



Life and Business “Catalyzing Statement” and Management-by-Objectives (“MBO”)

Implementation Guide - MONTH TWO

In this month’s module, you will learn one of the single most important lessons in business: How to create a powerful “**Catalyzing Statement™**” to keep you, and everyone involved with your dream, focused in the same direction.

First, we’d like you to have the definition of a “**Catalyzing Statement™**”. Let’s start first with the word “**catalyze**”.

Definition: **catalyze (verb)** – *to create, modify, or increase the rate of reaction of X, due to its very presence.*

Now, we’ll extend the definition to the phrase “**Catalyzing Statement™**” (“**CS**”).

Definition: **Catalyzing Statement™** (noun) - *a phrase that allows everyone to visually see, in their mind’s eye, EXACTLY what you want to do while they also become emotionally attached to it.*

The easiest way to figure out your **CS** is to first find out what the purpose of your practice is, then extend it to a **CS**.

Here are two examples of moving from a purpose statement to a Catalyzing Statement™ .

PURPOSE STATEMENT:

“We will build the world’s best space program.” –J.F.K.

CATALYZING STATEMENT:

“We will send a man to the moon, and return him safely to earth, by the end of the decade of the 1960s.” –J.F.K.

PURPOSE STATEMENT:

“We will be the most recognizable software company in the world.” –Bill Gates

CATALYZING STATEMENT:

“I envision a world with a computer on every desktop.” –Bill Gates

As you can see from the examples above, once you lock down your purpose statement you can then ask the question, “To what end?” By answering this question, you can usually get to your catalyzing statement.



Here are more examples of powerful catalyzing statements that will hopefully spur your creativity.

“We build the safest cars in the world.” –Volvo

“Number 1 or Number 2 in every market we serve.” –Jack Welch

“One of our drinks within arms reach of every person on the planet.” –Coca Cola

“When it absolutely, positively, has to be there overnight.” –Federal Express

“30 minutes or less.” –Domino’s Pizza

“Mr. Gorbachev, tear down this wall.” –President Ronald Reagan

EXERCISE ONE:

On a separate document, please choose a purpose for your company. Then turn that purpose into your Catalyzing Statement. (CS)

Once you have your Catalyzing Statement locked down, be sure to begin educating your staff, your clients, the media, and whoever you think needs to know where your company is headed. Many people in your position will craft brochures and wall signs to get the CS out into the world. A well-crafted CS can lead many new clients to your door. It’s worth the time to do whatever it takes to uncover your CS.

Remember that JFK’s famous words changed the world...AND SO CAN YOURS. This is an opportunity for you to be bold.

EXERCISE TWO:

Please complete the following with S.M.A.R.T. (specific, measurable, attainable, realistic, and tangible) goals:

Five Annual Business Goals - To be completed on, or before, 12/31/20XX

1. _____
2. _____
3. _____
4. _____
5. _____



Five Annual Personal Goals - To be completed on or before 12/31/20XX

1. _____
2. _____
3. _____
4. _____
5. _____

Now, looking over your Annual Goals, decide what you need to accomplish THIS QUARTER that aligns with your annual goals.

So for example, let's say one of your Annual goals is to lose 20 pounds, you may decide to pick a Quarterly goal to lose 5 pounds.

1st Quarter Business Goals - To be completed on or before 03/31/20XX

1. _____
2. _____
3. _____
4. _____
5. _____

1st Quarter Personal Goals - To be completed on or before 03/31/20XX

1. _____
2. _____
3. _____
4. _____
5. _____



EXERCISE THREE:

On a separate document, please answer the following questions:

- Q: What will 20XX be for you?
- Q: What will this decade be for you?
- Q: What 3 words will encapsulate 20XX for you? (This is your theme.)
- Q: What are your themes for this coming decade?
- Q: Where will you be in ten years (describe your life as fully as possible)?

Remember, most people underestimate what they can do in a decade and overestimate what they can do in a year.

EXERCISE FOUR:

Now, sit down with each of your employees (and family members if you like), and explain to them the concept of Catalyzing Statements and Management by Objectives (“MBO”), and show them what you’ve come up with. You may decide that you want to have objectives for your spouse and children as well.

Next, have your employees choose quarterly objectives for themselves and install a “MBO” culture inside your company, whereby quarterly reviews are conducted at the end of each quarter to review how each employee performed on their agreed quarterly goals.

EXERCISE FIVE:

If you are in an accountability group, be sure that your entire group completes the exercises above and they instill a “culture of accountability” inside your accountability group. Each week be sure to share a quick update on how you are doing on your stated goals.

If you are not in an accountability group, please email info@businessfinishingschool.com and you will be set up with fellow members of the program.

Then, do what Pat Gentempo and Rick Sapio do and have a weekly call (at the same time each week) for 60 minutes to 90 minutes. They do theirs at 7:00 AM, so it won’t interfere with their business day.

(Exercise 5 continued)



They start each call with a 5-minute check-in, going over the following information:

1. Personal opportunities, i.e. good stuff.
2. Personal challenges, i.e. “not so good” stuff.
3. Business opportunities, i.e. good stuff.
4. Business challenges, i.e. “not so good” stuff.
5. Update on all of their respective quarterly goals.

After this quick check-in, then they proceed to follow the agenda that the moderator sets forth. They simply rotate the moderator, from one week to the next, in a “round robin” format; and the moderator chooses whatever topic he or she wants to discuss, when it’s their turn to moderate a call.

Then, they take the last 10 minutes of the call to talk about ONE best practice that the moderator can choose. This best practice could be ANYTHING, from a way to make their marriages better, to a new exercise or health tip, to a business idea.

Appendix:

For a straightforward way to manage business objectives inside your organization, we recommend using the form displayed on the following page. (An Excel version is available for download on the Module 2 home page.)

Have your employees track their personal objectives against your Company’s Annual and Quarterly Objectives, which are listed at the top of the document sample below.

One of the important things to consider, as you transfer over to an MBO culture, is that new opportunities will come up during your work life. Rather than dropping everything and running down a new rabbit hole to chase a new opportunity, simply list those new opportunities to the right on the document. This way, you’ll always have your new ideas in ONE PLACE to review when it’s time to determine new Quarterly Goals.



(Appendix continued)

[sample]

| Name/Title/Department | Quarterly Rocks/Objectives | % Done | By When | Annual Co. Goals by 12/31/2010 | ✓ |
|--|---|--------|--|---|---|
| Mike Smith, CFO, Accounting | 1 Do \$250 in revenue with MBS project | 95% | 3/31/10 | 1 Do \$1 million in Revenue with MBS project | 2 |
| | 2 Get garage appraised and go/nogo w/ HOA | 85% | 3/31/10 | 2 Sell out of 15TW completely | 6 |
| | 3 Complete purchase of \$600,000 in loans | 33% | 3/31/10 | 3 Buy a minimum of \$2.5 million in new loans | 4 |
| | 4 Interview 10 brokers and select 1 w/ criteria | 75% | 3/31/10 | 4 Sell 3 remaining REQs, and all associated items | 5 |
| | 5 Complete job descriptions for 2 openings | 63% | 3/31/10 | 5 Hire Admin and CEO, per employment process | 8 |
| CURRENT QUARTER: OCT to DEC 2010 | | ✓ | CURRENT MONTH/YEAR: December 2010 | | ✓ |
| Company Projects | | | | | ✓ |
| 1 Collect \$150k gross on LGS venture | 1 Collect \$20k in gross collections | | 1 Betty introduced to Susan | | |
| 2 Get parking garage appraised and go/nogo w/ HOA | 2 Make final decision on SML land for garage | | 2 Booklets for seminars completed | | |
| 3 Finalize legal and print 2k new sales contracts | 3 Get caught up and serve as intern portfolio manager | | 3 | | |
| 4 Participate in 2 loan sales that meet requirements | 4 1505 commerce - contracts, fix up items, open houses | | 4 | | |
| 5 IT Infrastructure completely overhauled | 5 New asset search - (see weekly tracking sheet) | | 5 | | |
| THIS WEEK: Beginning Monday 11-29-10 | | ✓ | DAILY: Monday | | ✓ |
| Key Issues | | | | | ✓ |
| 1 Successful board meeting | 1 MAI Portfolios, and client issues | | 1 Short staffed at FX project | | |
| 2 MAI Portfolios, compliance, etc. | 2 Get info to bank director as requested | | 2 Need new printer in central office | | |
| 3 Notes - new note package | 3 Get employee and collections credit runs set up | | 3 Too much travel - Need to cut 20% | | |
| 4 Garage - Get all requested Docs to core bank | 4 Deal with Mr. Bullton's departure | | 4 | | |
| 5 Focusing on finishing up monthly and quarterly goals | 5 Pull requested info for James K. | | 5 | | |
| DAILY: Tuesday | | ✓ | DAILY: Wednesday | | ✓ |
| Task List Items | | | | | ✓ |
| 1 MAI Portfolios - stuff and four client issues | 1 Complete all logistics and emails for board meeting this week | | 1 Revamp client inquiry procedure | | |
| 2 Work on notes with Jae | 2 Get caught up today; email and all return calls | | 2 Hire 2 new people to answer phones | | |
| 3 Meeting with GNI about tomorrow's trip | 3 Have final meeting regarding the land for the garage | | 3 Open new office in KC | | |
| 4 Meeting with Laurie on compliance | 4 Have meeting with collection agency | | 4 | | |
| 5 Finish gathering info for JLK project | 5 Make a decision on new asset | | 5 | | |
| DAILY: Thursday | | ✓ | DAILY: Friday | | ✓ |
| 1 MAI stuff | 1 Confirm all board members | | 7 | | |
| 2 Work on notes with Jae | 2 Finalize compliance file | | 8 | | |
| 3 Closing on 602 | 3 Yes or No decisions on notes | | 9 | | |
| 4 Meet with Cindy on acct | 4 Confirm garage documents received | | 10 | | |
| 5 Finish all aspects of LMK project | 5 Review all monthly and quarterly goals | | 11 | | |

NOTE: Once you are done with these exercises, be sure to save them in a safe place on your computer. Also, print them out, 3-hole punch them, and put them in a 3-ring binder that you can refer to throughout the Business Finishing School process.