

## Traction Gino Wickman



### Why read this book?

“You’re reading this book because you want your organization to be solid and well-run. You’ve already achieved a certain degree of success, and now you’re ready for the next level...This book is not another silver bullet management book or flavor-of-the-month strategy. It contains no theory. It’s based on real0world experience, practical wisdom, and timeless truths. More importantly, it works. Through hands-on experience, I have developed a practical but thorough method to help strengthen and reenergize your business. (Introduction page 1)

### Key Quotes

“You are not your business. Your business is an entity in and of itself. Yes, you created it, but in order to find success, you have to turn it into a self-sustaining organism.” (P. xii)

“Problems are like mushrooms: When it’s dark and rainy, they multiply. Under bright light, they diminish. In an organization where there is nowhere to hide, the problems are easily illuminated.” (P. 131)

“Action is the process of doing.” (P. 165)

“To the degree you can identify them (issues), discuss them honestly in a healthy environment, and learn to eradicate them, you will achieve your vision.” (P. 6)

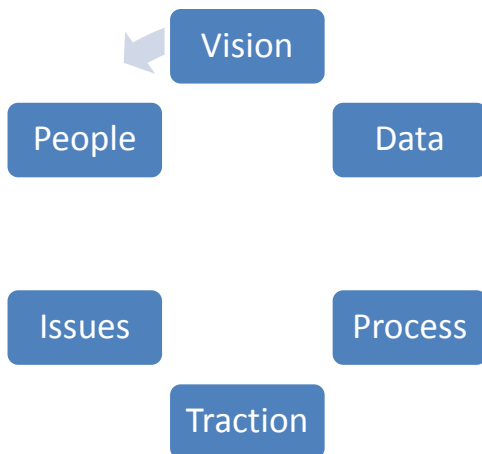
“Most business owners are unable to reach the next level because they are simply not ready to let go of the vine...If you’re not happy with the current state of your company, you have three choices. You can live with it, leave it, or change it. If the first two are not an option, it’s time to admit that you don’t want to live this way any longer.” (P. 16)

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*Braeuler Consulting works with organizations to leverage Strategic Thinking and Execution Planning and we encompass many of the principles in these books into our Four Decisions™ methodology and development of company’s One Page Strategic Plans. Whatever system you decide to use, understand them fully, implement them slowly and completely and maintain the discipline and rhythm necessary to see concrete results. Employees tire of “Flavor of the Month” and thrive on organizational alignment, execution of plans and achievements that garner a sense of accomplishment.*

## Overview

This book is based on the authors ENTREPRENEURIAL OPERATING SYSTEM (EOS) that addresses six aspects of your business. It is a system he has refined through years of real world experience and lessons learned as well as his involvement in The Entrepreneurs' Organization. Wickman's key components are:



<b>EOS</b>	
1.	Vision – You have a compelling one; you communicate it <b>OFTEN</b> ; it becomes your laser focus
2.	People – You surround yourself with <b>GREAT</b> people – A players; clear accountability/responsibilities
3.	Data – a scorecard of 5-15 key metrics, monitored weekly; everyone accountable for one number.
4.	Issues –your obstacles and how to manage them effectively
5.	Process – the <b>WAY</b> you do business; documented and understood by all
6.	Traction – the discipline of execution

## As goes the leadership team so goes the company

Your key to success during your rapid growth stage is to have leaders that have five key abilities:

Simplify	Delegate	Predict	Systemize	Structure
<ul style="list-style-type: none"> <li>•Organization</li> <li>•Processes</li> <li>•Procedure</li> </ul>	<ul style="list-style-type: none"> <li>•The right things</li> <li>•Elevate others</li> <li>•Train your team to delegate</li> </ul>	<ul style="list-style-type: none"> <li>•Long-term</li> <li>•Short-term</li> </ul>	<ul style="list-style-type: none"> <li>•A few core processes</li> <li>•Agree on "the way"</li> </ul>	<ul style="list-style-type: none"> <li>•Reduce complexity</li> <li>•Boost to next level</li> </ul>

You also **MUST** agree on **ONE** operating system for your company. This become the language you speak. Everyone calls a goal a goal or an objective an objective. Don't confuse people with multiple labels.

## Vision

“The process of gaining traction starts here. Clarify your vision and you will make better decisions about people, finances, strategies, and customers.” (P. 29) “It can’t be about you. It has to define something bigger. You need to create a vision that points the way to a greater good.” (P. 30)

In TRACTION the VISION equates to the Rockefeller Habits One Page Strategic Plan. It truly is a vision of who you are, why you exist, where you want to go, and how you will get there. It includes your **Core Values**, your **Focus**, your **BHAG** or long range vision, your **marketing strategy**, your **three year plan**, **one year plan**, **quarterly rocks** and **issues**.

## Share your Vision

All your employees need to know what you know – who you are, where you are going and how you will get there. This will get your team “rowing in the same direction”, create excitement and motivation, and drive exponential results. TRACTION suggest sharing the vision in three events:

1. Have a company kickoff meeting
2. Every 90 days, have a short State-Of-The-Company meeting
3. Each quarter, set Rocks in each department and a team review of your V/TO.

## The People Component

The right people (share your core values, fit and thrive in your culture, enjoy you and you enjoy them) in the right seats (operating within their skill set and passion and role/responsibility fit their abilities)<sup>1</sup>. You must also create a long view structure for your organization.

## The Right People

The People Analyzer simply lists your people on the left and your core values across the top. Give each block a rating of either + Exhibits value most of the time; +/- exhibits value some of the time; - doesn’t exhibit value most of the time.

The Three-Strike Rule states that strike one is discussing the issue and expectations, strike two is to discuss again in 30 days if no improvement and strike three is termination.

Analyze each other, analyze your team members, and let your team members analyze you as well. Review results quarterly.

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<sup>1</sup> Traction, Gino Wickman, Page 81-82

## The Right Seats

First create your forward looking organization chart. There are only THREE major functions in any business and all must be strong. There also must be one person who runs the organization and integrates the functions<sup>2</sup>:

### Visionary

### Integrator

Lead, Manage, Accountability  
Profit & losses/business plan  
remove obstacles and barriers  
special projects/management  
more on logic

### Sales/marketing

### Operations

### Finance/Admin

Each function then maps to five major roles or accountabilities. Only AFTER you have completed your chart do you put names – the right people INTO the right seats. Your one filter: **GWC – Get(s) it, want(s) it, capacity to do it.** A no to any one of these means it is NOT the RIGHT seat for that person.

As you grow you then need to DELEGATE and ELEVATE to create capacity. What duties can you let go and give to someone else so you can do the things you need to get done?

## The Data Component

### Create your SCORECARD

ID what numbers you must see every week to have a pulse on your business (5-15); who is accountable for that number and must deliver it; what is your goal; and how does it tie to your one year plan. You must then review your scorecard EVERY WEEK.

### Measurables

EVERYONE in the organization has a number!

Look at the five roles of each function. Each one has a measure.

## *8 Distinct advantages to everyone having a number*

- NUMBERS CUT THROUGH MURKY SUBJECTIVE COMMUNICATION
- NUMBERS CREATE ACCOUNTABILITY
- ACCOUNTABLE PEOPLE APPRECIATE NUMBERS
- NUMBERS CREATE CLARITY AND COMMITMENT
- NUMBERS CREATE COMPETITION
- NUMBERS PRODUCE RESULTS
- NUMBERS CREATE TEAMWORK
- YOU SOLVE PROBLEMS FASTER

Traction, Gino Wickman, Pages 123-125

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<sup>2</sup> Traction, Gino Wickman, Page 92

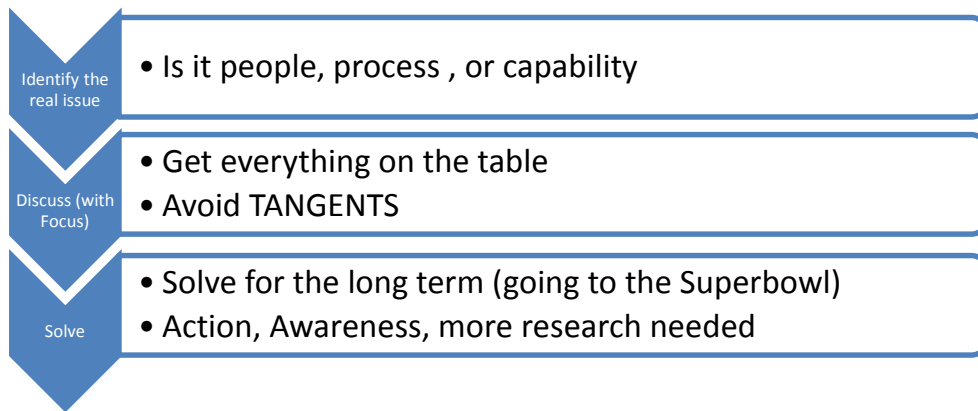
## The Issues Component

“Your ability to succeed is in direct proportion to your ability to solve your problems. The better you are at solving problems, the more successful you become.” P. 131

### The Issues List – Three types of issues:

1. Company issues that can wait, typically 90 days or more. These include new product ideas, key employee issues, technology, capital needs, new HR requirements etc.
2. Weekly leadership team issues that need resolution this week or within the next 90 days. These are resolved at your weekly team meetings. They are the strategic issues such as rocks off track, key employee issues, client problems, and process or systems-related issues.
3. Departmental Issues are local level needs such as sales targets, presentations, marketing, service fulfillment, etc.

Once identified the key to addressing these issues is prioritize your list and identify your TOP THREE. Then take the following steps:



## The PROCESS Component

You need to be able to SYSTEMIZE what you’ve built. (P. 150). This requires you to IDENTIFY, DOCUMENT, and FOLLOW your core processes.

- ✓ Identify your core process (marketing, sales, accounting, customer\_\_\_, etc.)
- ✓ Document each process (document the 20% that produces 80% of the results which results in 2-10 pages per process)
- ✓ Then package it and use for training and reference.

Then the KEY is to FOLLOW THE PROCESS – everyone!

## The TRACTION Component

“Most leaders know that bringing discipline and accountability to the organization will make people a little uncomfortable. That’s an inevitable part of creating traction.” (P. 166)

“As with all the steps along the way, this one requires a TOTAL commitment from the leadership team. There will be far too many opportunities to pull back and retreat. If your leadership can stay the course, however, within months your people will appreciate the increased accountability, improved communication, and solid results.” (P. 166)

### The TWO disciplines of TRACTION

1. Everyone must set specific, measurable priorities (ROCKS)
2. You must meet better as an organization (MEETING PULSE)

#### Rocks

Short term (less than 90 day) priorities. You create a 90 day world with COMPANY Rocks, Departmental Rocks, and INDIVIDUAL Rocks. No more than 3-7 each. These rocks are set from the top down and are developed to create alignment. A rock is specific, measurable, and attainable. Create a ROCK Sheet.

Rock Traps: Garbage in, garbage out; It takes two quarters to master process; commitment fizzle; too many rocks;

#### Meeting Pulse

Quarterly meeting with leadership team – ONE DAY OFFSITE

Annual meeting with leadership team – TWO DAYS OFFSITE

Weekly meetings with leadership team – 90 MINUTES

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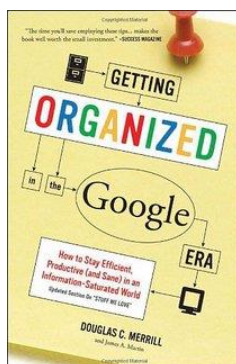
*“The journey of building a great business is not about the destination at all...along the way, you need to enjoy the lives that you’ll touch. You need to get excited about the value you’ll create for customers, enjoy the pure pleasure of playing the game of business, and be able to take pride in the self-perpetuating system your built...If you’re racing to get to the end of the journey, you’ll be sorely disappointed.” (P. 217)*

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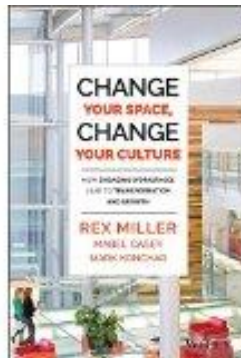
## Actions to take from the book

- Are you willing to commit to gaining TRACTION in your organization? If so, when will you get started?

Friday October 16<sup>th</sup>



Friday November 20<sup>th</sup>



Friday December 18<sup>th</sup>

