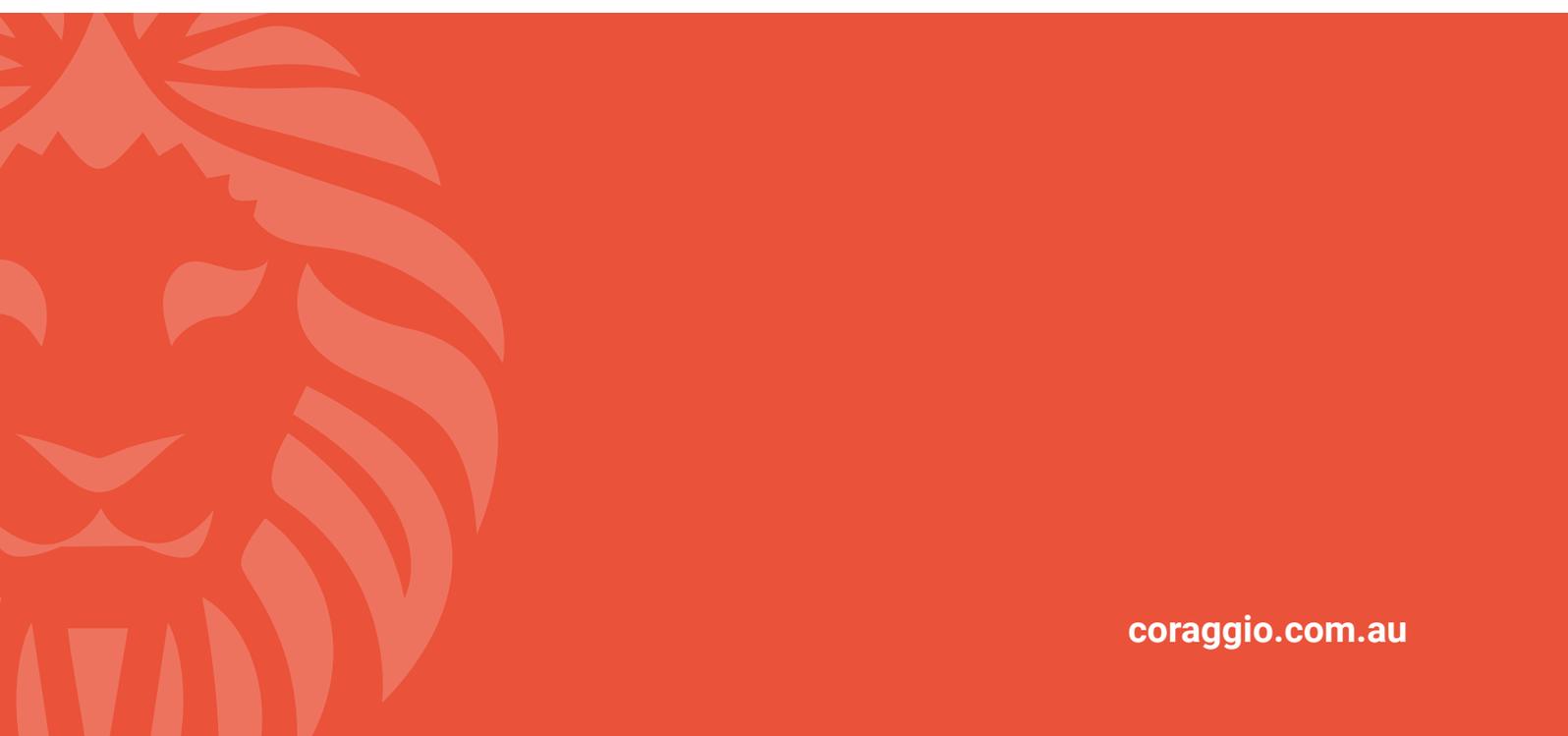




CORAGGIO
FEARLESS OBJECTIVE ADVICE

ENHANCE BUSINESS OPERATIONAL EFFICIENCIES AND LEVERAGE BUSINESS PROCESSES

Thought Leadership Article



The world of business is constantly evolving. Many businesses simply cannot operate as they have in the past. What made a company successful historically may no longer be possible during or after the crisis. Australia has seen falling productivity recently, exacerbated by a slow moving response to new technology adoption and other stats:

- COVID-19 brought Australia’s first recession in 28 years
- GDP fell 0.3 percent and GDP per capita fell 1.7 percent in 2019/20
- The pandemic prompted a sudden rise in unemployment

A crisis reshapes spending patterns. The COVID-19 pandemic has upended nearly every aspect of life, from the personal, how people live and work to the professional - how companies interact with their customers, how customers choose and purchase products and services, how supply chains deliver them.

According to McKinsey & Company -



The good news is that organisational responses to COVID-19 have accelerated the adoption of digital technologies by several years and forced businesses to create new strategies and practices to survive – and also thrive by considering

- **adapting** the core to meet shifting customer needs
- **identifying** and quickly addressing new opportunity areas being created by the changing landscape
- **reevaluating** the innovation initiative portfolio and ensuring resources are allocated appropriately
- **building** the foundation for postcrisis growth in order to remain competitive in the recovery period.

There are new methods, tools and products available that streamline business operations, innovation and increase workplace productivity. Businesses can gain long-term advantages by understanding such shifts and the opportunities they present.

Things that happen both inside and outside your industry impacts operations.

CEO, Richard Skarzynski cites,

“The way humans create new habits can accelerate the adoptions of new methods, tools and services. By regularly checking in on the condition of your industry, you can get ahead of the competition. It is imperative to be aware of your local economy, changing laws and staying up-to-date with developments relevant to your business to assist facilitate best practices. Trends can inspire innovation, helping you find innovative ways to improve your market offerings and potentially cut costs.”



To achieve this it is imperative to plan ahead and learn the principles and strategies of making great decisions and minimising risk. Leaders face an important choice around supporting innovation-led growth in the short term, one that may have lasting consequences for their companies' ability to grow in the years to come. On-demand, decentralised business platforms and integrated business management software can assist businesses overcome these challenges.

Eight Essentials of Innovation

A report by McKinsey & Company makes a strong case for innovation, stating that re-evaluating the innovation initiative portfolio and ensuring resources are allocated appropriately will be crucial for business recovery and ensuing growth.

The key is that small, incremental change can make a huge difference, for example utilising technology and improving systems to free up talent within the business to focus on more important jobs.

This approach can also help foster an innovative workplace culture in a hybrid world and will in turn enable employees to bolster their own productivity. Mastering the following Eight Essentials leads to significantly higher performance, as companies prepare to return to growth coming out of the crisis, leading to significantly higher performance, with companies that excel at most of these practices delivering 2.4 times higher economic profit.



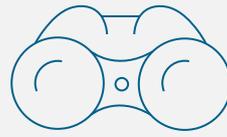
Aspire

Do you accept innovation-led growth as absolutely critical, and have you cascaded targets that reflect this?



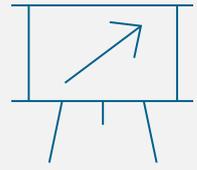
Choose

Do you invest in a coherent, time-risk balanced portfolio of initiatives that are resourced to win?



Discover

Do you have differentiated actionable customer, business, market, and technology insights that translate into winning value propositions?



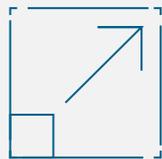
Evolve

Do you create new business models that provide defensible, robust and scalable profit sources?



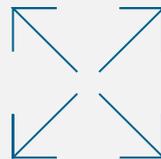
Accelerate

Do you beat the competition with fast and effective development and launch of innovations?



Scale

Do you launch innovations in the relevant markets and segments at the right magnitude?



Extend

Do you win by creating and capitalising on external networks?



Mobilize

Are your people motivated, rewarded, and organised to innovate repeatedly?

The immediate challenge is motivating teams to bring intense focus, speed and agility to delivering new sources of value. Crises are like adrenaline for innovation, causing barriers that once took years to overcome to evaporate in a matter of days. Entrenched orthodoxies on “the way things are done” are replaced with “the new way we do things” almost overnight.

Consistency Beats Intensity!

The chance of business success increases when you think and plan consistently. Consider the following for where your business cycle is at and assess existing operational efficiencies -

Are your systems out-of-date? Just because you’ve always used a certain method doesn’t mean it’s the most effective way to get the job done. Letting go of old habits that slow you down will open the door for business process improvement.

Examine the areas where your business can improve. Brainstorm solutions for these issues and execute the ones you think will work best into action. Consult experts, colleagues and others in your industry to see how they address similar problems. Commence by implementing the *Entrepreneurial Operating System* –

The Entrepreneurial Operating System® (EOS)®

The EOS improves 6 fundamentals that are core to any business. It requires 4 mindset shifts.



	4 MINDSET SHIFTS	
VISION Develop and communicate a strong vision	Crystallize 8 key aspects on paper Vision / Traction Organiser (V/TO™) Core values: 3-7 timeless guiding principles Core focus: Purpose + niche 10-year goal: Where exactly you'll be in 10 yrs Mktg Strategy: Target market, 3 Uniques™, guarantee, proven process	Communicate V/TO™ Get everyone onboard. Share V/TO™ at company-wide kick-off, quarterly update sessions and quarterly department reviews. Repeat till it sinks in.
PEOPLE Get the right people in the right seats	Identify the right people People Analyzer™ Right people = Those who share your core values and will thrive in your culture. Use the People Analyzer™ : Assess if staff exhibits core values most of the time. Start with the leadership team. Set the bar. Manage performance with the 3-strike rule .	Put them in the right seats Accountability Chart, GWC Right seat = Roles/responsibilities match staff's Unique Ability®. Use the Accountability Chart : Get the right structure for the next 6-12 mths. Define roles for Sales/Mktg, Ops, Finance, Integrator and Visionary. Find the right seat using GWC™ : the person Gets it, Wants it and has the Capacity to do it. Only 1 person to be accountable for each seat.
DATA Get the pulse on your business	Develop your scorecard Scorecard Define the set of 5-15 activity-based numbers that summarizes how your business is doing Set the weekly goal , define who's accountable and who'd update the scorecard.	Have measurables for everyone Scorecard Have 1 meaningful, manageable number for every person in the company. Make the numbers visible to motivate action and teamwork.
ISSUES Build a solutions-oriented environment	Maintain an issues list Issues = Obstacles to your goals. Create an honest & open space where issues are flagged out & tackled at all levels. Manage 3 Lists: V/TO™ (issues >90 days), weekly leadership meetings (weekly/quarterly strategic issues) and departmental meetings (weekly/quarterly departmental issues)	Resolve top issues with IDS™ Identify the real underlying issue. Discuss with each person airing his/her views once. Solve the problem by deciding on a specific action step.
PROCESS Systemize your way of doing things	Document Core Processes Identify & name your 6-10 core processes . Document each process and streamline it using the 80/20 rule. Define how they're linked in your unique system . Package the materials for reference & training.	Identify the right people Present the system visually so people use how their activities are inter-related and why the system is beneficial. Train them. When everyone adopts the system , you're free to scale, maintain or sell your business.
TRACTION Bring the vision to life	Focus on Quarterly Rocks Break down long-term goals into bite-sized quarterly Rocks to be achieved in 90-day bursts . Set 3-7 company Rocks > 3-7 Rocks for each leadership team member > 1-3 staff Rocks	Meeting Pulse™ Use quarterly meetings (8 hrs), annual meetings (2 days) and weekly meetings (90 min) to create a rhythm to drive progress and solve issues. See details in book and text summary.

HR Manager, Naomi Leckie from JV Recruitment
jvrecruitment.com.au **working with Coraggio Member,**
Stuart Campbell shares,



“Businesses can gain a lot of ideas and insight into processes and procedures through materials, such as the Entrepreneurial Operating System, however it is important to read and reflect upon how these tips and techniques may serve your company as they are usually very idyllic and may not be a 100% copy and paste solution for you or your business.”

I am a big believer in creating high performance activities (HPA's) which should allow for quality over quantity. I think quantifying actions such as calls made or leads generated is setting employees up to fail instead of encouraging quality time spent on tasks which may lead to achieving more beneficial results such as leads generated and converted, or calls made which have secured job placements and/or opportunities. I advocate that changing from stringent KPI's to HPA's will bring upon greater employee performance and satisfaction levels and better business results.

I agree that systems, structure, personnel and delegation are crucial to building and maintaining a strong business, however the concept of moving or even removing the misplaced person and/or position is prevalent in a lot of these business materials and rarely provide safe instructions on how to do this, which makes me fear that companies without HR representation may be positioning themselves at risk of breaching industrial relations protections if terminations and/or restructures are completed incorrectly. No longer can we just remove the problem.

There is a lot to be said about change management in business and creating a high performing team and we are lucky to be in the technological age where there are so many innovative programs and operating systems available to assist with managing this. One system would be fantastic but never be discouraged if you need more to cover all your operational needs and always be on the lookout for new and improved options.

Employees are the eyes and ears of your business operations. If there are weak spots in your system, it's likely employees know about them. It's also likely they want a better process for completing tasks. But when your staff thinks you're a “my way or the highway” leader, they usually aren't motivated to come up with solutions.

Involve your employees to improving business operations. In addition to accelerating your business process improvement, demonstrate to your employees they add value to your business, alleviating the stress on your staff management plan and heightening employee morale, reducing turnover.

Naomi Leckie from JV Recruitment shares, *“Understand your employees, how they learn, how they like to communicate and how they react to change. No one is the same, so businesses need to be flexible in their approach to implementing processes and systems to ensure they are correctly integrated and adopted. And like people, systems are all different, so keep up with the times, always keep an eye on technology and don't be afraid to move to new systems which are more suited to you and your growing business's needs.”*

Business is an intellectual sport

Operators react and sweat. Owners think and plan.

The book, *The Road Less Stupid* by author Keith J. Cunningham highlights that smart people do dumb things. For example - How much money would you have right now if I gave you the ability to unwind any three financial decisions you have ever made?

Every one of those three decisions you would love to unwind was an avoidable mistake. The key to getting rich (and staying that way) is to avoid doing stupid things, after all the vast majority of our dumb tax is a direct result of emotional, overly optimistic and poorly thought out decisions. Thinking is critical to sustainable success in business; said another way, business is an intellectual sport.

To that end, when considering new technology or systems, **JV Recruitment** recommends considering the following:

- Understand business needs – get feedback from all levels of employees, what do they need and why, what are the non-negotiables, like to haves and the not as required functions?
- Create a business plan – plan times, budget, resources, change management, review periods, qualifying factors, SWOT analysis etc.
- Research all available systems
- Book demonstrations and discuss your needs, budgetary requirements, timeframes for implementation, ongoing support function, futureproofing, growth and adaptivity
- Short list companies then book further demonstrations with key employees to gain their approval. Ask technical questions, don't be sold to
- Make decisions together and/or for the greater good of the company
- Have a clear goal and plan for the implementation process, utilise online programs and software to map out tasks (Wrike and Asana are effective for project management and Trello is great for listing out tasks)
- Allow your implementation team adequate time and resources to complete the project/tasks
- Provide all employees training and support, understand how they learn, listen and adapt to their needs
- Review the success and failures of the project throughout process; accept, understand and learn from former mistakes
- Be aware of future needs and assess changes to existing systems.

One area which is a growing concern for most businesses is cybersecurity attacks. Cyber threats are a massive hazard and with the increase in artificial intelligence (AI) and automation, cyber attacks are easier to carry out. Effective corporate cyber security is an issue many businesses are facing today and there can be a lot of risk involved not having a comprehensive strategy for protecting customers' information. Protection has never been more critical.

In fact, in 2020, a staggering 31% of global companies were attacked by cyber criminals at least once per day and in Australia every year there are thousands of cyber breaches which mostly affect smaller businesses. The COVID-19 pandemic has significantly

changed the cyber threat landscape. Work-from-anywhere has become the new norm with 92% of global organisations adopting new technologies to facilitate the switch to remote operations.

Over 1,000 had sensitive data stolen and publicly leaked by ransomware gangs. Even if we return to offices, it seems clear that digital operations will remain far more prevalent than in previous years. With data at the core of every business with remote access and collaboration tools increasingly necessary, it's clear that information technology (IT) services are no longer optional.

Cyber criminals have taken tried-and-true cyber threats, such as phishing campaigns and malicious email attachments and themed them during the pandemic. By exploiting anxieties and a general sense of urgency, such attacks often succeed in getting victims seeking answers and assistance. Data recovery is worth millions of dollars to many organisations.

Martin Boyd from Vertex Cyber Security
www.vertexcybersecurity.com.au and
Coraggio Member shares,

"It has never been more crucial to think about improving your Cyber Security and SMEs with information accessible in one account is at the greatest risk. Choosing where to start can feel daunting – you may have heard of Penetration Testing (Ethical Hacking to find your vulnerabilities), ISO27001 compliance, Cyber Security Audits, Cyber Security Policies, Firewalls, AntiVirus, Managed Cyber Security, Cyber Training, Cyber Security Products and the list goes on. Vertex has developed a seamless way to cut through the confusion offering companies a cost-effective way to guarantee you are being proactive to protect your greatest assets, such as with Vertex's affordable Online Cyber Security Training: www.vertexcybersecurity.com.au/coraggio"



On a more positive front, another area presenting businesses with an unique opportunity is the introduction of augmented reality – introducing digital assets into a live environment. This relatively new technology enhances client and consumer engagement, saving time and resources and facilitates an educational platform in a virtual 3D world.

Michael Simms, Director from Emmressit
emmpressit.com.au and **Coraggio Member shares,**

"We are excited to introduce our technology to various industry sectors including real estate, construction, architecture, medical and retail to enhance their client engagement with a virtual experiential market offering. This is the new age technology when brings print back to life in a sustainable, eco-friendly way."



According to Serge Romano, Founder and Director of Leverage Sales Coaching Australia www.leveragesalescoach.com.au and Coraggio Chair,



“Apart from assessing innovative technology, it is imperative to ensure you have the grassroots operational efficient fundamental basics in place and nothing progresses a business further than mapping a Business Playbook.

A well-developed playbook empowers your sales team and employees to engage customers at every step of the buying journey and increases the likelihood of them reaching that winning moment.

The not-so-secret weapon instantly setting businesses apart is a sales playbook. In fact the Harvard Business Review found that 50% of high-performing sales organisations have closely monitored and enforced sales processes (a playbook). However prior to putting pen to paper, it is paramount to first assess the current state of affairs for your business and industry sector.

We do this for our clients by going through the following areas and assessing what they have and haven't got in place.

- A sound Value Proposition
- Who their Ideal Client/Customer is
- Finding Customers
- Qualifying Customers
- Converting Customers
- High Payoff Activities
- Accountability Processes

These all form a major part of a proper system and process for sales and sales management!

In conclusion, as cited by Mahatma Gandhi

“Be the change that you wish to see in the world.”

Employees look to their managers and company leaders as role models for workplace behaviour encompassing dynamic and flexible risk management to navigate an unpredictable future. Look into the future and spot trends for your business, by considering -

- What type of leadership is required beyond the pandemic?
- Data and good governance including cyber security risk mitigation
- The role of technology considering leveraging augmented reality
- Inclusion and diversity programs
- Leadership in the new world including hybrid working
- Global threats and opportunities
- Being people-centric and doubling down on cultivating company culture
- ESG and sustainability – carving out and promoting a social responsibility niche, after all team members want to know they are making a difference.

However, understand that business is a people's game, so don't disregard the basic requirements to streamline and simplify, focus on your customer's needs, wants and desires to future proof a sustainable business.

What is Coraggio?

Being a business owner is even more challenging during a crisis and may include facing uncharted territory, including determining effective ways to enhance operational efficiencies and business processes. Making the right decisions to future proof your business deserves more than an occasional conversation with a mate. Aggregate the experience and shared knowledge of collective awareness from fellow executives to stay ahead of the curve. It doesn't have to be lonely at the top.

Operating a company typically presents complex issues, sometimes on a daily basis. Imagine if you could leverage the experience from an extensive group of industry peers to improve your decision making and social proof as well as future proof a sustainable business, whilst being held accountable?

Also imagine if you gained the peace of mind to seamlessly access these answers and navigate business challenges, simply by connecting with entrepreneurs and gaining knowledge from business leaders? This is the strength of peer to peer leadership mentoring and impactful, meaningful relations.

Coraggio offers a mutual exchange of expertise, ideas and a support system enabling you to capitalise on a give-and-take dynamic amongst advisors who have walked the path before, mitigating risk to your business.

Leading business owners and entrepreneurs join Coraggio to become part of a highly effective business community facilitating leadership, guaranteeing accountability and sharing innovative ideas within a cohesive and confidential national network.

This mutual exchange of Member's expertise tangibly results in sustainable revenue streams, increased cash reserves and productive outcomes to future proof your business.

Coraggio Chairs are industry leaders, Members are forward-thinking advisors and all Advisory Boards are dedicated to the ongoing success of their fellow Member's businesses, offering *Fearless Objective Advice* – that's the Coraggio Spirit!

Afterall, in the words of Henry Ford

**"If everyone is moving forward together,
then success takes care of itself".**





CORAGGIO

FEARLESS OBJECTIVE ADVICE

Being a business owner typically presents complex issues and may include facing uncharted territory. However, it doesn't have to be lonely at the top. Discover how Coraggio's proven methods can assist you build a better business and become a more effective leader.

JOIN BUSINESS LEADERS TO GAIN A COMPETITIVE EDGE

Contact info@coraggio.com.au or call **1300 899 006** to touch base with our Advisory Board Team.

Visit coraggio.com.au for an in-depth understanding of our Member's success stories applying the Coraggio competitive edge.

AUSTRALIAN HEAD OFFICE

Level 1, 24 Young Street, Neutral Bay, Sydney NSW 2089

Board Meetings held at:

Level 31, 1 Eagle Street, Brisbane QLD 4000
94 Seaworld Drive, Main Beach, Gold Coast QLD 4217
Level 5, 1 Margaret Street, Sydney NSW 2000
Level 15, 1 Farrer Place, Sydney NSW 2000
Level 14, 385 Bourke Street, Melbourne VIC 3000

QUEENSLAND | VICTORIA | NEW SOUTH WALES

1300 899 006 | coraggio.com.au | ABN 27 130 780 488