

The

**7 Leadership Domains**

That Will Drive Your  
Business Growth  
in 2021 And Beyond

By James McNamara

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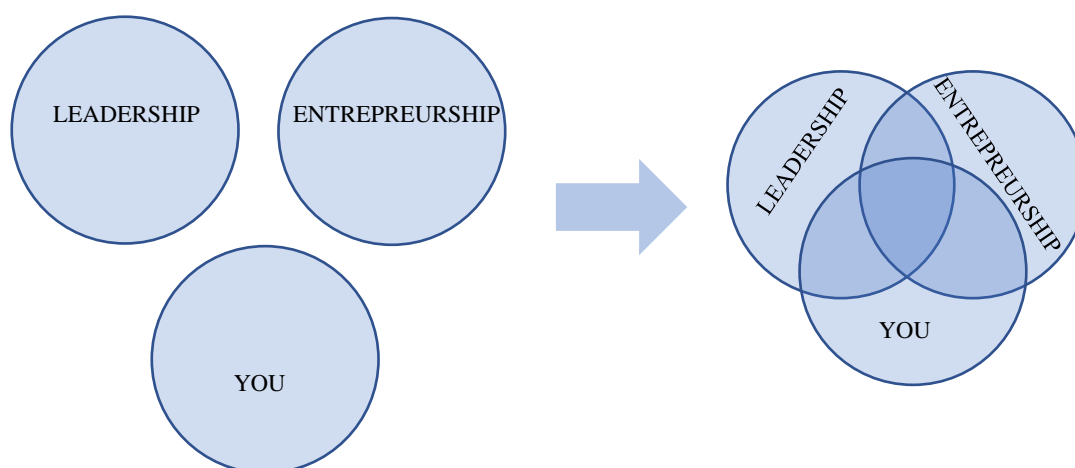
## Introduction

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Many small business owners were born with an entrepreneurial flair. Unfortunately, a *born entrepreneur* is not always a *born leader*. There is a vast difference between creating a business and growing one. Of course, for every rule, there are exceptions. In this context, great entrepreneurial leaders include Bill Gates, Steve Jobs and Richard Branson, to name a few.

For the vast majority of small business entrepreneurs, leadership remains a **significant and untapped advantage**. Leadership is the antidote for all of their critical business challenges. Leadership is the skill set that brings the entrepreneur's vision and 'business imaginings' to life.

**Leadership is the untapped opportunity to up-level your business in any economic climate.**



While leadership is often synonymous with communication and influence, there is a more significant leadership opportunity available to the small business entrepreneur. That opportunity is to take the lead in all aspects of their small business. There are **7 Leadership Domains** that will drive your business growth in 2021 and beyond.

Within each leadership domain, there is the potential for many strategies. In fact, it often seems as if there are too many possible strategies for the resources of most small

businesses. With this in mind, I'll keep the discussion to four important and very practical strategies for each of the leadership domains being discussed here.

Let's have a look at each leadership domain in turn with it's four most important strategies.

## Leadership Domain #1: Strategic

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*“A vision without a strategy remains an illusion.”* Lee Bolman.

To reach any new destination, you will need a compass and a map. Your strategy is the compass. Plans, which we will discuss later, are the map. The compass and the map are less effective and potentially useless without each other.

If you have ever said *“we need to get everyone in this business onto the same page”* ... you’ll be pleased to know that **strategy is the page**. Your strategy answers vital questions for your team such as: where are we going? Why are we going there? And how are we going to get there? Typically, small business doesn’t do a good job of discerning and communicating a clear and simple strategy.

Many organisational challenges are removed (or at least eased) when a clear strategy is in place. Firstly, the business has a competitive advantage over everyone else in its niche who do not have a clear strategy (this is most of them). Secondly, team members are usually far more engaged when they understand the big picture and where they fit into it. Thirdly, decisions can be more easily made (and delegated) because people have the destination and compass bearing in mind – they are not flying blind.

For a business to grow and succeed, everyone in that business needs to be committed to the same vision and direction. A common culture and a clear business model need to be in place. Creating and communicating these elements of business strategy is an essential leadership function. Without strategic leadership, a business is forced to survive on luck. Conversely, a business with solid strategic leadership, is growing and outsmarting the competition and continuously improving.

### **Important Strategies to implement within the Strategic Leadership Domain**

- 1.1 Purpose, values, vision
- 1.2 Strategic review
- 1.3 Competitive advantage
- 1.4 Strategic Priorities and Objectives

\* It is best to convene a small group of senior people to complete the planning analysis above, then produce a 1-Page Strategic Plan Summary for sharing with the team.

## Leadership Domain #2: Self

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*“Mastering others is strength; mastering oneself is true power.”* Lao Tsu.

How well you lead your business, its team members, clients and suppliers ultimately depend on how well you lead yourself. The same is true for everyone on the team, regardless of title or tenure.

Even though some people do not display qualities of self-leadership, every person has the raw capacities to develop and exercise self-leadership (excluding disability or illness). The first of these uniquely human qualities is conscience. This is our inbuilt moral compass that indicates if something is right or wrong. This compass gives a sense of doing right and wrong towards others as well as to ourselves. The upside of this is that when people act and make progress in line with their purpose and values, they can become tremendously energised and motivated.

The second of these qualities for self-leadership is vision. This is accessed via our brain’s creative imagination. The human is the only creature in the known universe that can project mental pictures into the future. We have the unparalleled ability to see – in rich technicolour and multi-dimensions – how we would like things to turn out. We can give ourselves a picture to work towards. As such, we should never have to fly blind into our own future.

The third of these distinctly human qualities is self-awareness. This is also known as metacognition or ‘thinking about our thinking’. We can stand apart from our thoughts, feeling, moods and attitudes and ask ourselves “what is going on for me?” or “why am I thinking and feeling this?”. This ability to know ourselves, allows us to take responsibility for our thoughts, moods, attitudes and actions and to change them as needed.

The fourth and most potent of these unique human endowments is will-power. We have the ability, via a force-of-will, to commit to a course of action and see it through. We can deliberately change our conscious thoughts to overcome fear and uncertainty and to move in the direction of our goals. This also gives us the power of integrity – to keep the promises that we make. We don’t have to be at the mercy of our knee-jerk reactions. *“Between stimulus and response, there is a space. In that space is our*

*power to choose our response. In our response lies our growth and our freedom.”*  
Viktor Frankl.

### **Important Strategies to implement within the Self Leadership Domain**

- 2.1 Write your personal purpose and values
- 2.2 Create a vivid vision for your future, in all areas of life
- 2.3 Complete a Forcefield Analysis on what is driving you and restraining you
- 2.4 Design a self-dialogue to support your commitments and empower your results

## Leadership Domain #3: Team

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*“To win in the marketplace, you must first win in the workplace.”* Doug Conant.

Your business won't realise your vision by your hand alone. To pull it off you'll need a team who is 100% engaged in the destination and the journey! An engaged and motivated team who is committed to your strategy and plans is a tremendous advantage. If you want an immediate increase in capacity, increase the engagement and motivation levels of your team.

As a small business grows, the business owner must move from doing the majority of the work, to leading others who are doing the work. Many miss this vital step. Instead, they double down and work even harder. This isn't what is meant by leading by example. Leading by example, means doing your job to the best of your ability. The business owner's job is to lead the team, not to do the work.

If a business owner is too busy 'doing' to lead, the cracks will soon appear. Team members will become disengaged. Productivity will fall, and so will profits. Stepping up to leadership can be a big challenge for small business owners. It is, however, a double-edged sword. On the one hand exchanging doing for leading can be outside one's comfort zone. On the other hand, a hardworking, committed team with solid leadership allows the business owner to take some time off and reduces regular their working hours (this reduction is well deserved). Increasing the team members' reliability and productivity can also bring about an enormous reduction in work-related stress for the owner.

When it comes to business growth and improvement, an engaged and committed team can produce great results. **Engaged** and **committed** being the operative words. Without this, you don't have a team. All you have have a bunch of people that the business owner has to stress about paying each week. When a team is on the same hymn sheet, with synergistic behaviour, and they are all pushing for the same goal, magic happens. You can expect to see a constant flow of positive, creative ideas for improvement and a desire to do better and better. Most people want to come to work and make a positive contribution. When you fix the environmental and cultural factors to encourage engagement and synergy, people want to make a difference. Of course there will always be a percentage who don't. They should leave your organisation.



## **Important strategies to implement within the Team Leadership Domain**

- 3.1 Create a shared vision
- 3.2 Establish a clear organisational structure and role descriptions with targets
- 3.3 Develop work systems
- 3.4 Create and maintain open communication

## Leadership Domain #4: Client

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*“It’s time for businesses to stop selling and start leading their clients.”* James McNamara.

A-Grade clients don’t want to be sold to. Instead, they want to be guided and supported in solving their problems and meeting their desires. Your best clients (current and future) are looking for leadership. They want you to diagnose before you prescribe. They want to be educated on the best ways to achieve their desired outcomes. Essentially, they want you to lead them to the ‘prommised land’.

The process of leading clients is different from the process of telling or convincing a client. What is needed is a new set of consultative skills and a more authentic way of communicating with the life-blood of your business.

It seems that all too often, the only strategy area being talked about concerning clients is lead generation. While lead generation is essential, so too are strategies such as conversion, retention and ascension. These tend to get a lot less airplay than the exciting world of advertising and ‘killer marketing campaigns’.

If a business retains more of its existing customers, converts new leads at a higher success rate and ascends existing customers to buy more, and more often, then that business becomes less reliant on expensive top of funnel advertising. If a business can create increased revenue from a lower advertising spend, the owner ends up with more profit in their pocket.

Clients are a critical source of increased revenue and profits. Included in ‘clients’ are current clients, past clients and client opportunities that weren’t converted previously. All of these ‘clients’ are a user of your product/service. Many of them will represent the profile of your ideal client (don’t pursue those who aren’t your ideal avatar). Marketing to existing, past and ubnconverted clients is a high-profit growth strategy for your business.

Now that we’ve covered conversion, retention and ascencion, it is important to look at lead generation to fill the gap. Many business owners spend time and resources

trying different marketing strategies. They try a multitude of online and offline strategies to get the phone to ring. There is more to it.

A client leader crafts marketing by deeply considering these three questions;

Who is my ideal 'A-Grade' client?

What is the best thing I can say to them to pique their interest?

How can I best distribute that message to them?



The client leader focuses more on communication strategy than on communication distribution. First, the right market. Second, the right message. Third, the right distribution of the message (media).

To take the lead in your market niche, The best way to craft marketing is to answer these questions in order

### **Important strategies for implementing within the Client Leadership Domain**

- 4.1 Find your Blue Ocean
- 4.2 Plan your key messages – USP and Offer
- 4.3 Plan your revenue and profit increase using The Profit Multiplier
- 4.4 Build a Brick Wall around your A-Grade clients

## Leadership Domain #5: Planning

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*“Plans are nothing, planning is everything”.* Dwight Eisenhower.

As we know, nothing ever goes exactly to plan. That’s why the continued discipline of planning is so valuable. If done regularly, planning allows a business and its team members to adjust their course but not their destination.

Many businesses don’t have anything at all in the form of a written plan (strategic or action plan). It’s not easy to take a team who has never planned together before and come up with a plan. If planning is viewed as an ongoing process rather than an event, you can start with a simple set of targets and strategies. As time goes on and your team becomes more experienced with planning, the plans can be made more sophisticated. The planning documents for a team should be easy to follow and not too complicated and stacked with filler. Once this happens, people stop using the plan.

To embed planning in your culture, it is important for each person to have their own plan. This plan can be very simple, but is **MUST** dovetail directly into the Strategic Plan of the business. From their individual action plans, each team member can control their diary and make productive and profitable choices about their priorities and time useage. It is not uncommon for team members to resist personal planning and diary management. Usually, this is because they have not worked hat wayt before. Another reason why people shy away from written plans and diary entries is that it represents a commitment. Many people are scared of commitment. That is why strong Self Leadership is important. Equally, a supportive culture of planning, action and accountability is tremendously important to help people *act* in a new way that encompasses planning and diary management.

Potentially, there are many different types of plans. The risk of things becoming too complex and unwieldy for a small business should be kept in mind. For most small businesses it is OK to begin their planning with a Strategic Plan, an Action Plan and a Budget and Cash Flow (often done by the Accountant). As time moves on, you may progress to Strategic Plan, Business Plan, Sales Ploan, Action Plans, Budget and Cash Flow. The key is to get started with planning. Document the big picture and the link to daily work, i.e. Action Plans. Getting too complicated before the team is ready is a sure-fire way to build an unhealthy resistance to planning. Just start!

## **Important strategies to implement within the Planning Leadership Domain**

- 5.1 1-Page Strategic Plan
- 5.2 Profit Multiplier action steps
- 5.3 Operational actions from SWOT and 7S Analysis
- 5.4 Key Account Plans for Clients (KAP)

## Leadership Domain #6: Action

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*“An inch of movement will bring you closer to your goals than a mile of intention.”*  
Steve Maraboli.

At about age fifteen, school students learn about inertia, i.e. things at rest tend to stay at rest, and equally, things in motion, tend to stay in motion unless acted upon by an equal and opposite force.

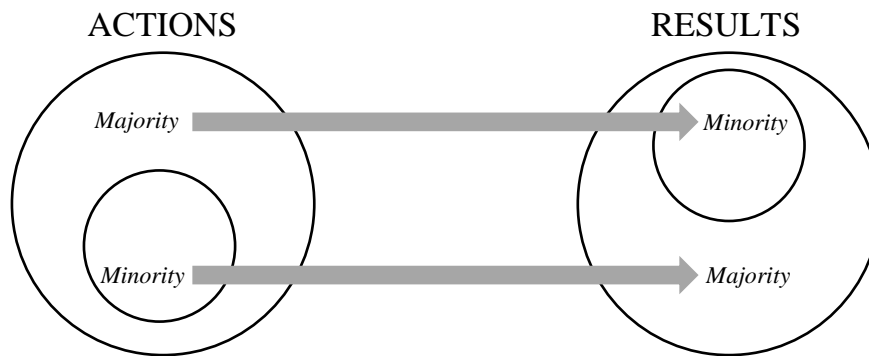
Think about your workplace, can you relate? Does it seem that people find it hard to ‘get into action’? Alternatively, have you noticed that when team members get into action, an opposing force can put an end to that action? Some say that it’s usually easier to stop things from happening than it is to make them happen.

The leader must create an environment and culture where inertia doesn’t prevent action, but rather **action has its own inertia inside the business**. This action environment is one where every person is connected to the Big Picture, and they understand their role in it. This is an environment where leaders clear the way for action to occur (i.e. clearing resistance, providing resources, making connections, providing coaching). It’s also an environment where people have action plans with targets, and they show-up and report-in every week to the whole team. This is an environment where *Ready, Fire, Aim* is the path to Excellence.

Aim, Aim, Aim is not on the path to Excellence. The culture has to produce a bias towards action – *“Do it, fix it, try it”*. People don’t tend to think themselves into a new way of acting ...they act into a new way of thinking. Action is the key to changing culture. Action provides the experience that can shift old belief systems and open the way to more new and positive action. Training can also influence people’s beliefs. That’s what it is so important for training to embed the company big picture – Purpose (why), Values (who), Vision (what). “How to” training that is not linked to the big picture is far less potent.

For every job, in every business, there are a few actions that lead to more and better results than all other actions put together. This phenomenon is known as the Law of the Vital Few. The key to ‘systemising’ your business is to capture these vital few actions for each job and make sure that the focus is on them. The alternative is that

your team gets themselves tied up in lots and lots of ‘pointless busy work’ that doesn’t produce the result that you are after. The leadership key is to get everybody heading in the same direction *and* doing what matters most.



### ***THE LAW OF THE VITAL FEW***

#### **Important Strategies to implement within the Action Leadership Domain**

- 6.1 Leaders who understand execution
- 6.2 Targets, training and rewards focused on execution
- 6.3 The right people in the right seats
- 6.4 The Law of the Vital Few

## Leadership Domain #7: Improve

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*“We are what we repeatedly do. Excellence, then, is not an act, but habit.” Aristotle.*

Maintaining the status quo is not an option. Staying still is going backwards in today’s world. A commitment to Excellence and performing better month to month to month is required. This improvement is achieved via the power of micro wins. A 1% improvement compounded 365 times equates to a 37.78% improvement. If you accomplished a 37.78% improvement in each of the Profit Multiplier areas, you’d end up with a 397% improvement in profit over a year! The saying **“little hinges swing big doors”** has never been more true than when referring to the power of continuous improvement in a business.

*“If you can’t measure it, you can’t improve it.” Peter Drucker.*

Most small business improvement initiatives will be limited by what can be measured. Unless you can measure an aspect of your business, how do you know if you have improved it and not made it slightly worse?

Things like revenue and profit can be measured via your accounting system. It’s the subjective improvements that are hard to measure. For example, if you want to improve customer satisfaction, then your customer service improvement initiatives must be measured against customer satisfaction levels. If you can’t (or won’t) systematically survey your customers, then how will you know if they **actually** are more satisfied?

Further, your team have to be willing to be measured. Once again, this is a matter of culture. In the last leadership domain, I spoke about a culture of action taking. Another aspect of that same culture needs to be a willingness to be measured and to change accordingly. If a person sees measurement as an exercise in fault-finding and finger-pointing, then they will be unwilling participants at best. At worst they won’t participate at all. The leader needs to show all team members how measurement is an opportunity finding exercise. It’s impossible to predict what improvements or how many will be revealed. However, it is safe to say that opportunities will be revealed.



Putting measurement systems in place can be time-consuming initially. Not all things can be measured via a piece of automated software. People will need to accurately and promptly record things in order to provide meaningful data. Most people learn to understand the benefits of measurement once data starts flowing in that allows improvements to be strategised...even those who initially resisted the implementation of measurement.

Once you start recording, make sure that the measurement data is made transparent and that the team is involved in discussing either (a) how good the numbers are, or (b) how they can improve the numbers.

### **Important Strategies to implement withing the Improve Leadership Domain**

- 7.1 Gain and maintain Commitment to Excellence from everybody on your team
- 7.2 Implement a Dashboard for measurement
- 7.3 Implement BOTH Client and Team member surveys
- 7.4 Develop a 'System for Changing the System' so that changes (improvements) don't get out of hand or become poorly implemented

## Conclusion

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By focusing your energy on developing your leadership skills within these 7 *Leadership Domains*, you will accelerate your business growth this year. It is up to you to resist the next ‘bright shiny marketing object’. Instead, focus on what matters most. This is how you will tackle your most significant challenges and realise your most important opportunities in the next twelve months.

Here’s to your entrepreneurial success!

*James McNamara*