

## **Ten Principles of Success that deal with the Sins that Profit can hide** *by Rick Johnson*

1. **Go back to basics in managing your business.** ----- Take the time to review best practices as they apply to your business. Look at your processes, your procedures and your policies on a regular basis.
2. **Understand your role in the market place.** ----- Do an internal SWOT analysis (Strengths, Weaknesses, Opportunities & Threats) with your management team and initiate a brainstorming or scenario planning session to reflect upon your changing role as a company in 2007 and beyond.
3. **Develop or refine your strategic plans.** --- If you don't have a strategic plan, make it a priority to create one in 2007. It is money well spent. If you do have one, go through an extensive review of all the initiatives.
4. **Create branch and operational plans** that are in alignment with your strategies. --- If you have multiple branches insist upon a branch planning process that goes beyond turning in a budget. Make sure the plan is documented with timelines and accountability.
5. **Continue to develop and train employees** (Don't scrimp here). --- Continue to focus on people development. This will maintain employee respect, trust and will create a culture that will maximize employee efforts and willingness to do whatever it takes to create success.
6. **Upgrade your sales force and all support services.** --- While employee development is critical to success, so is making sure that you have the right employees performing the right functions. Don't let too much compassion for long tenure employees cloud your judgment.
7. **Manage your inventory.** --- Inventory for the vast majority of companies is generally the largest asset on the balance sheet and the easiest one to lose control of. Sales people like to say you can't sell from an empty wagon but we all must realize that market forces will dictate what inventory levels are appropriate for individual success.
8. **Understand and manage your cash to cash cycle.** --- Inventory is certainly part of the cash to cash cycle but managing your payables and your receivables is also extremely important to cash flow. Profits are not necessarily cash so paying attention to cash flow is a very basic principle of success. (e-mail [rick@ceostrategist.com](mailto:rick@ceostrategist.com) for an excel cash to cash calculator – complimentary)
9. **Insist upon sales territory plans that target accounts based on potential for growth.** --- It's really fun being a sales person in an "Easy Profit" market. It is not difficult to do well and sometimes we can be lulled into a sense of eternal success that doesn't require a 100% effort. It can lead to a comfort zone that is not healthy for long term success. Make sure your sales force practices a sales effectiveness discipline that requires documented action planning for specific targeted accounts that support individual territory plans.
10. **Create change based on changes in your markets and your industry.** --- Creating, instigating and managing change takes passion and courage. It's not for the weak of heart. It is not for those who embrace simple traditional expectations. Effective leaders reach beyond these expectations. They become agents of change. Change is imperative in a "Tough Profit" market.

Check out Rick Johnson's new CD series and workbook "Unlocking the Secrets to Amazing Sales" @ <http://www.ceostrategist.com/resources-store/unlocking-the-secrets-to-amazing-sales-incredible-profits.html> This introduces you to Tier Level Selling™.