

Motivating Management to Take Your Company to the Next Level

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Growing up in Huntsville, Alabama (aka “The Rocket City”), in the 1970s and 80s, I was well aware of its importance in the golden age of America’s space program. Much of the Space Shuttle’s systems were being designed there, and the community benefited for decades from the resulting technology companies that were born and have thrived there. What many people don’t know about this smallish town, located in the middle of a former cotton field, and home to one the country’s highest per capita population of PhDs, is that it was also largely responsible for landing the first man on the moon.

When President John F. Kennedy greatly simplified NASA’s vision in the 1960s to “We will send a man on the moon and return him safely to home, and do it within this decade”, he was

able to confidently say so because the Marshall Space Flight Center in Huntsville had already done enough work on the Saturn V rocket, which ultimately carried the astronauts to the moon, to let him know it was possible.

There is an often-repeated story about President Kennedy's exchange with a janitor mopping the floor at NASA late one evening. He reportedly asked the man what he was doing there so late, and the janitor replied, "I'm helping to put a man on the moon".

That kind of alignment of an organization's employees with its management team's mission and vision is a powerful example of one of the most important drivers of company value. Oftentimes, a business owner, and perhaps their top lieutenants, have a clear understanding of that mission/vision. Having every individual on the team, right down to the janitor, able to clearly and concisely articulate it, is key to transferring those goals into actionable tasks that drive future cash flow and growth – and that is the thing for which acquirers are willing to pay top dollar.

An institutionalized management team is the "M" in our? I.M.G.O.O.D.™ checklist – which outlines these key value drivers:

- I – Increase and manage cash flow
- M – Institutionalized Management Team**
- G – Documented Growth Strategy
- O – Optimized Financial Statements
- O – Operations and Process Documentation
- D – Diversified Customer Base

One of the primary jobs of a responsible owner, whether you're looking to sell your business soon or never, is to institutionalize your management team. Do this by simplifying your goals, aligning them with your management's plans, and ensuring every team member possible is able to clearly state them. Start with getting everything that is in your head, on paper and into the hands of your management team. It takes time and focus to do this, but I can assure you it will reap benefits.

Once you've laid out the goals, spend some effort assessing the skill sets of your current team, identify the gaps, and either train or hire to fill those gaps.

Finally, put in place compensation and other schemes designed to motivate your team to help you achieve the desired results.

When all of these mission-critical elements are put in place, your company is ready to "Shoot for the Moon".

Having an institutionalized team in place before you consider any kind of exit strategy can help ensure you are able to focus on the things that matter to you most when you do exit. In the meantime, it can also be a critical component of your business continuity plan, should something unexpected happen.

The Brightworth Business Exit & Transition Services Team (BETS) is standing by to assist you with achieving your objectives and maintaining your exit and transition timeline.

Have more questions about strengthening your team?? [Click here](#) [2].

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