

It Takes Two

Empowering Second-in-Commands

5-STEP GUIDE REVEALS THE SECRET TO UNLOCKING OUTSTANDING PERFORMANCE IN YOUR BUSINESS



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1 Scorecards – what are they and how to get one

A few years ago I was discussing our forthcoming strategic team planning event with my business coach and we were talking about our outcomes for the day.

I must admit, I was going around in circles at first, finding it difficult to pin point exactly what success looked like. I was exhausted with the day to day running of the business and felt completely out of control. Many of us, me included, when we feel out of control, we tend to 'grip' tighter which results in micro-managing, wanting to get involved in every details, trusting people less, and ultimately lying awake at night worrying about everything and everyone.

I knew something had to change but I didn't know what. I felt like everything was on me and the thought of taking a few days off work (never mind a couple of weeks or even a month) filled me with dread. We weren't getting the results we needed and whilst I had a bunch of extremely talented and committed people working for me, they couldn't show up as they wanted to with me controlling everything, and not letting them shine.

Then finally, with a big sigh, I said, *"I just want a business that runs like clockwork."* Where everyone knows what's expected of them, we're all going in the same direction and I don't wake up in the middle of the night wondering if 'this' had been done, or if 'that' had been done. I wanted a business that I could work 'on' rather than being in the weeds and where I had the headspace to think strategically and move the business forward.

Fast forward 12 months and not only did we achieve our goal, but I was able to spend a lot more time working 'on' the business, sleep well at night and even take a month off work (without the business metaphorically burning down!)

How? Well, we had a lot to do in the year, but one of the most significant things we implemented was a company scorecard.

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What is a scorecard?

A scorecard is essentially a one page document that tells you everything you need to know about the state of your business at any given time. Imagine you are taking that well deserved break and you're sitting on a luxury island, cocktail in hand, feeling completely relaxed and in control.

You have no contact with the office; all you have, once a week, is a piece of paper sent to you that tells you all you need to know about the current state or 'health' of your business.

The question for you is: **What is on that piece of paper?**

It's worth taking a moment now, to jot down a few things that you would want to know. Think about each department – Sales, Marketing, Finance, Operations, HR, Legal, Technology etc. Not everyone will have all of these departments, so it's important that **YOUR** scorecard is relevant to **YOU**.

3 Building your scorecard

Once you've thought about your high-level information, we can now drill down, by including **key performance indicators, critical drivers** and **metrics**.

Below is a simple example of the kind of information to consider within Sales:
(NOTE - THIS WILL BE A SPREADSHEET NOT AS SHOWN BELOW)

Sales:

KPI's

Target revenue for month: £50,000

Actual target so far: £27,000

Pipeline: £60,000

Critical Drivers:

Number/Value of Contracts sent: 8

Number/Value of Proposals sent: 12

Number/value of Live enquiries: 24

Number/value of active leads: 55

Number of people on next webinar: 102

Metrics:

Number of calls made: 24

Number of emails/brochures sent: 69

Number of invites sent for next webinar: 125

4 Using a scorecard in practice

Our company scorecard doesn't just give me peace of mind. It helps to keep us on track, measure success and see potential problems before they arise. This gives us the chance to course correct where necessary, make good decisions (as opposed to making poor decisions in a panic) and helps my exec team to sleep well at night, as they too have a handle on the business.

Here's how you can use your scorecard in practice:

- **Alongside your strategic plans**

Your strategic scorecard should 'fall out' of your overall strategic vision for the company. Many business owners have a vision to exit for **£X million**, but don't have a strategic focus of how to get to their first **£500k in sales**. Your strategic scorecard will make sure you are working towards your overall goals and whether or not you are on track to getting there.

- **Weekly in team meetings**

Your company scorecard should be reviewed **EVERY** week in team meetings. Remember, this is not about blame – it's about building a culture of accountability where everyone can state their score and determine whether they are on or off track.

- **To course correct when you are off track**

Once the scorecard has been reviewed and everybody has reported on their numbers it is important to have a healthy discussion about why they are off track. A healthy discussion would involve everyone on the team contributing to supporting the individual to get back on track by solving issues and removing blockers where possible, or changing course if not.

5 How did it make a difference?

A scorecard isn't the holy grail – it won't transform your business overnight **BUT** it will start you on your journey of gaining more clarity and control over your business.

For us, this is how it has made a difference:

- **I no longer work 'in' the day to day running of the business.** My COO/Second in command, now runs our weekly meetings, ensuring that everyone is on track and can report into me if there are any problems. That leaves me to work on strategic issues, be creative and focus on my responsibilities as a CEO.
- **Everyone knows what is expected of them and reports on their progress weekly.** Nobody is surprised when they are asked how they are performing, because it's part of our culture. **EVERY** week we have a team meeting, and the agenda remains the same: Share our scorecards, discuss where we are off track, agree what needs to be done the following week and/or any blockers that will prevent us from getting back on track.
- **The team are aligned with our overall goals and understand how they play a part in the overall picture** – if they are off track on their numbers, chances are, it will impact on someone else's numbers in the business. This builds a culture of accountability rather than 'justification' and helps everyone to understand how they impact other team members.
- **The team have personal autonomy** – if they are off track they can use the data to have a conversation about what needs to happen – they don't need to come to me to solve all their problems.
- **Ultimately – I have a handle on the business, week in week out**, without the need to micro-manage. I can spend my time on strategic issues, as well as taking time away from the business when I need it. *AND I sleep well at night!*



I'm going to be sharing more tips/strategies on how to make the most out of scorecards in a future email – so keep an eye out!

DOWNLOAD
your scorecard template