How To Create An Enduring Business: Principles Over Playbooks

"Works of art make rules; rules do not make works of art."

– Claude Debussy, French Composer

In times of disruption and uncertainty, sticking to the rules and focusing on your playbook isn't going to give you the same results as it has in the past. At moments like these, you have to be considering the guiding principles that will make your business as good as it can be. In this ebook we will explore two models for a principles-based organization and discuss how you can use these to transform your business. At their core, these models are about creating adaptable, flexible cultures—which right now are of paramount importance if we are to successfully navigate the current economic landscape.

Principles to Help You Transform Your Business

The first set of principles is Modern Agile, which was originally conceived to help development teams, but has since evolved to help forward-thinking organizations who are looking to create leaner, more value-oriented businesses. Next we will look at the Principles of an Enduring Business; these set the foundation for a culture of togetherness, and give you the ability to build profitable and lasting customer relationships.

You'll no doubt notice similarities across the models, but by discussing them both, we hope you come away with ideas that can help you build a lasting, strong business.
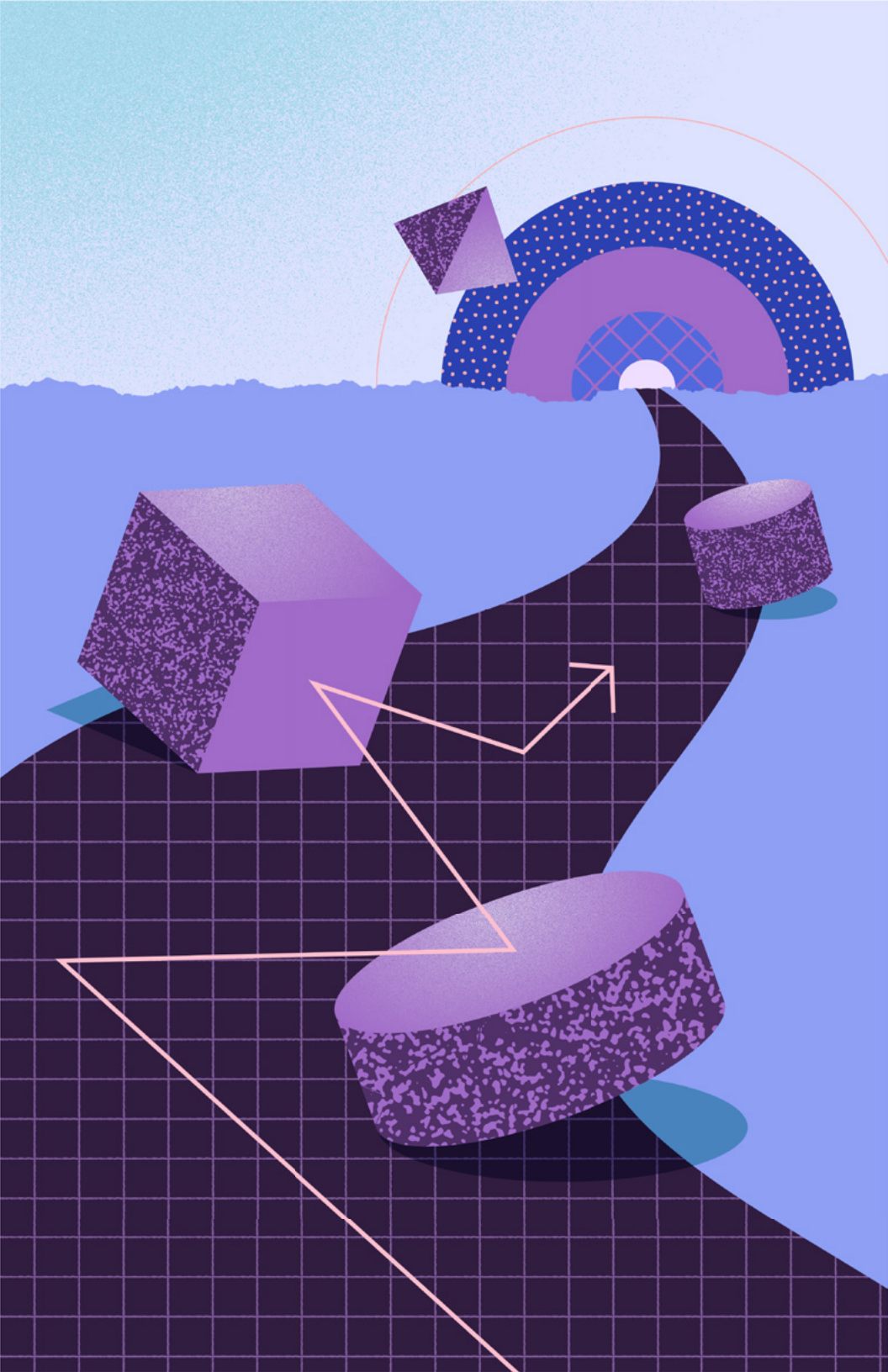
Why Agility Matters More Than Ever

The ability to act in an agile and responsive way has become a critical component of any business but how do you act with agility? Before we take a look at modern agile, let's first take a look at the definition of agile.

Definitions of Agile:

1 Marked by ready ability to move with quick easy grace

| An agile dancer

2 Having a quick, resourceful and adaptable character
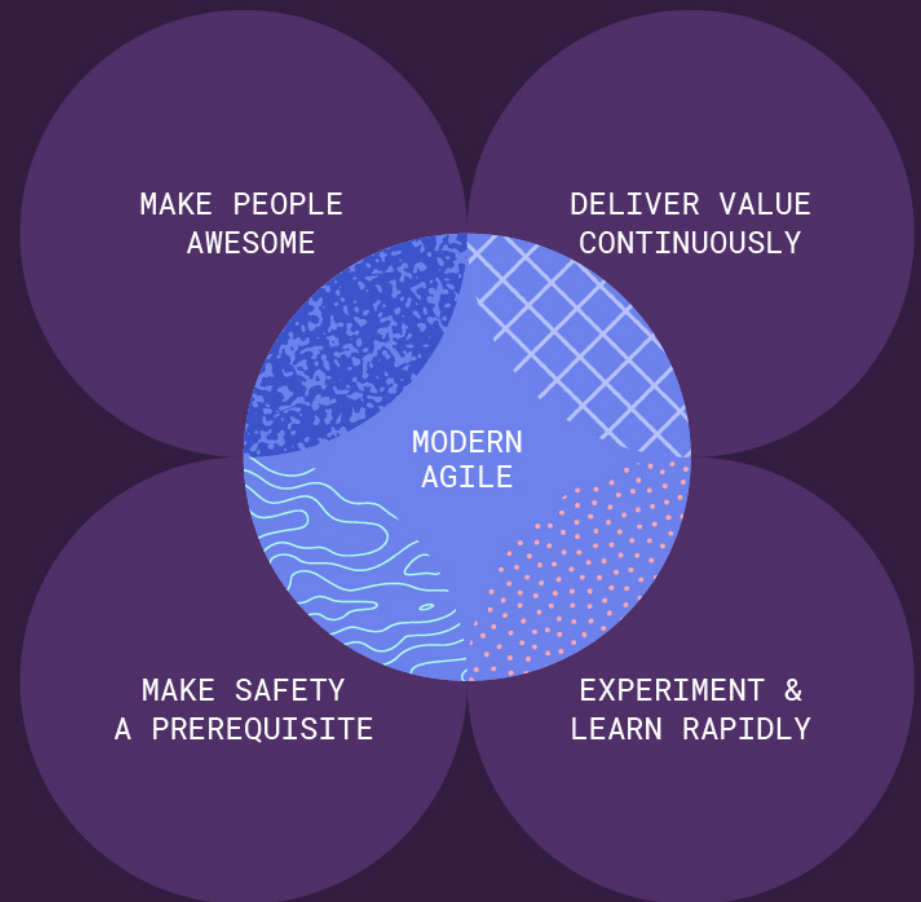
| An agile mind

Source: Merriam-Webster Dictionary

Introducing Modern Agile:

On our recent webinar, "The Way Work Works: Why Agility Matter More Than Ever" we were joined by Joshua Kerivesky, CEO of Industrial Logic, to discuss the true meaning of modern agility. Kerievsky defines modern agile methodology as

> "Always looking at better ways to be more efficient and effective."

Modern Agile was founded on 4 key principles and has been used by organizations across the world to create lean, simplified businesses that produce exceptional outcomes and outstanding cultures. These guiding principles allow organizations to operate with more agility and empower their people within these organizations to achieve great things. In this section, we will look at each principle and discuss how you can adopt them within your business.

MAKE PEOPLE AWESOME

DELIVER VALUE CONTINUOUSLY

MODERN AGILE

MAKE SAFETY A PREREQUISITE

EXPERIMENT & LEARN RAPIDLY

Adapted from modernagile.org

Make People Awesome

1

> "People will forget what you said, people will forget what you did, but people will never forget how you made them feel." – *Maya Angelou*

As leaders, it is our role to create extraordinary and empowered people within our organizations. These superheroes go above and beyond and are constantly looking for new ways of helping your organization improve. In turn, these highly engaged people make customers feel awesome by making sure your products constantly deliver on their needs and expectations, ensuring they receive an incredible customer experience as a result. Ultimately, we should be striving to make our people and customers feel emotionally engaged in everything we do.

2 Deliver Value Continuously

> "Without continual growth and progress, such words as improvement, achievement and success have no meaning."
> – *Benjamin Franklin*

In this modern age, it isn't enough to deliver value and then forget; forward-thinking organizations must endeavor to continuously deliver value to their customers, anticipating their needs and expectations throughout their relationship. In order to do this we must get closer to our customers and understand their needs and pain points in order to deliver what they want through our products, services and experiences.
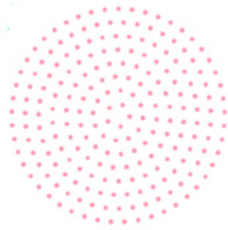
3 Make Safety a Requisite

> "Safety is a basic human need. People with a sense of security and belonging are stabilized for learning, creating, innovating. A group of wonderfully cared for, confident individuals will generate great ideas." – *John Sweeney*

Safety is both a basic human need and a key to unlocking high performance. People must feel a sense of "psychological safety" in order to feel empowered to innovate, present new ideas, and take chances that could be game changers for your business. We must therefore make safety a prerequisite before we ask our people to do their jobs. As leaders we have an obligation to protect people's time, information, reputation, money, health and relationships - in doing so we will make our collaborations, products and services resilient and safe.

4 Experiment & Learn Rapidly

> "I have not failed. I've just found 10,000 ways that won't work." – *Nikola Tesla*

At a time when we don't know what the future holds, the best strategy is to test, learn, and repeat. This experimental approach will give you the ability to glean new insights and use these to quickly adapt your plans, products, priorities, and people. A relentless focus on understanding how your customers are behaving, how the market is affecting your business and what trends are emerging will give you a clear competitive advantage.

These 4 principles are a great way to ensure your organizational culture has modern agile embedded within it. This won't happen overnight, in fact, it may take a long time for them to become truly embedded. However, by implementing these principles now and adapting them to your organization, you can create a business that has the ability to move with grace, and quickly adapt to unexpected changes and disruption—an enduring business.
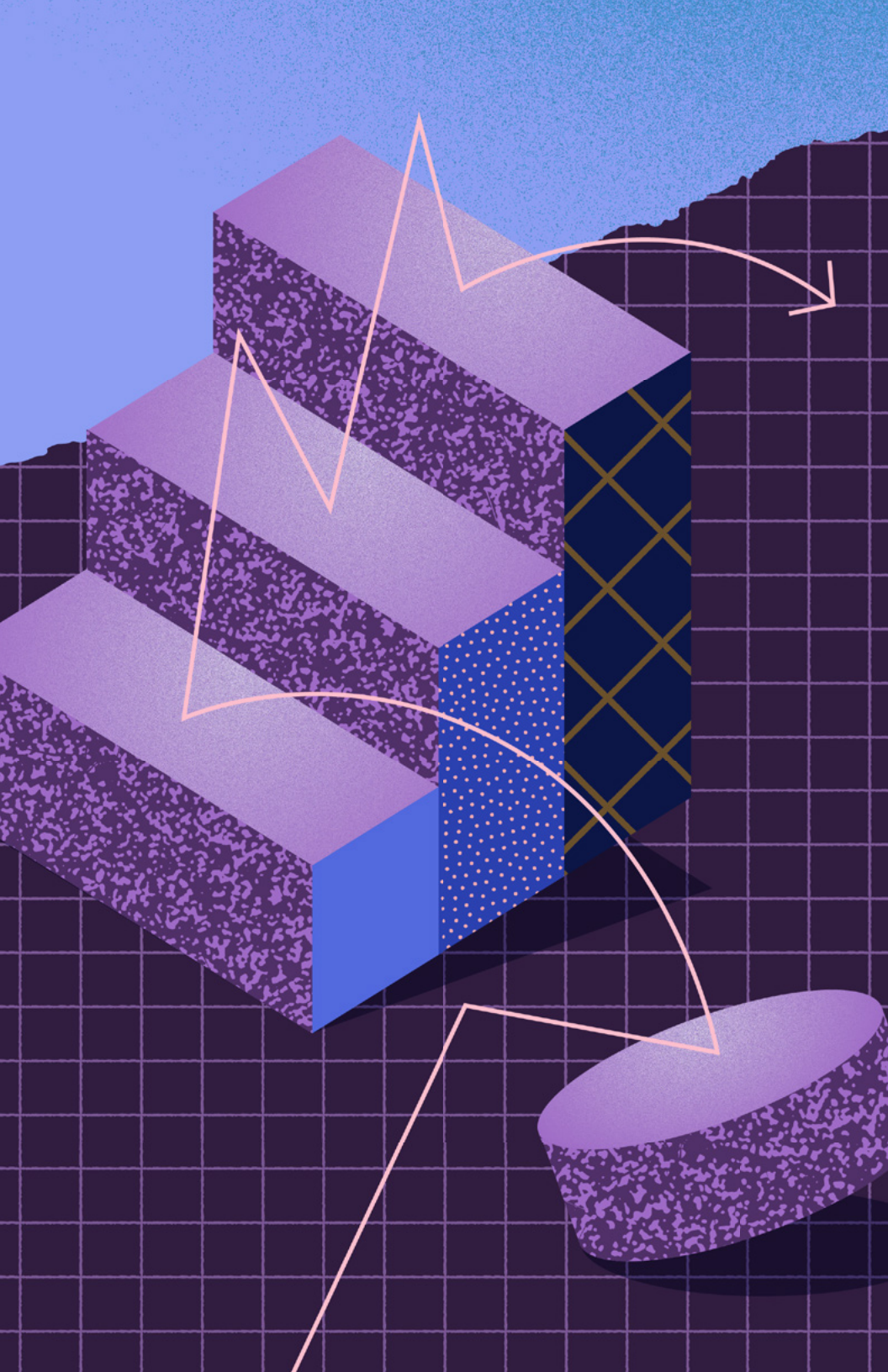
The 3 Principles of an Enduring Business

The idea of an enduring business isn't a new one; many business leaders and scholars have discussed this concept, including in this excellent article from Bain in 2012, "How Companies Create Enduring Businesses in a World of Constant Change". This article was published at a time when the world had experienced a catastrophic market crash and people were looking for answers.

8 years on and again we are all looking for answers; however, unlike 2012 the disruption isn't purely financial. Our behavior has changed, technology plays a more fundamental role in our lives, and the perception of value has shifted.

With this in mind, we wanted to explore this concept again and look at 3 principles that organizations can utilize to help them navigate this new world:

1. Fostering an environment of collaboration
2. Building better relationships
3. Striving for continuous improvement

In the rest of this ebook we will explore each of these key principles and discuss how they can benefit your organization now and in the future.

COLLABORATION

BUILDS

DRIVES

RELATIONSHIPS

PRODUCTIVITY

CONTINUOUS IMPROVEMENT
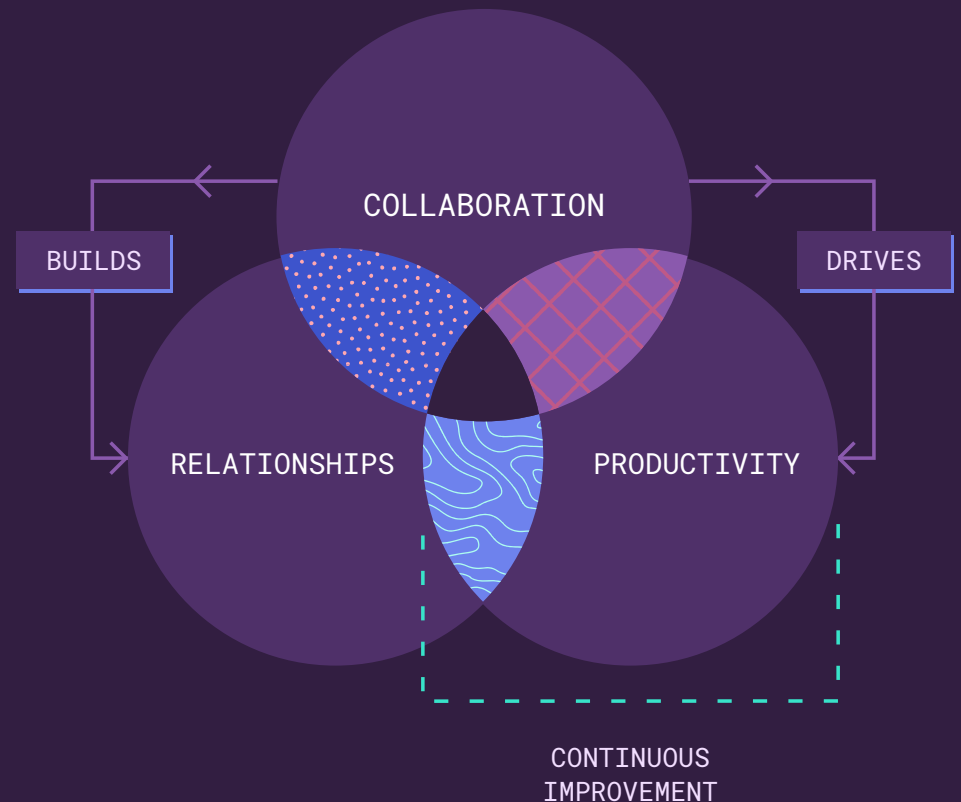
Creating an Environment of Collaboration

Collaboration has been endlessly discussed and debated, and there are very few leaders that question its value. Companies that incentivize collaborative working are 5X as likely to be high performing.

There have been countless studies that show the link between organizations that actively engage in collaborative working and their increased in performance and productivity. However, many organizations struggle to create an environment where people can effectively collaborate. As an organization we are still learning about this, but we have found a few strategies that have proven effective:

1 Democratize Data

> "At the core of every successful conversation lies the free flow of relevant information." – *Joseph Grenny, Co-Author of Crucial Conversations*

90% of the world's data has been produced in just the last two years, yet many of us fail to utilize this abundance of new information. Even progressive organizations who are utilizing it fail to share the data and insight with everyone. This unfair advantage, often sitting with the leadership team, causes an imbalance within the company that prevents collaboration and stifles creativity.

Our advice is to ensure data is democratized, accessible and transparent across the entire organization - this is a fair approach where everyone has the same context. By democratizing data, you are creating conditions that allow for safer decision making, and remember, safety is a prerequisite of modern agile.

2 Create Psychological Safety

> "We have a lot of work to do in organizations to increase the level of psychological safety so that people feel included, safe to learn, safe to contribute, and safe to challenge the status quo." – *Dr Timothy Clark, Author, The 4 Stages of Psychological Safety*

In her book, The Fearless Organization, Amy C. Edmondson, Professor of Leadership and Management at Harvard Business School, says that when organizations have high-levels of psychological safety and clear accountability, they create an environment where people perform to high standards and are constantly learning.

It's this optimum place for performance that we must create in order for collaboration to be possible. In order to achieve this we must ensure our people feel empowered to speak up when something isn't right without the fear of being ostracized, that they know what is expected of them and that the purpose is clear, and that they have the necessary systems and processes in place to do their work to the best of their ability.

3 Get Closer to Your People and Encourage Togetherness

> "To win in the marketplace, you must first win in the work-place." – *Doug Conant, former President and CEO of the Campbell Soup Company*

Isn't it strange that when things go wrong we work closely together to fix them, yet when they are fixed, we go back to the same way of working, often in silos? This question was posed by Joshua Kerivesky when he joined us on our latest webinar "Why agility matters more than ever" and it's something that we should all be asking ourselves. Of course, right now it isn't possible to huddle together to solve problems or generate ideas but that doesn't, or, shouldn't prevent us from connecting with each other - after all we are fortunate to live in a world where technology allows us to do so.

We must encourage collaboration wherever possible, rewarding teams that do so and creating natural opportunities for this to happen. One of the best ways of doing this is to run cross-functional initiatives that align to the company strategy. This not only creates collaboration within teams, but it also enables people to collaborate with colleagues they may not have otherwise had the opportunity to work with. At Copper we measure performance against OKRs (Objectives and Key Results), which enables us to connect company, team, and personal goals to measurable results - creating an environment where all team members and leaders work in unison, and every individual can recognize the impact of their work against the company's goals.

4 Empower Your Team

> "People want guidance not rhetoric. They need to know what the plan of action is and how it will be implemented. They want to be given responsibility to help solve the problem and the authority to act on it." – *Howard Schultz*
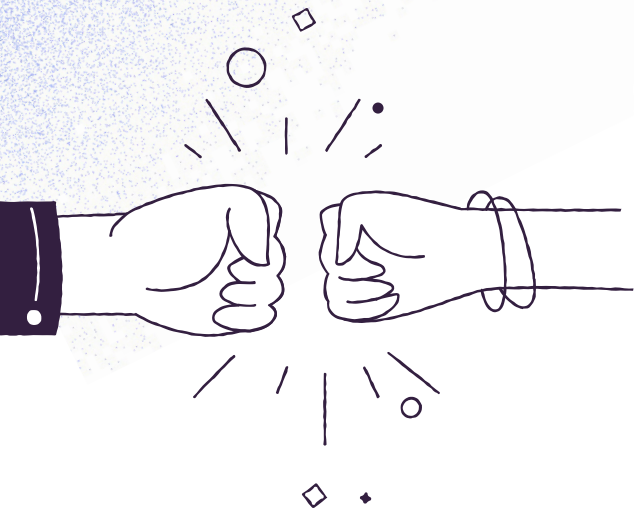
A Harvard Business Review article titled 'When Empowering Employees Works, and When It Doesn't' showed that when people feel empowered at work, it is associated with stronger job performance, job satisfaction, and commitment to the organization. So how do you empower employees in the right way? Well it all starts with a culture of trust, one that makes people feel they have the freedom and knowledge to help the organization achieve its goals.

However, it's important to note that while empowerment works well with collaborative and creative exercises, it doesn't work as well with routine task performance. Therefore, it's important you find out what works within your organization and where empowerment works and where it doesn't.

5 Create a Process for Good Decision Making

> "Truly successful decision making relies on a balance between deliberate and instinctive thinking."
> – *Malcolm Gladwell*

According to a report by Accenture, "Building the Intelligent Enterprise", 63% of executives cite slow decision making as a barrier to agility. In order for us to make better, faster, more incisive decisions, we must have models in place that allow this to be achieved. At Copper, we use some of the principles in this ebook to allow for collaborative decision making (democratization of data, people empowerment, psychological safety), however, we quickly realised that these principles alone weren't enough, so we implemented the DACI model which has helped us improve our decision making ability.
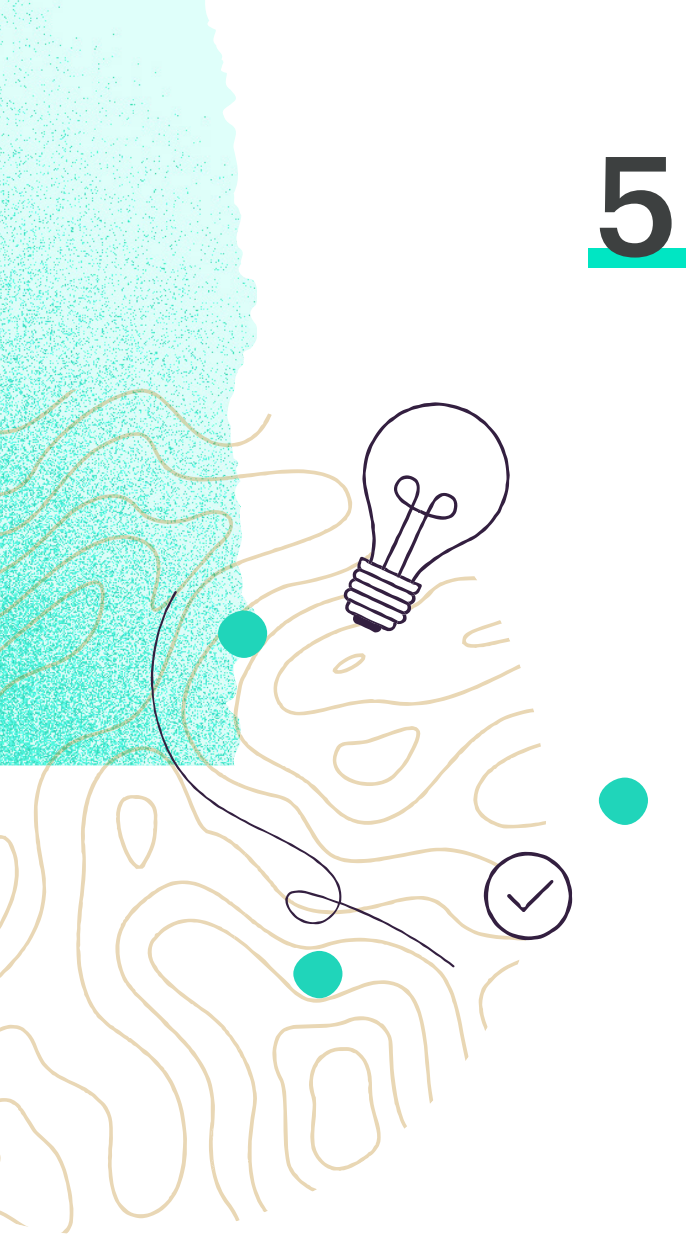
The DACI model defines 4 key roles for any project:

1. **Driver** – The person leading the project

2. **Approver** – The person tasked with making final decisions

3. **Contributor** – People with expertise that collaborate on the decision

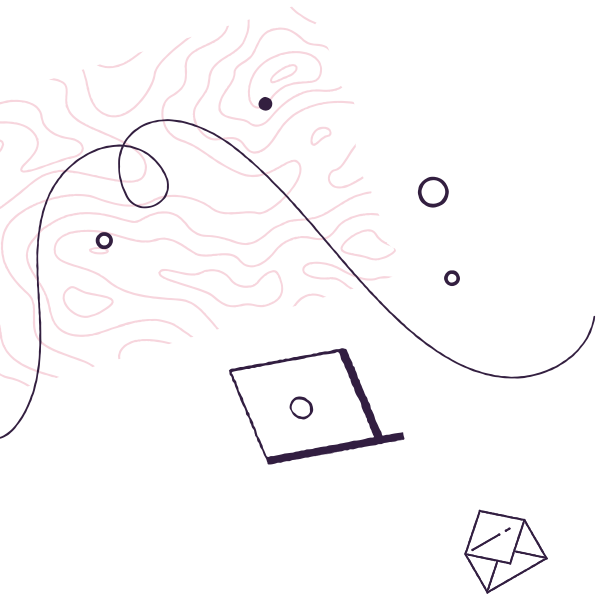4. **Informed** – People who are kept informed on the project

You can find out more about the DACI model here.

63%

of Executives site slow decision-making as a barrier to agility

Building Better Relationships

Right now we are living in the relationship era and we must take our time to connect with people on an emotional and rational level—this is often talked about in business, but what can you do to foster these relationships? Below we highlight some of the things that can help you build better relationships with your customers and the people you work with.

Internal Relationships

> "Our belief is that if you get the culture right, most of the other stuff, like great customer service or building a long-term brand or empowering passionate employees and customers, will happen on its own." – *Tony Hsieh*
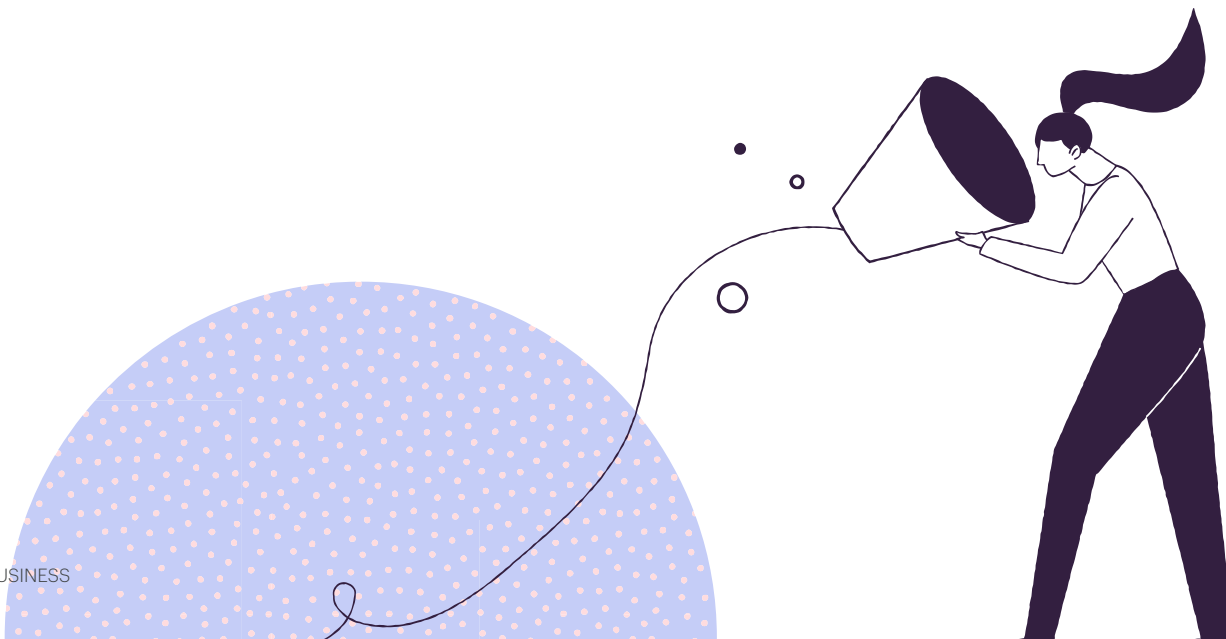
1 Get to Know Your People

> "In agile we talk about being quick but bad relationships slow you down." – *Joshua Kerivesky*

How well do you know your people? We often get so immersed in our work we forget to ask our people what's going on—not simply "how are you"—but quality time understanding their interests, motivators, and personal situations. This doesn't mean delving into their personal lives but instead giving them the opportunity to open up on their terms and at a time and place that feels natural.

A good way to do this is to facilitate social activities away from the day-to-day that people want to be involved in—not only does this give people the chance to discuss their shared interests it also is a great way of getting your team to bond and become closer. Another effective approach is running informal check-ins with employees with the intention to you talk about the person not the work they're doing—you may be surprised to see how quickly people open up.
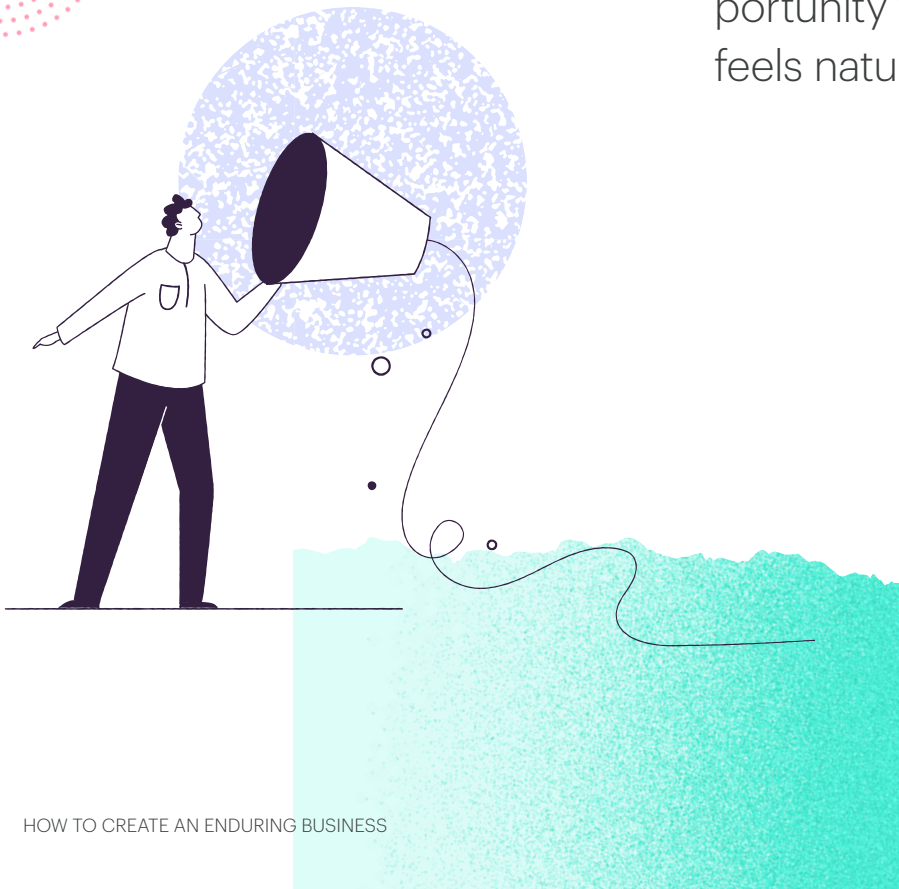
2 Resolve Conflict Quickly

> "The health of an organization can be measured by the average time it takes to resolve conflict" – *Kerry Patterson Co-Author of Crucial Conversations*

In any business, conflicts occur, and a lot of the time they can be healthy, if handled in the right way. However, handled in the wrong way they can cause long-term problems which erode trust, reduce productivity and fracture collaboration. Whenever you see a conflict occurring, or are made aware of one, you should act hastily and get to the root cause of the issue—ask why it occurred and replace judgement with curiosity. Once you've fully understood the conflict, it's important you act with empathy towards all parties involved while making a clear and decisive decision on the path forward.

External Relationships

> "Happy customers are your biggest advocates and can become your most successful sales team." – *Lisa Masiello*

1 Stop 'Selling'

> "Our job shouldn't be to sell but instead to build better, more valuable, long-term relationships." – *Dennis Fois, CEO, Copper*

Stop 'selling'—I bet you thought you'd never hear that from a CRM company?! While at face value this may seem counter-intuitive or even downright strange, this philosophy has clear benefits. It enables you to frame the conversation with prospects in the right way, allowing you to first establish 'fit' and 'build a relationship'. Ask them what problem they are trying to solve, what goals they're trying to achieve and how you can help. In turn this approach will lead to better customers who truly value your products and stay with you longer—it will also prevent you acquiring the wrong customers (yes, there is such a thing).

2 Focus On Lifetime Value

> "I think the acquisition of consumers might be on the verge of being mapped. The battlefield is going to be retention and lifetime value." – *Gary Vaynerchuck*

The late Stephen Covey (author of the amazing book *The 7 Habits of Highly Effective People*) came up with a wonderful phrase, 'the emotional bank account': the amount of trust that's been built up in a relationship. Trust can be built with customers in a number of ways; keeping commitments, consistently meeting expectations and continually adding value to your products and services. However, like normal bank accounts you can also lose trust if you fail to deliver on your promises—your aim is to always keep the account in credit which will lead to a profitable long-term relationship.

Why Continuous Improvement Is So Important

"Marginal gains, as an approach, is about having intellectual honesty to see where you are going wrong, and delivering improvements as a result." – *Sir Dave Brailsford*

McKinsey defines continuous improvement as "an ongoing effort to improve all elements of an organization". This is great in theory and something we all aim to achieve but in practice, it can be remarkably difficult. To help you on your journey, we've outlined four principles that will help you build a culture of continuous improvement.
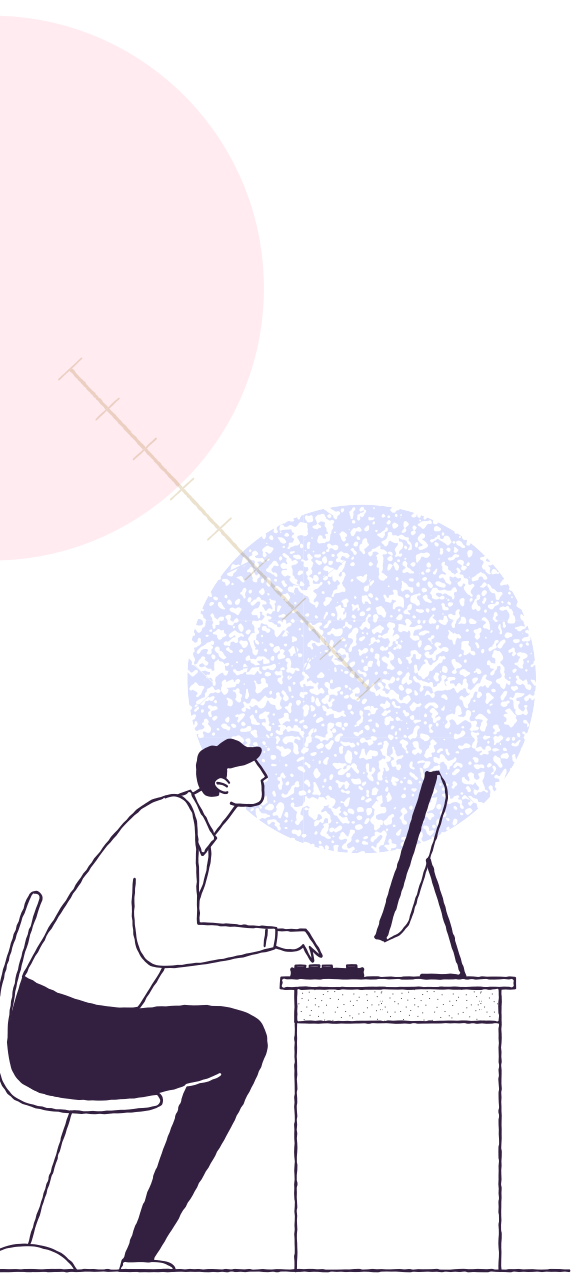
1

Productivity Should Not Be Your Goal

Productivity itself should not be your goal. Productivity is the outcome of a healthy system—something to measure, but not something to pursue. Instead, you should chase continuous improvement and understand how productivity links to this effort. So how do you ensure you're constantly enhancing everything you do? One model to consider is the Kaizen Model which translates as 'change for the better' and is a great to use within your organization.

2

A Shift From Effort to Outcomes

> "We think mistakenly, that success is the result of the amount of time we put in at work, instead of the quality of time we put in." – *Arianna Huffington*

We've been thinking about productivity all wrong. It shouldn't be about the amount of work being done, the effort being put in, or activity levels—this can give us a false sense of achievement and can lead to higher levels of anxiety. What we should be focusing on is what we need to achieve by setting goals that are relevant, realistic and result in value for our customers.

Once you've set goals it's important you can measure them and have a system in place that allows you to do so with minimal effort—allowing you to spend more time working towards the goal and delivering value.

3 Aim to Deliver Value Quicker

> "Work smart. Get things done. No nonsense. Move Fast."
> – *Susan Wojcicki*

How, as leaders, can we ensure that we are delivering value to our customers sooner? It starts with understanding what your customers want and consider valuable, then delivering this as efficiently as possible. What this doesn't mean is delivering less value, but instead delivering value continuously (one of the agile principles) over a longer period of time. The result: employees who know their work is having a positive impact and happy customers who are benefiting sooner rather than later.

You can measure this effort using Time To Value (TTV), a great metric for understanding the value you're delivering to your customer and how quickly and effectively you're doing it.
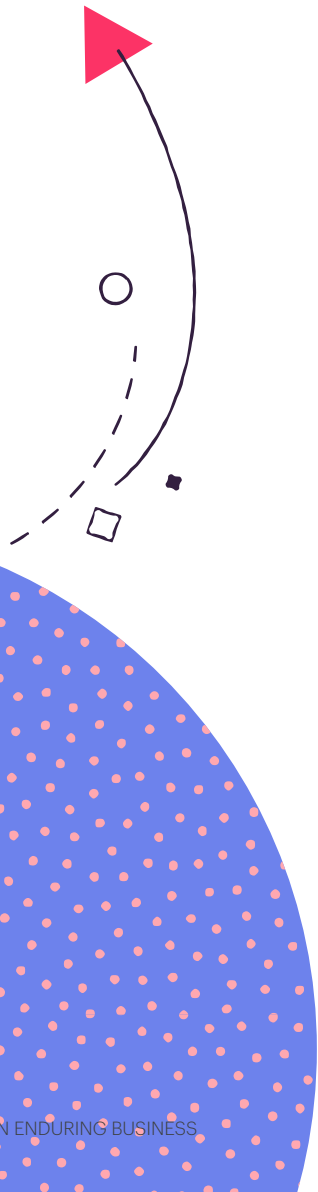
# 4 Make Measurement Easy, Insightful and Transparent

> "Measurement is fabulous. Unless you're measuring what's easy to measure as opposed to what's important."
> – *Seth Godin*

Earlier in this ebook we talked about the idea of democratizing data and its importance in allowing people to make good decisions and contribute in a positive way. In order to do this, you must have the right systems in place that allow you to measure the things that matter, and allow this to happen in an effortless and intuitive way. This will allow you to measure the strength of your relationships, how you collaborate, what value you're delivering and how effective your strategy is. Spending time to get the right measurement in place will mean you spend less time 'crunching the numbers' and more time focussing on what's important to you - your people and your customers.

Turning Principles Into Action

In this ebook we've covered a lot and discussed a number of principles that can help you create an enduring business, one that has agility at its core and has a fun and engaging environment where people can collaborate—where relationships are built and value is continuously delivered. These principles aren't designed to dictate what to do, but instead to act as a guiding light to help you make the right decisions and create a culture that works for you. We hope you've found this valuable and we would love to hear more about your experience implementing a modern agile approach and how we can help you achieve more.
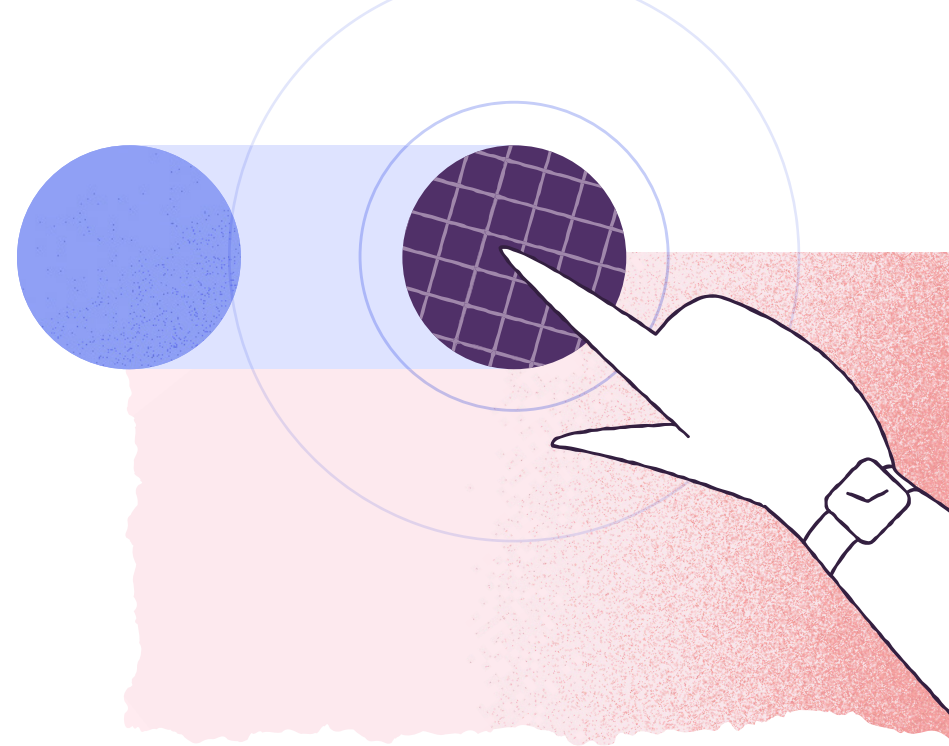
Did you find this ebook valuable?

In the spirit of continuous improvement, we'd love to get your feedback so we can improve our content and deliver more of what you want. Fill out this quick survey to let us know what you think.

Why We Created Copper

We believe in creating better relationships, fostering environments for collaboration, and driving productivity through continuous improvement—it's why we created Copper. Copper is an agile CRM built for G Suite that allows you to manage your business and data in an effortless and intuitive way.

Experience Copper and see why over 10,000 companies put their trust in us. Get a demo.

:copper

Copper Plus Google

"G Suite helps teams collaborate and become more productive, our partnership with Copper extends this to CRM and helps organizations create long-lasting and profitable customer relationships."
– *Nicholas Robinson SMB Program Manager, Google Cloud*

Copper launches
Unified Google
Add On

Backed by
Google Ventures

Copper named G Suite
Partner of the Year

Copper launched
native Google
integration

Recommended CRM
on G Suite Marketplace

2014   2015   2016   2017   2018