

# The Seven Pillars - Management

Business management is a subject that I am sure has had literally billions of words devoted to it. You can do doctorates on the topic, get rich writing the next best seller about it and even spend your life on the lecture circuit telling the world what you know about it. I've spent much of my adult life engaged in the world of business management. So, to speed things up a bit, here's my one page take on it!

As I sometimes like to do, let's go back to basics. A generally accepted definition of management is the control or organisation of something, in this case a business. If we want to manage and control our business, then to me it is pretty self-evident that we need three things. First a frame work to quantitatively define what it is we are trying to achieve, second an agreed way of exerting influence and control over our business and third a way of measuring the success of our influence systems in terms of the framework of outcomes. For quite a few years now, I have been using the same set of proven and *simple* tools and techniques. Let me share these with you.

First the framework to quantify what we are working to achieve. This can be done using a set of measurable and time specific goals. For example, an annual sales budget, based on turnover of gross profit. This can then be broken down into specific goals for a team or individuals. This gives us a clear set of targets we can use to help determine the next component, a means of exerting influence or control.

I have seen that this is usually best achieved by using a clear organisational structure, position descriptions and individual accountabilities. Sounds a bit old fashioned and tedious maybe, but it still delivers the bottom line outcomes. Just on this point of accountability, there is a tool I would like to share with you. It is called the RACI model, which I believe was originally developed from the NASA RAM (Responsibility Assignment Model) methodologies. It individually assigns Responsibility, Accountability, Consultation, and Information) by task group and task. I would recommend you research this some more. It has the potential to be a powerful tool for you.

The third thing we need is a way to measure our success in achieving the intended goals. I do this by creating and using "dashboards" that regularly provide specific and quantified pieces of information in a way that clearly shows if we are meeting the targets we set as an individual, a team or as a business. By doing this, there can be no doubt or discussion about our individual or collective performance.

What I have explained here is a very simple approach to managing a business. The interesting thing is that I have seen this method work time and time again for businesses large and small. Remember the key components; first, clearly quantified goals and objectives, second a means of exerting influence and control and third a measurement system that provides timely, accurate and relevant information.

I believe if we get these three things happening, then we are well on our way to managing a successful business.



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