonderful, simple value set: 1) **The customer is #1**; 2) **Revenues less Expenses = Profit\$**; and 3) **Under-promise and over-deliver**. Work each word and phrase!*
4. **Include a Bit of Everyone in the Published Values** = *Buy-in won't occur unless you get a bit of everyone in the final values statement. But don't let this water down your values.*
5. **Publicize Only Values You're 100% On** = *In the beginning publish only the values you're absolutely sure of! Any that you can't live up to 100% should be left aside.*
6. **Repetitively Repeat the Values** = *Go out and **preach values** every day. (Wall plaques which emblazon the values just aren't enough.) Find different ways to re-iterate the message over several years. Have copies in your lobby for all stakeholders. Yes, it's worth the extra effort to repetitively communicate them!*
7. **Test ALL Decisions Against Your Values** = *Each and every day, test your decisions against the values. 100%. **Teach others to do the same.***
8. **Be Willing to Upgrade Your Values (Carefully)** = *We can't all be perfect! You may need to upgrade your values over time – just remember, you **can't downgrade** them without criticism and severe loss of credibility.*
9. **Publish Your Own "Kardinals"** = *These are the rules of the road for running the business, based on the **values**. Publish them so that everyone can see how **you** live by them.*
10. **Values, Vision & Passion** = *Values is the starting point **after you have** vision and passion. Many businesses are short one of these three vital ingredients. Work on **all** of them to maximize your success!*

Values, Vision, Passion & Tracking

5b.

Belief Drivers, Business Drivers, Emotional Drivers & Factual Drivers



AUTOMATED LOGIC CORPORATION

Our Mission

Leadership in the Building Automation Industry by 2002. Our customers, our competitors, and our ALC family are our three judges. Unanimous consent is required.

Our Values

Localness There is a 16th century principle which says:

*It is a violation of 'The Right Order'
for a higher level to intervene at the lower level
when the lower level
can solve the problem itself.*

Those functions that can be performed at a local level should be.

Managers All managers shall imprint themselves daily with the following:

- I will listen.
- I will not shoot the messenger.
- Management is always the problem.

Differences Our individual differences can enhance or negate each other. If we constructively share our differences, in pursuit of a worthy goal, they become our source of strength for superior achievement.

Customers They sustain us. As fair exchange our customers will enjoy in return:

- Quality product
- Value for their dollar
- Timely response
- Good counsel and support
- Fairness and respect

To provide our customers with less is to sabotage our own survival.

Quality If our customer is still pleased with us on the day our product is worn out, obsolete, or replaced, we will have met our quality goal.

Rules An organization must have structure to operate efficiently, so a few simple rules are necessary. But when a rule is in conflict with fairness, fairness will always prevail. We will not stand on rules, we will stand on fairness.

Failure It is a *stepping stone* to achievement when it is:

- unique,
- small, manageable,
- and intelligently considered.

It is a *stonewall* to achievement when it is:

- repetitious,
- large, unmanageable,
- or poorly thought-through.

Improvement Like the products we produce, our individual jobs are comprised of many components, and for every component there is a time for improvement. There are always at least three or four components of our job whose time for improvement is now.

Openness We have open book management, an open office plan, and a 360 degree review process. If we err, it will be on the side of awareness versus unawareness.

Communication

- Clarity
- Candor
- Constructive purpose

Without all three, it is a waste of time. With a heavy dose of each, miracles can happen.

The Profitmaker's BUSINESS KARDINALS

Most CEOs have a strong interest in assuring a clear understanding of the culture and ethical conduct expected in their businesses. One good way of doing this is for the CEO to set down on paper what he believes in, how he measures others and what he generally holds of value. These might be called the CEO's business "cardinals" and these are mine:

1. **Always** treat people **right** and tell them **performance** is **expected**.
2. Focus on **big, audacious goals** and on **tracking** success.
3. Help people **set and take action** to achieve goals.
4. **Communicate** company performance **regularly** and truthfully.

5. **Celebrate successes** and then set new goals.
6. You'll only **manage** what you choose to **measure**.
7. **Customers first**, then plant and machinery.
8. Know **what** it is the company **really sells**.

9. Create a **climate of trust** and **communication**.
10. Build **genuine value**, not paper profits or sales hype.
11. Bet on the **person**, not the idea or the product.
12. **Never** compromise quality for price or profit.

13. You only get **one chance** to make a first impression.
14. Do **first things first**, second things never.
15. Make **time for people** who want to see you right now.
16. Repeated **recognition** will enhance repeated **performance**.

17. Lead people, manage things.
18. Take responsibility for **momentum**.
19. "**About right**" now is far better than "exactly wrong" later.
20. One improper compromise can collapse a career or a company.

21. **Honesty** is **still** the best policy -- cover-ups create catastrophe.
22. Do the "**right thing**" rather than "just doing things right".
23. Always play "what if".
24. Tell the **bad news first**, never last.

25. It's too easy to cut price and **much too hard** to bring it back.
26. Keep all your eggs in a **bunch** of baskets.
27. Invest your time with **winners** -- not with losers.
28. Go to your strengths when the going gets tough.

29. A little success can create a lot of overhead.
30. Anything you can **dream**, you can **do!**

Kraig W. Kramers 5-6-95r ProfitKards

UA 69: ORD-->PDX 6-7-88

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The Profitmaker's Guide to EXECUTIVE FOCUS

Have You Re-Examined Your Role Lately?

CEO = Chief Executive or Everything Officer?

CCO	Customer	<input type="checkbox"/>
CMO	Marketing	<input type="checkbox"/>
CSO	Sales	<input type="checkbox"/>
CSO	Strategy	<input type="checkbox"/>
CVO	Vision	<input type="checkbox"/>
CPO	Planning	<input type="checkbox"/>
CKO	Knowledge	<input type="checkbox"/>
CIO	Information	<input type="checkbox"/>
CTO	Technology	<input type="checkbox"/>
CQO	Quality	<input type="checkbox"/>
CPO	Profit	<input type="checkbox"/>
CFO	Cashflow	<input type="checkbox"/>
CFO	Financial	<input type="checkbox"/>
CGO	Goals	<input type="checkbox"/>
CTO	Tracking	<input type="checkbox"/>
CDO	Direction	<input type="checkbox"/>
CGO	Growth	<input type="checkbox"/>
CCO	Culture	<input type="checkbox"/>
CVO	Values	<input type="checkbox"/>
CCO	Communication	<input type="checkbox"/>
CCO	Cheerleading	<input type="checkbox"/>
CRO	Recognition	<input type="checkbox"/>
CSO	Support	<input type="checkbox"/>
CPO	Passion	<input type="checkbox"/>
CFO	Fun!	<input type="checkbox"/>
CAO	Administrative	<input type="checkbox"/>
COO	Operations	<input type="checkbox"/>

The Profitmaker Takes a Minute for a "TIME AUDIT"

PLEASE TAKE A MINUTE BEFORE THE MEETING TO FILL IN BOTH COLUMNS BELOW. PLEASE GIVE A COPY OF THIS TO THE RESOURCE SPEAKER. THANK YOU!

Step 1: Three Quick Cuts at How You Now Spend Your Time as a Business Person:

Step 2: Plan How You Would LIKE TO SPEND Your Time:

	NOW	6-Months Out
	% of Time	% of Time
Customers	_____	_____
Marketing	_____	_____
Finance	_____	_____
Company Operations	_____	_____
Suppliers	_____	_____
Tracking Results	_____	_____
People/Communication	_____	_____
Strategy, Vision, Values	_____	_____
Reactive Problem Solving	_____	_____
Administrivia	_____	_____
	=====	=====
Managing	_____	_____
Leading	_____	_____
Doing	_____	_____
	=====	=====
Hours per Week	=====	=====

Step 3: Decide HOW to Change Your Use of Time Over the Next Six Months. Specific Action Steps Will Help You Get There.

How Executives Spend Their Time

Have You Looked at How You Spend Yours Lately?

CEOs are saying they spend more of their time on **customers (29%)** and **strategy (26%)** than on any other aspect of their businesses.

(from the 1997 Private Company CEO Study by Christian & Timbers Inc.)

CEOs who have been on the job some time say they spend an inordinate amount of time (more than any other area) on **reactive problem solving (21%)** and **administrivia (21%)**.

(from the 1997 Private Company CEO Study by Christian & Timbers Inc.)

CEOs in Atlanta were surveyed in 1997 and found to work **54 hours per week**, and spend more time with **customers** than anywhere else. When asked how they should spend their time, they said CEOs should focus on **leading employees**, on **strategy**, and on **vision**.

(from the 1997 W.L. Handler & Associates' Annual Poll)

Senior executives of mid-sized American companies spend **25% of their time with customers**, **20% on reactive problem-solving**, and work about **55 hours per week**. Surprisingly, the range of responses varies widely: **5% - 70% on customers**, **5% - 50% reacting**, and **40 - 70 hours per week** worked.

(from Kraig Kramers' 1997/1998 survey of 400 TEC presidents)

Over **41%** of CEOs surveyed in 1997 said **they never touch a personal computer**. **43%** said they **don't send or receive e-mail** and a whopping **65% aren't on the internet!**

(from the 1997 W.L. Handler & Associates' Annual Poll)

The Profitmaker's Guide To EXECUTIVE ROLES

FUNCTIONS of the CEO

1. Prepare and gain acceptance of a 1-page company Description (unique business proposition), Goals, Purpose and Strategy.
2. Prepare and gain acceptance of a Long Range Plan for the company.
3. Operate the business in accordance with an accepted Long Range Plan. Achieve the objectives agreed to with the Board of Directors.
4. Staff the organization with appropriate Officers, Managers and Workers. Plan their succession and his/her own.
5. Keep the Board of Directors up to speed on a "no surprises" basis.
6. Be fully responsible for all company decisions and performance.
7. Annually present a budget for acceptance to the Board.
8. Operate the company in accordance with that accepted annual budget.
9. Assure timely, accurate and appropriate monthly financial reporting to the Board.
10. Bring new strategic alternatives to the Board for consideration.
11. Assure that all "Matters Subject to Board Approval" are brought to the Board.
12. Assure that all "Matters About Which to Inform the Board" are brought to the Board.
13. Prepare the company's code of ethics and business conduct guidelines.

FUNCTIONS of the Chairman of the Board of Directors

1. Provide an independent, outside viewpoint to the constituent-based Board.
2. Be an "outside" advocate for the company with constituents and interested parties.
3. Prepare the agenda and lead the Board meetings.
4. Guide the Board in carrying out its functions.
5. Assure appropriate matters are brought to the Board's attention.
6. Assist the CEO in his/her relationship with the Board.
7. Serve as interface whenever necessary between the CEO and the Board.
8. Serve as consultant to the Board on matters in which he/she has experience.
9. Through auditors and audit committee, assure company compliance with policies.
10. Guide the Board in bringing advice to the CEO in the following areas:
 - Business, financial and competitive trends.
 - Business practices and standards that excel elsewhere.
 - Matters of corporate direction, organization, and compensation.
 - Goals and strategies that might relate.
 - Corporate culture.
 - Major business decisions by the CEO.
11. Guide the Board on corporate governance.
12. The chairman will not be involved in day-to-day operations of the company.
13. Such other matters and assignments as the Board reasonably requests.

The Profitmaker's Guide to the COO's ROLE

FUNCTIONS of the CHIEF OPERATING OFFICER

1. Participate with the CEO in developing the Long Range Plan and Annual Budgets.
2. Carry out these plans from all operational aspects within the budgetary (meaning capital and cash flow) guidelines.
3. Staff the organization (other than the Financial function which reports to the CEO). Coach and guide all functional managers (vice presidents) other than the CFO.
 - Plan and actively implement ongoing promotion/succession for all managers.
4. Keep the CEO and CFO up to speed on a "no surprises" basis.
5. Be fully responsible for all operating performance (including marketing, sales and fulfillment of every kind).
6. Annually prepare the budget for approval; iterations may be required with the CEO to bring this effort to a Board-accepted plan.
7. Be the CEO's confidant and "lieutenant".
8. Utilize the CEO as an ambassador and vision/passion/direction giver to all employees.
9. Assure the culture conceived by the CEO is put in place and well-maintained.
10. Achieve equal or better results than the budget depicted.
11. Assure an appropriate, supportive, peer-relationship with the CFO.
12. Concern him/her-self with IMPLEMENTATION rather than STRATEGY, but always continue to bring strategy-feeding information to the CEO's attention.

The Profitmaker's Guide to the BOARD OF DIRECTORS

FUNCTIONS of the Board of Directors

1. Represent the interests of all shareholders.
2. Select, compensate and when necessary replace the CEO.
Plan his/her succession.
3. Help the CEO on matters in which directors have expertise.
Bring analyses, opinions and alternatives to the board.
4. Help the CEO by being a sounding board and source of ideas.
5. Do not become involved in internal operational matters.
6. Review management decisions, especially those related to corporate objectives and corporate policy, long-term planning and major financial decisions, including long-term debt and financing.
7. Approve the long-term and short-term objectives of the company.
8. Approve the annual budget and review other important facets of the business including competition, human resources and contingency plans.
9. Approve the issuance of stock and stock options.
10. Receive and review monthly and other operational reports.
11. Appoint and/or serve as the audit, compensation, nominating and executive committees of the board.
12. Approve acquisitions and divestitures of any operations or assets exceeding \$25,000 per transaction (defined to be unit or entity).
13. Approve the company's code of ethics and business conduct guidelines.
14. Approve the company's Description, Goals, Purpose & Strategy statement.

MATTERS SUBJECT TO BOARD APPROVAL

1. Selection and compensation of five highest paid employees and all corporate officers.
2. Investments outside the mainstream of the business.
3. Purchase or lease of capital assets and service contracts over \$50,000.
4. Commercial banking arrangements of all kinds.
5. Permanent employment of relatives of officers and managers.
6. Selection of auditors, general counsel, and investment bankers.
7. Pension plans, medical plans and any other employee benefits covered by ERISA, COBRA, ADA, FMLA and other government regulations.
8. Employee stock purchase plans.
9. Any civic or charitable contribution by the company totaling more than \$1,000 in a 12-month period.
10. Any employment contract of more than 90 days duration.
11. Management consultant arrangements over \$25,000 or over one year.
12. Any loan (other than routine travel advances) to an officer or employee.

MATTERS ABOUT WHICH TO INFORM THE BOARD

1. Legal matters (disputes, lawsuits, arbitration, etcetera).
2. Contracts to sell or buy products or services over a year.
3. Review of CEO's expense accounts and perks.
4. Property, general liability, E&O, and D&O insurance coverage.
5. Membership in trade, management and professional organizations.
6. Conflicts of interest.
7. Non-routine tax audits, tax or any other investigations and inspections.
8. Loan covenant variances and waivers on a timely basis.

The Profitmaker's Top 10 GOALSETTING Tools

Gleaned from CEOs of 3,000 Successful Growth Businesses

1. **Business Unit's Overall Goal** = *Jointly pick an overall, big picture goal to communicate to everyone in your company. By focusing on our \$100 million 3-year net sales goal when we were a \$60 million company, we grew GAC at 24% a year in an industry that grows at only 4% annually!*
2. **Big Audacious Goal** = *Have some fun by nesting a Big Audacious Goal (BAG) inside your overall goal. We nearly doubled one product line from \$12 to \$23.9 million by challenging ourselves with an "impossible" BAG of doubling it in two years!*
3. **{Q1 = \$1.00}** = *Set a goal of making just \$1.00 in your worst (loss) quarter or month, communicate it broadly, and participate in helping those around you achieve it.*
4. **What Gets Measured Gets Done!** = *Identify a 3-year overall goal, break it down by month, track it monthly and communicate it to everyone for long-term, consistent results. (See "What Gets Measured Gets Done" on page 6b.)*
5. **Top 5 Goals** = *Agree on five very specific short-term and five very specific long-term goals. This will focus the team's efforts on what really needs to be done. Two goals are too few and will result in boredom, twenty are too many and will result in chaos -- five is just right!*
6. **Quarterly Priorities** = *Set five quarterly personal goals (priorities) and get your direct reports to do the same. Quarterly helps link the day-to-day to the longer-term, big picture. Communicate these among yourselves to broaden support and teamwork.*
7. **Harley Hot Button** = *To achieve really remarkable results, identify something a person really wants or really needs but won't or can't buy for himself (like a Harley). Offer it as an incentive for achieving a Big Audacious Goal and support his effort!*
8. **Goal Writer 101A** = *Teach "Verb+Noun+Date" to write a goal; best example is "Do It Now!"*
9. **The 1-Page Action Plan** = *Get everyone who can make a goal happen into a room, and identify all the action steps to achieve the goal. On flip-charts write who will be achieve the step, on what date, and who will hold him accountable. Meet every few weeks as a group to review progress and set new action steps.*
9. **Communicate Goals to Maximize Results** = *People like to know whether they're making it, so tell them what's going on. Remember, what gets measured and communicated, is what gets done!*
10. **Symbolism** = *Use symbols to communicate: Q1 = \$1.00 works well. Hold up a one-dollar bill and talk about it. Hand out \$1.00 bills to nail it!*

The Profitmaker's Top 10 MEASUREMENT Tools

"What Gets Measured Gets Done"...BUT the Details Matter a LOT!

- 1 - What Gets Measured Gets Done, BUT...if you don't tell anyone what you've measured as you go along, very little will actually get done.
- 2 - What Gets Measured Gets Done, BUT...having the right measuring device or system or key indicator **SURE DOES HELP!**
- 3 - What Gets Measured Gets Done, SO...if you measure the **WRONG** thing, sure enough the wrong thing will get done!
- 4 - What Gets Measured Gets Done, BUT...if you're measuring too **MANY** things, everyone will get confused and nothing will get done!
- 5 - What Gets Measured Gets Done, AND...it matters much less how you measure and much more **WHO** and **HOW** you tell about it!
- 6 - What Gets Measured Gets Done, YET...people don't care what measure you use. What they want to know is **HOW ARE WE DOING**, meaning feedback.
- 7 - What Gets Measured Gets Done, BUT...if your ongoing strategy is to trade margin for volume, you better have a tool that will **WARN** you when to **STOP!**
- 8 - What Gets Measured Gets Done, BUT...if you don't recognize and reward results, they **WON'T** be repeated. Practice only makes permanent, not perfect!
- 9 - What Gets Measured Gets Done, AND...it helps **GREATLY** if people believe their compensation is aligned closely with what's being measured and done.
- 10- What Gets Measured Gets Done, AND...despite all of the above, you **WILL GROW YOUR PROFITS** by measuring and telling about it **NOW!**

Measure YOUR Way to Success with "What Gets Measured Gets Done!"

The Profitmaker's Top 10 GOAL-SETTING Tips!

1. Goals should be MEASURABLE and TIMED (due on a specific date).
2. Goals should measure the PERFORMANCE of persons and/or teams.
3. Goals need to be BROADCAST (written and communicated widely).
4. To communicate goals, REPEAT the message again and again!
5. Goals need to be TRACKED (measured in increments and communicated).
6. The RESULT of the performance needs to be CELEBRATED!
7. Celebration should include RECOGNITION of individuals and teams.
8. NEW GOALS should be set after previous goals are achieved or past.
9. Use the VERB+NOUN+DATE tool to set goals that are both measurable and date-stamped. Remember: "Do It Now!"
10. Nest "Big-Audacious-Goals" inside Overall Goals to inject FUN!

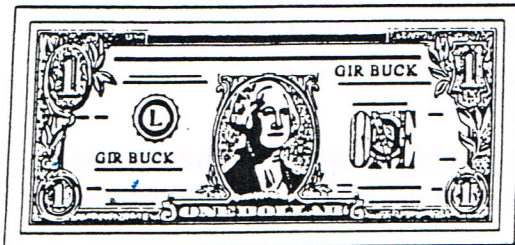
The Profitmaker's Top 10 RECOGNITION Tools

1. **Pat people on the back as they're making headway on a job.**
Example: "It's neat to see that project moving forward."
2. **Talk positively each day about actual achievements of the company.**
Example: "Our revenues sure have picked up in the past two months."
3. **Listen to people's problems.**
Example: "Would you share that experience with me?"
4. **Give encouragement and compliment people whenever possible.**
Example: "I encourage you to try your idea about..."
5. **Find ways of being helpful to those around you.**
Example: "Saw this article that may tie into what you're working on."
6. **Tell people you believe they can do it, that you have faith in them.**
Example: "Looks like you'll set a new sales record this year!"
7. **Generate hope: it's always the light at the end of the tunnel!**
Example: "This storm will pass; they all do!"
8. **Find ways to give good news to those around you.**
Example: "Did you hear the news about our profit growth?!"
9. **Get them to feel better, no matter where the interaction started.**
Example: "How do you feel now that we've talked about that?"
10. **Thank them for effort, praise them for performance.**
Example: "Thanks for the hard work."
"Congratulations on winning that bid!"

Four Recognition Snippets

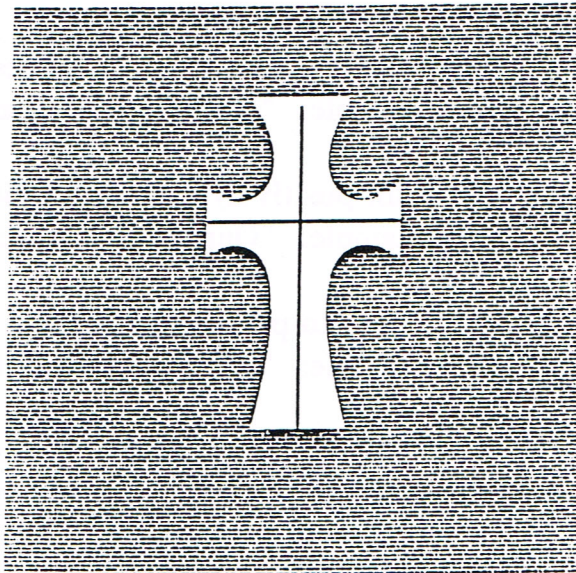
How Are You Recognizing Your Performers?

RECOGNITION BUCKS



Issued to: _____

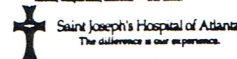
From: _____



The Board of Directors Congratulates the Staff at Saint Joseph's Hospital of Atlanta.

The board of directors at Saint Joseph's Hospital of Atlanta wishes to congratulate the hospital for its recent accomplishments with commendation from the Joint Commission on Accreditation of Healthcare Organizations. The Joint Commission serves as the nation's preeminent standards-setting and accrediting body in health care. Its standards address a health-care organization's level of performance in key functional areas that affect the quality of patient care. The Joint Commission estimates that each hour of live coverage of all hospitals averaged across the nation this year will receive commendation.

The designation clearly recognizes why Saint Joseph's Hospital of Atlanta has long been acknowledged as a leader in the health-care community. Founded in 1880 by the Sisters of Mercy, Saint Joseph's doctors, nurses and staff are renowned for their ability to provide exceptional health care. Saint Joseph's Hospital of Atlanta offers a broad range of medical services for the community — from primary care to advanced specialty health, including breast, vascular, oncology, orthopedics, gastroenterology, renal, pediatric, cancer, transplant, diabetes — and more.



*Congratulations & Thanks
to Toni McGowan & the
Dunwoody/North Atlanta Office!*



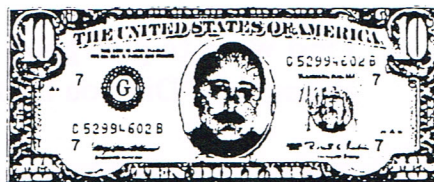
"Toni promotes world-class service, a focus that attracts award-winning agents and means stress-free buying and selling transactions for all their clients. Congratulations to Toni and the Dunwoody associates...#1 again, 10 years running."

- Ed Erbesfield,
President & CEO



Dunwoody/North Atlanta Office
1555 Mt. Vernon Road • Atlanta, Georgia 30338
(770) 393-3200 • <http://www.lprugeorgia.com>

TRADESMAN'S BONUS



PAYABLE TO: _____

JOB NAME: _____

JOB NUMBER: _____

THIS BONUS IS REDEEMABLE FOR \$10.00 AT PAUL DAVIS SYSTEMS OF ARAPAHOE COUNTY, INC.

PLEASE SIGN AND RETURN TO YOUR PDS ASSOCIATE FOR PAYMENT TO BE INCLUDED WITH YOUR CHECK.

REASON FOR BONUS:

- ___ LEAVING JOB SITE CLEAN EVERY DAY.
- ___ NO PUNCH LIST OR CALL BACKS.
- ___ MAKING OUR CUSTOMER HAPPY.
- ___ ALWAYS BEING ON TIME TO THE JOB.
- ___ RESOLVING ALL PROBLEMS TO CUSTOMER'S SATISFACTION.
- ___ OTHER: _____

TRADESMAN DATE ASSOCIATE

My Own “Top 10” Biggest Business Improvers

Proven in Over 500 Real-life Business Successes

1. **W-G-M-G-D!** = *Apply the principles of What Gets Measured Gets Done: set an Overall Goal, then jointly set **Big Audacious Goals**, work on **communicating** both and on **building trust**, then finally **track & feed back** results. Stand back and watch the profit\$ grow!*
2. **Serve Your Customers T-O-M-A** = *Top of Mind Awareness (T-O-M-A) is a marketing technique, but use it to **serve** your customers and magic happens! Give your clients and customers **free** product and service and watch them buy even more from you!*
3. **Key Customer-Impacting Jobs** = *Find the key jobs affecting **customers** and put the right people in those jobs. Align their compensation, see to their recognition, and **really support** them.*
4. **Trailing 12-Month Charts** = *Sum of the 12 prior months, charted for 3 years; **especially** sales, gross margin, and the **things that cause sales to happen** (this is the early warning system which allows you to take action long before it causes an actual decline in sales).*
5. **Set an Electrifying Strategy** = *Use “What If?” and “Right” Growth Rate plus the Price-Volume-Mix Model to nail your strategy – you’ll **just know** when it’s right! Only then undertake changes in structure and process to effect growth.*
6. **1-Page Business Plan with UBP** = *Get your Unique Business Proposition right, publish it in your 1-Page Business Plan, and give it to all employees. Then get their understanding and tune their efforts to it’s achievement.*
7. **Q-P-M** = *The Quarterly Priorities Management thing is your tool for self-accountability of your key people and direct reports. Help them align their 5 priorities with the company’s goals, and then actively support their efforts during the quarter to achieve them. It’ll be a homerun!*
8. **Walk Your 4 Corners (and listen)** = *Re-plug yourself into what’s going on around you by Walking Your 4 Corners. Every single day spend 20 minutes walking and talking to your employees. Ask what they see that you don’t, how to do things better, how to do better for the customer. **They see stuff you don’t!***
9. **Values, Vision & Passion** = *Most executives have communicated their **vision with passion**. But most have **not yet aligned the company’s business values** with its people. This is a must for ongoing, big-time success. It’s often the source of bad stalls.*
10. **Regular Recognition** = *Recognize people for performance on a **regular, scheduled** basis. Track how often you recognize, else you will never develop a habit of doing recognition. And remember, recognition pays off at least 1000:1 over compensation of any kind!*