

Three Structural Building Blocks Every Small Business Needs (Part One of a Three-Part Series)

Description

A couple of weeks ago I focused this [column](#) on how important it is for a small business to put in key structural elements early on. My point was that while small business owners tend to shy away from doing this for a variety of reasons—often, due to a lack of time or a personal dislike for structure—it often means the difference between long term success and failure.

I got so much feedback on this subject that I decided to do a more in-depth overview of the structural elements. They are important and deserve a deeper dive. As I mentioned last week, these small business building blocks create clarity for everyone, make it easier to engage and empower employees, and drive decision making downward (which frees leaders up to focus on strategy and growth)—among other benefits.

Today and over the next two weeks I will cover the following building blocks:

Mission, Vision and Values

• Official (written) standards of behavior

Clear goals that are communicated to all employees

Development for everyone in a supervisory role

A way to measure employee engagement and customer satisfaction

A well-run meeting system

A well-defined new employee selection process

Job duty descriptions

A job performance feedback system

Ways to recognize good performance

Today, let's discuss the first three on the list:

Mission, Vision, and Values

Most people think that mission, vision, and value statements are just for big corporations. This is not true. These guiding principles help define and communicate the all-important *why* that drives leaders and employees to do their best work. Many people are confused by what these concepts mean. Here is an easy way to think about them:

Your **MISSION** is what your business actually does. It should be simple, factual, and to the point. Here are a couple examples of mission statements:

Google: To organize the world's information and make it universally accessible and useful.

Make-A-Wish: We grant the wishes of children with life-threatening medical conditions to enrich the human experience with hope, strength, and joy.

Your **VISION** expresses what you want to be in the future. It should be inspiring and connect to your employees' sense of meaning and purpose. Vision can and should drive the goals you set. For example:

Disney: To make people happy.

Avon: To be the company that best understands and satisfies the product, service, and self-fulfillment needs of women globally.

Your **VALUES** support your vision. They are the core beliefs everyone in the company should live by every day.

For example:

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- Extraordinary customer focus
- Own outcomes
- Join forces
- Work fearlessly
- Live passionately

Once you know what your mission, vision, and values are, you should communicate them at every turn: Include them in standards of behavior (see below), emphasize them when you hire, reinforce them in meetings, and so forth.

Official (Written) Standards of Behavior

You may think common sense tells people what's acceptable in the workplace and what isn't. But the truth is, common sense is subjective. If you don't spell out what good behavior looks like, everyone may not know. The solution is to get the entire company involved in developing a Standards of Behavior contract. This document can address any and all aspects of behavior at work: from interaction with clients to phone etiquette to good manners (knocking on doors) to positive attitude markers (smiling or saying thank you).

Once the standards are agreed upon, written down, and signed by everyone from the CEO on down, you'll have something official to hold people accountable to. This document truly does keep people on their toes and more aware of their behavior. In this way, it contributes to an environment of fairness, cleanliness, and good manners—and happy customers who keep coming back for more.

Clear Goals That Are Communicated to All Employees

Sometimes small companies and their leaders set all-too-achievable goals, or worse yet, no goals at all. Perhaps they set a lofty goal previously, and when that lofty goal was not reached, they were criticized for not achieving the goal (even though they did show good improvement). Therefore, they play it safe. Yet noted researcher and author Jim Collins demonstrated that the best companies and companies that became great set what he termed "BHAGs." BHAG stands for *Big Hairy Audacious Goal*.

I believe in setting BHAGs. But it doesn't work to just make bold statements and expect people to meet them. You need to break big goals down into smaller ones and make sure each employee understands exactly what they need to do to meet them. This works best when goals are objective, metrics based, and weighted so that employees know exactly what they should be focusing most of their attention on. And of course there needs to be a way to communicate these goals to employees clearly, consistently, and often.

I invite you to check back next week for the second installment of small business building blocks (and of course the week after that for the third). As always, thank you for reading!

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