

## **The Six Cylinders Of The High-Performance Business**

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Those of you who have read Michael Gerber's E-Myth are probably familiar with the notion of a technician starting a business. You know, the expert carpenter, the brilliant lawyer, the talented computer geek, etc., who excel at their craft and decide that it's time to go it alone and open a business of their own. In a few years, though – assuming they're still IN business - it's usually a very different story: struggling to make ends meet, working too many hours, problems with employees, tax issues, etc. It's an all-too-common story that I, as a business coach, see every day. And, surprisingly, many of these entrepreneurs actually assume that these problems are just the price they have to pay to be independent. Really.

In point of fact, these entrepreneurs have what I call the "don't-know squared problem", i.e., *they don't know that they don't know!* They don't know that what's missing is the element of "balance" among the elements of their business. Businesses get into trouble when they fail to recognize that to be successful, a harmony of disciplines must be in place to carry the enterprise over the numerous (and often unforeseen) challenges they will inevitably face.

This harmony is what I call the "Six Cylinders of a High Performance Business".

To understand this model, think of an automobile with a six-cylinder engine . For those of us who drive, it's not something we normally pay much attention to – at least when it's running properly. But, suppose, for a minute, that one or two of those six cylinders isn't firing properly. How do you think the engine runs? Pretty badly – if it even runs at all! Even though the other four or five cylinders are working perfectly! The end result is a lumpy, inefficient unit struggling to move the car forward.

A business is no different. If it's not running on all its "cylinders", it's not usually a fun place to be. It's firefighting the "crisis du jour", cash crunches, problem employees, poor margins, too many hours, etc. No wonder the business struggles to move ahead.

Sound familiar?? Well, then, perhaps YOU should take a look at the "cylinders" of YOUR business! So what, you ask, are these cylinders? And how should they look?

The "cylinders" are: Strategy, Sales & Marketing, Operations, Systems, People and Finance.

And the interesting thing about these "cylinders" is that they are the same in every business. That's right! Whether you sell jelly beans or make rocket ships, they are always the same. And

while we don't have the space to deal in detail with each of these elements, here's a few ideas for you to consider:

**Strategy:** What's ahead in the 3-5 year time frame? What market shifts are emerging? What acquisition opportunities might there be? What new technologies present opportunities or threats? What opportunities does this economic turmoil present?

**Sales & Marketing:** How am I positioning my business to emphasize my uniqueness so I don't have to compete on price? How can I gain better market intelligence? Are there key individuals I should seek to hire away from competitors?

**Operations:** How can I improve efficiency and cut costs in my "backroom"? What new computer/software technologies and systems would help? Do I really have the right measures of performance to track the progress of my enterprise? Are my reporting systems adequate?

**Systems:** Do I have Operations Manuals for all of the key departments in the enterprise? Are my Customer Relations procedures the best they can be? What are the reporting procedures and frequency? How well am I communicating the vision and mission of the enterprise to ALL my employees?

**People:** How well am I training my new and upwardly-mobile employees? Do I have job descriptions and measure of performance? Are my performance evaluation procedures in place, well understood and properly administered? How am I sure I'm recruiting the best employees?

**Finance:** Do I have an operating budget? A 90-day Plan? Do I have monthly financial statements which I review, analyze and understand (if you don't, you are missing a huge opportunity and have LOTS of company in the small business community!)?

These are just a few of the ideas you can consider when thinking about how to make your business run better. Remember, it only takes one or two non-firing cylinders to make a potentially great business fail. And when you learn to address them, the improvements in the performance of your business can be truly astonishing.

So, if you haven't already done so, consider making a New Year's resolution to get all your "cylinders" firing in 2009. You'll surely need them in this economy!

Happy motoring!

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