VISION

DATA

PROCESS

TRACTION

ISSUES

PEOPLE

YOUR BUSINESS

ORGANIZATIONAL CHECKUP

For each statement below, rank your business on a scale of 1 to 5 where 1 is weak and 5 is strong.

	1	2	3	4	5
1. We have a clear vision in writing that has been properly communicated and is shared by everyone.	☐	☐	☐	☐	☐
2. Our core values are clear, and we are hiring, reviewing, rewarding, and firing around them.	☐	☐	☐	☐	☐
3. Our core business is clear, and our systems and processes reflect that.	☐	☐	☐	☐	☐
4. Our 10-year target is clear and has been communicated to everyone.	☐	☐	☐	☐	☐
5. Our target market is clear, and our sales and marketing efforts are focused on it.	☐	☐	☐	☐	☐
6. Our differentiators are clear, and all of our sales and marketing efforts communicate them.	☐	☐	☐	☐	☐
7. We have a proven process for doing business with our customers. It has been named and visually illustrated, and everyone is adhering to it.	☐	☐	☐	☐	☐
8. All of the people in our organization are the right people.	☐	☐	☐	☐	☐
9. Our accountability chart (organizational chart of roles and responsibilities) is clear, complete, and constantly updated.	☐	☐	☐	☐	☐
10. Everyone is in the right seat.	☐	☐	☐	☐	☐

11. Our leadership team is open and honest, and demonstrates a high level of trust. □□□□□

12. Everyone has Rocks and is focused on them (3 to 7 priorities per quarter). □□□□□

13. Everyone is engaged in regular weekly meetings. □□□□□

14. All meetings are on the same day and at the same time each week, have the same printed agenda, start on time, and end on time. □□□□□

15. All teams clearly identify, discuss, and solve key issues for the greater good and long term. □□□□□

16. Our systems and processes are documented, simplified, and followed by all. □□□□□

17. We have a system for receiving regular customer and employee feedback, and we know their level of satisfaction. □□□□□

18. A Scorecard for weekly metrics and measurables is in place. □□□□□

19. Everyone in the organization has a number. □□□□□

20. We have a budget and are monitoring it regularly (i.e., monthly or quarterly). □□□□□

Total number of each ranking □□□□□

Multiply by the number above ×1 ×2 ×3 ×4 ×5

□□□□□

Add all five numbers to determine the percentage score that reflects the current state of your company: □ %.

SCORING RESULTS

If your score falls between:

20 and **34**%	Please read on. This book will change your life.
35 and **49**%	You are normal. But would you prefer normal or great?
50 and **64**%	You are above average, but there is still room for improvement.
65 and **79**%	You are well above average.
80 and **100**%	This is where most EOS clients end up. This is your goal.

THE EOS MODEL™

THE VISION/TRACTION ORGANIZER™

ORGANIZATION NAME:

VISION

		3 YEAR PICTURE
CORE VALUE	1. 2. 3. 4. 5.	Future Date: Revenue: Profit: Measurables: <u>What Does It Look Like?</u>
CORE FOCUS™	Purpose/Cause/Passion: Our Niche:	• •
10 YEAR TARGET	_____ _____	• • • •

MARKETING STRATEGY	Target Market/The List:
	Three Uniques: 1.
	                        2.
	                        3.
	Proven Process:
	Guarantee:
		•
		•
		•
		•
		•

THE EOS MODEL™

VISION
DATA
PEOPLE
YOUR BUSINESS
ISSUES
PROCESS
TRACTION
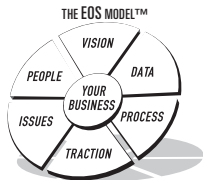
THE VISION/TRACTION ORGANIZER™

ORGANIZATION NAME:

TRACTION

1 YEAR PLAN	ROCKS	ISSUE LIST
Future Date:	Future Date:	
Revenue:	Revenue:	1.
Profit:	Profit:	2.
Measurables:	Measurables:	3.
Goals for the Year	**Rocks for the Quarter** Who	4.
1.	1.	5.
2.	2.	6.
3.	3.	7.
4.	4.	8.
5.	5.	9.
6.	6.	10.
7.	7.	
• Focus/Theme • Roles and Responsibilities • Cash flow analysis/budget • Scorecard		Prioritize • Identify • Discuss • Solve

CORE VALUES	1. FLEXIBLE 2. INNOVATIVE 3. RESPECTFUL 4. SPIRITED 5. TEAM
CORE FOCUS™	Purpose/Cause/Passion: Our Niche:

When your purpose, cause, or passion is clear, it should meet all eight points of the following checklist:

1. It's stated in three to seven words. ☐

2. It's written in simple language. ☐

3. It's big and bold. ☐

4. It has an "aha" effect. ☐

5. It comes from the heart. ☐

6. It involves everyone. ☐

7. It's not about money. ☐

8. It's bigger than a goal. ☐

THE EOS PROCESS™

90 Minute Meeting
- About Us
- About You
- The Tools
- The Process

Focus Day
- Hitting the Ceiling
- Accountability Chart
- Rocks
- Meeting Pulse
- Scorecard

2 Day Vision Building
- Core Values
- Core Focus
- 10 Year Target
- Marketing Strategy
- 3 Year Picture
- 1 Year Plan
- Quarterly Rocks
- Issues List

Quarterly Pulsing
Qtr / Qtr / Qtr

Annual Planning
- Focus & Traction
- Team Health
- Quarterly Rocks
- Issue Solving
- Toolbox Tools
- Accountability

THE EOS MODEL™

VISION

PEOPLE — DATA

YOUR BUSINESS

ISSUES — PROCESS

TRACTION

THE VISION/TRACTION ORGANIZER™

ORGANIZATION NAME:

VISION

		3 YEAR PICTURE
CORE VALUE	1. FLEXIBLE 2. INNOVATIVE 3. RESPECTFUL 4. SPIRITED 5. TEAM	Future Date: Revenue: Profit: Measurables: <u>What Does It Look Like?</u> • 3 total $1.5M+ clients • 3 total $1M+ clients • 15 total $200k+ clients • 50% of new projects are new clients • Our own location • Lettershop capabilities • Properly incented employees • Company wide automation • Great reputation/thought leader in industry • More associations-writing, speaking PIA, MFSA, Red Tag • Fending off acquisition
CORE FOCUS™	Passion: Create raving fans through living our core values Our Niche: Being your Canadian logistics "partner"	
10 YEAR TARGET	$25 million in revenue at a 10% net margin	
MARKETING STRATEGY	Target Market/"The List": 1. Mail producers in that are able and willing to go after their Canadian direct marketing mail 2. Major accounts using international providers for their Canadian mail Three Uniques: 1. Canadian expertise 2. Understand the value chain 3. The Right Route Solution Proven Process: The Right Route Solution	

THE EOS MODEL™
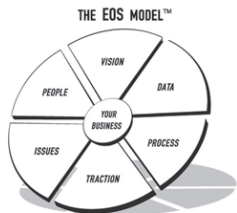
THE VISION/TRACTION ORGANIZER™

ORGANIZATION NAME: RCS International

TRACTION

1 YEAR PLAN	ROCKS	ISSUE LIST

1 YEAR PLAN

Future date: December 31, 20XX

Revenue: $10 million

Measurables: 30 clients/projects greater than $50k each (annualized)

Goals for the Year

1.	Hire a controller
2.	14 new projects > $50k (half new clients)
3.	Sales software to capture the list and manage sales funnel
4.	8 association touches
5.	Implement an Operating System
6.	
7.	

ROCKS

Future date: September 11th, 20XX

Revenue: $2 million

Measurables: 20 clients/projects greater than $50k each (annualized)

Rocks for the Quarter

		Who
1.	Create and execute sales strategy w/metrics	Joe
2.	Revitalize culture: · 4 hr simple quote · Phones 8:30-5:30 · Monthly events · Core values	Bob
3.	Fill the pipeline w/3000 names	Patrick
4.	Launch the website	Joe
5.		
6.		
7.		

ISSUE LIST

1.	Operations facility
2.	Exchange rate
3.	Operations system
4.	Database
5.	Quote turnaround times
6.	Equipment needs
7.	
8.	
9.	
10.	

NAME	BE HUMBLY CONFIDENT	GROW OR DIE	HELP FIRST	DO THE RIGHT THING	DO WHAT YOU SAY
JOHN SMITH	+	+	+	+	+
SALLY JONES	–	–	–	–	–
GEORGE WILSON	+/–	+/–	+/–	+/–	+/–

| SALES/MKTG. | OPERATIONS | FINANCE |
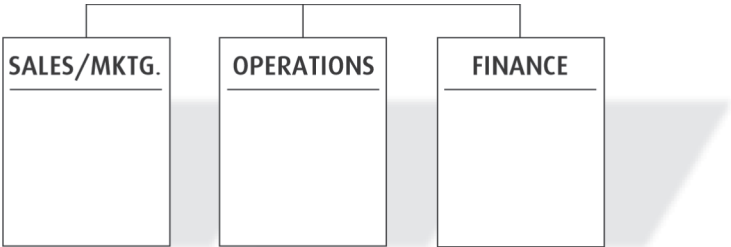
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                    │  INTEGRATOR  │
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│ SALES/MKTG.  │  │  OPERATIONS  │  │   FINANCE    │
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│              │  │              │  │              │
└──────────────┘  └──────────────┘  └──────────────┘
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VISIONARY

20 IDEAS
CREATIVE/PROBLEM
SOLVING
BIG RELATIONSHIPS
CULTURE
R&D
MORE ON EMOTION

INTEGRATOR

LEAD, MANAGE,
ACCOUNTABILITY (LMA)
PROFIT & LOSSES/BUSINESS
PLAN
REMOVE OBSTACLES &
BARRIERS
SPECIAL PROJECTS/MGMNT.
MORE ON LOGIC

SALES/MKTG.

LMA
SALES/REVENUE GOAL
SELLING
MARKETING
SALES & MARKETING
PROCESS

OPERATIONS

LMA
CUSTOMER SERVICE
PROCESS MANAGEMENT
MAKING THE PRODUCT
PROVIDING THE SERVICE

FINANCE

LMA
AR/AP
BUDGETING
REPORTING
HR/ADMIN
IT
OFFICE MANAGEMENT

```
                          FUNCTION
                            NAME
                         ───────────
                             ROLE
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                          FUNCTION
                            NAME
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FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME
ROLE ROLE ROLE ROLE	ROLE ROLE ROLE ROLE	ROLE ROLE ROLE ROLE	ROLE ROLE ROLE ROLE

FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME
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FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME	FUNCTION NAME
ROLE ROLE ROLE ROLE	ROLE ROLE ROLE ROLE	ROLE ROLE ROLE ROLE	ROLE ROLE ROLE ROLE	ROLE ROLE ROLE ROLE

NAME	BE HUMBLY CONFIDENT	GROW OR DIE	HELP FIRST	DO THE RIGHT THING	DO WHAT YOU SAY	GET IT	WANT IT	CAPACITY TO DO IT
JOHN SMITH	+	+	+	+	+	YES	YES	YES
SALLY JONES	–	–	–	–	–	YES	NO	YES
GEORGE WILSON	+/–	+/–	+/–	+/–	+/–	NO	YES	YES

Visionary
Brad
- R & D
- Initial vendor relations
- Grow sites
- High level finance
- Culture
- Creative ideas

Integrator
Tyler
- LMA
- Systems process
- Special projects
- Legal
- Business plan
- E-store design
- Site management

Sales/Mktg
Jeff
- LMA
- Phone sales
- Customer service
- Revenue target
- Sales pitch

Operations
Tim
- LMA
- Office mgmt
- Orders out
- Returns processed
- Customer service post sale

Finance
Tyler
- VCFO
- Accounting
- AP/AR
- Fin. Reporting
- Budget
- Forecasting
- HR

Year 1
4 People/$500K Revenue

Visionary
Brad
- R & D
- Initial vendor relations
- High level finance
- Culture
- Creative ideas

Integrator
Tyler
- LMA
- Systems process
- Special projects
- Legal
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- E-store design
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- Fin. Reporting
- Budget
- Forecasting
- HR

Sales
4 People
- Return sales calls
- Take incoming calls
- Answer emails
- Know product
- Live help
- Take orders/sell

Customer Service
Malcolm
- LMA
- Phone sales
- Customer service
- Revenue target
- Sales pitch

Admin
Michelle
- Filing
- Claims
- Support
- Phones

Warehouse
Brent

Returns
Brian

Bookkeeping
Sandy

HR
Sandy

Purchaser
Cal
- Stock/orders
- Buying shows
- Inventory analysis
- AP
- Clerical
- Buyer

Visionary
Brad
- R & D
- Culture
- Growth

Integrator
Tyler
- LMA
- Systems
- Process
- Business plan
- Tech
- eStores

Sales/Mktg
Jeff
- LMA
- CS
- $ target
- Manage sites
- Content
- Educate

Operations
Tim
- LMA
- Office mgmt
- Orders
- Returns processed
- Warehouse
- Inventory in WH

Finance
Mike
- Process
- Reports
- Internal IT
- HR
- Budget
- Forecasting
- Admin

Sales & CS
Kelly
- Phones
- Email
- Live help
- Product info
- Orders

IT
Malcolm
- Phone system
- Computers
- Connectivity

Copywriting
Gabe
- Proof
- Copy
- Enhance content
- Rsch/compare
- Updates

Marketing
AJ
- Email campaigns
- Links
- Coupons
- Newsletters
- GSA
- Affiliates

Returns
Brian

Order Processing
Ryan

Warehouse Shipping & Receiving
Brent

Purchasing
Cal
- Vendor rel.
- Ordering
- Inv. Analysis
- AP
- Problem stock
- Close outs
- Inv. forecasting

Accounting
2 People
- Bank
- AR
- AP
- HR
- Bookkeeping
- Reconciliation
- Scorecard

Admin
Michelle
- Filing
- Claims
- Support
- Phones

Sales
4 People

CS Case Specialist
- Pre-sale
- Fraud
- Bad CC
- Backorder
- Post-sale chargeback

Returns, Misships
Trevor

Web Optimization
Bretton
- Site opts
- Feeds

Order Processing
2 People

Warehouse
Mike

Visionary
Brad
- New vendors
- New sites
- Vendor relations
- Maj. acct. comm.
- Container pur.

Integrator
Tyler
- LMA
- Systems
- Special projects
- Business plan
- Technology

Director of eCommerce
Jeff
- LMA
- New site launch
- Gross sales PPC/comp shop
- OCP / R & D
- Industry trends

Dir. Ops
Nick
- LMA
- Customer care
- Warehouse
- Security and maintenance
- Inv. integrity

CFO
Mike
- LMA
- HR
- IT
- Payroll
- Finance/acctg.

eCommerce Manager
Tamara
- LMA
- Sales
- Proj./site management
- Mkt.prgms./ Affiliates (PC)

Project Manager
James
- LMA
- QC
- IA
- Bugs and enhancements

Warehouse Manager
Chris
- LMA
- Manage team
- Orders out
- Warehouse housekeeping
- Max productivity
- Min. errors

Purchasing / Buyer
Christine
- PO mgmt.
- Inv. Master
- Vendor neg.
- Stock level
- Vendor perf. analysis

Maintenance Manager
David
- LMA
- Equipment and contracting
- Building
- Tools
- Supplies

Call Center Manager
Christina
- LMA
- CC P&P's
- CCR mgmt.
- Inc. CC sales
- CC reporting

Controller
Bryce
- LMA
- Cash flow
- Inv. Control
- Ann budget
- Monthly statements

Risk Management / Fraud Review
Ryan
- Review fraud orders
- Paypal
- Cust. refunds
- Middleware management
- Fraud trends

Risk Management / IT / Off. Mgr. MN
Malcolm
- Review fraud orders
- Cust. refunds
- IT support
- Office mgmt.
- Fraud trends

Site Mdser
4 People
- Site mgmt / merch
- Site conversion
- Ind. trends
- Mark. initiatives/ auto email
- Product +/-

Creative
4 People
- Branding
- Copywrite
- Video
- Graphics

Implement
3 People
- NS EO
- Data entry
- Site admin
- Web master
- L.F.com

Site Architect
Rob
- Programming
- QC

IT Manager
Bill
- Network integrity
- IT support
- IT maintenance
- Phone system
- IT dis. recv.

Receiving Manager
David
- LMA
- Manage receiving
- Manage returns
- Safety
- Hilo training

Shipping Manager
Chris
- Truck loading
- Prep USPS
- Stock
- Repair defective
- Embroidery

Custodian
Rick
- All janitorial functions
- Warehouse floor
- Routine maintenance
- Special projects

CSR
8 People
- Phone/email / chat
- Know products
- Sales goals
- Follow up
- Up/X sell
- Great CS, Inc.

HR/Office Management
Stacy
- HR/benefits
- Payroll
- Recru/retain
- AP/AR
- Vendor inq.

Reconciler / Bookkeeper
Shannon
- AR
- Refunds
- Bank rec
- CC rec
- Petty cash

Data Entry
Shannon
- Filing
- Affiliate program
- Vendor data entry

Receiving
Tad
- Inbound inventory
- Report issues
- Coordinate
- Resolve inventory issues

Returns
Brian
- Process returns
- Improve return process
- PPS

COMPANY SCORECARD

WHO	MEASURABLES	GOAL	JANUARY				FEBRUARY				MARCH				
			5	12	19	26	2	9	16	23	2	9	16	23	30
	WEEKLY REVENUE														
	CASH BALANCE														
	SALES CALLS														
	SALES MEETINGS														
	PROPOSALS														
	CLOSED BUSINESS														
	PAYROLL														
	CUSTOMER PROBLEMS														
	CUSTOMER RATING														
	ACCOUNTS RECEIVABLE														
	ACCOUNTS PAYABLE														

Sachse Construction
Circle of Life

Business Development

- Prepare proposals and qualification statements to procure sales

- Prepare & negotiate Construction Contracts

- Public Relations and Sales Material preparation

- Marketing/Website Development

Architectural Services

- Procure space planning projects

- Develop Space Plans

- Prepare Construction Documents

- Review and approve submittals during the construction phase

- Respond to RFI's from the construction superintendent

Project & Corporate Accounting

- Prepare owner pay applications and process payments to subcontractors for construction and architectural projects

- Process general operation expenses and payments

- Process employee payroll

- Maintain company financial records

- Prepare closeout manuals for owners at completion of project

General & Administrative Services

- Prepare project manuals and documents for use by owners, subcontractors, and superintendents

- Maintain office supply inventories and track purchases and usage

- Coordinate purchase or lease of office and field equipment

- Direct incoming phone calls and written communication to appropriate staff

- Coordinate and administer employee benefits

Information Technology

- Manage all hardware and software computer resources

- Provide new user setup and training

Construction Services

- Schedule and coordinate subcontractors from start to completion of work

- Communication with owner and architect to review progress, RFI's, and change requests

- Review and approve submittals, as-built drawings, and other construction documentation

- Respond to warranty work requests and oversee repairs

- Accumulate required closeout documentation for owner and job records

Estimating & Procurement

- Review plans and specifications for potential projects

- Solicit and qualify subcontractor bids

- Prepare proposal of costs to owner for potential projects

- Finalize scope of work and pricing for awarded projects and issue subcontractor agreements

Rocks due by March 31, 2007

Company Rocks	**Owner**
1. Close $1 million in new business	BL
2. Document delivery process and train all	AM
3. Narrow CFO candidates to two	JK
4. Implement new IS software	SP

Bill's Rocks

1. Close $1 million in new business
2. 10 new prospects in the pipeline
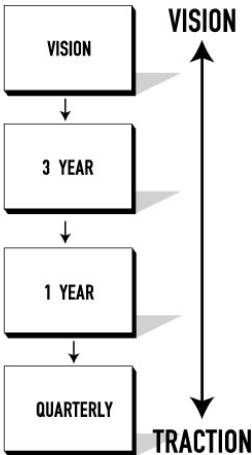3. Hire one new salesperson

John's Rocks

1. Narrow CFO candidates to two
2. Finalize and implement new hire orientation
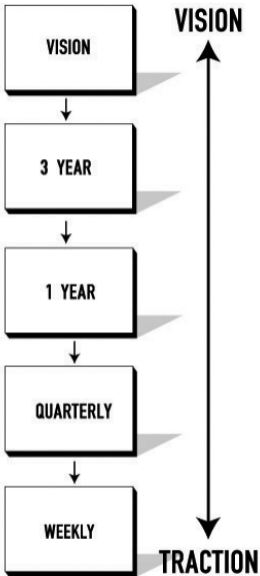3. Increase line of credit to $1 million

Amy's Rocks

1. Document delivery process and train all
2. Create customer feedback system
3. Update database
4. Proactively contact top 10 clients
5. Revise and recommunicate Accountability Chart

Sam's Rocks

1. Implement new IS software
2. Roll out our new website
3. Retrain all on A/R and A/P policy
4. Finalize new client contracts

VISION

VISION

↓

3 YEAR

↓

1 YEAR

↓

QUARTERLY

↓

WEEKLY

TRACTION

LEVEL 10 WEEKLY MEETING AGENDA*

SEGUE	**5 min**
SCORECARD	**5 min**
ROCK REVIEW	**5 min**
CUSTOMER/EMPLOYEE HEADLINES	**5 min**
TO-DO LIST	**5 min**

- John to call ABC Co.
- Bill to have a meeting with Sara
- Sue will call the supplier
- Jack to revise core values speech

IDS	**60 min**

- Winter sales are down
- We missed the delivery date on ABC
- A/R is over 60 days
- Charles is not following the process

CLOSE	**5 min**

Notice how the to-dos and issues are built right into the agenda.

ORGANIZATIONAL CHECKUP

For each statement below, rank your business on a scale of 1 to 5 where 1 is weak and 5 is strong.

	1	2	3	4	5
1. We have a clear vision in writing that has been properly communicated and is shared by everyone.	☐	☐	☐	☐	☐
2. Our core values are clear, and we are hiring, reviewing, rewarding, and firing around them.	☐	☐	☐	☐	☐

3. Our core business is clear, and our systems and processes reflect that. ☐☐☐☐☐

4. Our 10-year target is clear and has been communicated to everyone. ☐☐☐☐☐

5. Our target market is clear, and our sales and marketing efforts are focused on it. ☐☐☐☐☐

6. Our differentiators are clear, and all of our sales and marketing efforts communicate them. ☐☐☐☐☐

7. We have a proven process for doing business with our customers. It has been named and visually illustrated, and everyone is adhering to it. ☐☐☐☐☐

8. All of the people in our organization are the right people. ☐☐☐☐☐

9. Our Accountability Chart (organizational chart of roles and responsibilities) is clear, complete, and constantly updated. ☐☐☐☐☐

10. Everyone is in the right seat. ☐☐☐☐☐

11. Our leadership team is open and honest, and demonstrates a high level of trust. ☐☐☐☐☐

12. Everyone has Rocks and is focused on them (3 to 7 priorities per quarter). ☐☐☐☐☐

13. Everyone is engaged in regular weekly meetings. ☐☐☐☐☐

14. All meetings are on the same day and at the same time each week, have the same printed agenda, start on time, and end on time. ☐☐☐☐☐

15. All teams clearly identify, discuss, and solve key issues for the greater good and long term. □□□□□

16. Our systems and processes are documented, simplified, and followed by all. □□□□□

17. We have a system for receiving regular customer and employee feedback, and we know their level of satisfaction. □□□□□

18. A Scorecard for weekly metrics and measurables is in place. □□□□□

19. Everyone in the organization has a number. □□□□□

20. We have a budget and are monitoring it regularly (i.e., monthly or quarterly). □□□□□

Total number of each ranking □□□□□

Multiply by the number above ×1 ×2 ×3 ×4 ×5

□□□□□

Add all five numbers to determine the percentage score that reflects the current state of your company: □ %.

One more example might be that you rated yourselves 2 out of 5 on statement number 16: "Our systems and processes are documented, simplified, and followed by all." Seeing this gap, you agree as a team once and for all to make it a goal for this year to finally document your core processes.

Filling out the Organizational Checkup at least twice every year will clarify all gaps, put those issues into action, and ultimately enable you to continue to climb toward 100 percent. The goal is progress, not perfection. You might feel frustrated because you're not at 88 percent like the Benefits Company. Yet success is not based on where you are, but on how far you have come. If you were at 55 percent last year and at 63 percent this year, that's success. The next year you'll be at 72 percent and maybe 80 percent in the year after that. Keep using the principles, and you'll break through.