

Lessons in Leadership
Concepts from “Pride-Based Leadership”
A MasterStream Program
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The Business of Busy-ness.

Did you know that the word “business” actually comes from the word “busy”?

Business is something we do to keep ourselves BUSY — to fill our days with something that pays our bills at the very least — perhaps amuses us — and ideally, give our lives meaning.

Business offers us several ways of keeping busy. In fact, three types of activities fill everyone’s days — those which are income GENERATING ... those which are income CONSERVING ... and those which are income CONSUMING.

The challenge facing all leaders is keeping their teams focused on the right activities.

So what is YOUR business busy doing?

Understanding the Difference

Before we look at the distinctions between each of the three types of activity, it’s important to keep in mind that we’re not making value judgements here. We’re NOT saying that any particular activity is good or bad or right or wrong. We’re simply examining the activity from an income-oriented perspective.

Income Generating activities are the lifeblood of every organization. They are where ALL of the money comes from. These activities involve leveraging ANY of the resources you have in such a way that a net gain in income is achieved.

In this category you’ll find all sorts of activities — prospecting ... customer acquisition ... marketing ... research & development ... mergers and acquisitions ... investments — and that’s just a glimpse.

Some jobs are focused on income generation — the most obvious being sales. Others are more indirect — like graphics design or product development. These activities may not be as cut-and-dried as getting a prospect to sign on the dotted line — yet they support the organization’s sales efforts ... and give it more products to sell. But every employee has the potential for boosting the company’s bottom line. Exemplary customer service teamed with high-quality products and a company-wide friendly and

helpful demeanor all impact the buying public's perception of your company – and that can definitely increase your profits.

Income Conserving activities protect the money you've brought in. These activities aim at saving your company more money than they cost to perform.

In this category you'll find activities relating to efficiency improvement, cost containment, safety, human resources, suggestion campaigns and numerous others — as well as anything that impacts your less-tangible resources, like corporate image, good will and customer loyalty.

Finding a way to do something faster, cheaper or better helps you keep more of the income you've generated — as will examining the real value of doing something **BEFORE** you expend any amount of time, energy or money.

Income Consuming activities are a normal part of every business. Everyone knows you have to spend money to make money — a manufacturer must **MANUFACTURE** something ... a service provider must **PROVIDE** a service. While many income consuming activities are necessary ... unavoidable ... important ... perhaps mission-critical, most are simply a blatant waste of time and resources and eat away at your hard-earned profits.

Income consuming activities can be tough to evaluate, because on the surface they often appear to be income generating or conserving ... and no one wants to think that what they're doing isn't an important contribution to the overall growth of their company. If you want to ruin relationships, create animosity and stop people dead in their tracks, the slightest **HINT** that you believe their work is income consuming or lacking in value is **CERTAIN** to carry all of those consequences ... and more.

Nevertheless, activities that **ARE** of **PARAMOUNT** importance to your business can **STILL** be income consuming.

For example, let's say you want to have a brick wall built behind your house. You open up the phone book and call a few masonry companies. Each company sends out a representative. The representatives provide you with cost quotations. You pick one and sign the agreement. The company sends out a mason. He builds your wall. End of story.

While he'd do his best to argue the point, the mason and the work he did is **NOT** income-generating for his employer ... it's income **CONSUMING**. That doesn't mean it wasn't important — it was **CRITICAL** in fact! But the income was actually generated by the efforts of the marketing department who placed the ad in the phone book as well as the efforts of the sales representative who ultimately secured the deal. Everything that occurred **AFTER** that moment became an expense incurred in order to fulfill the agreement.

The mason can certainly help CONSERVE income by being fast, flawless and frugal with materials. He even has the potential for GENERATING additional income by suggesting another project to you – or by making such a positive impression that you would eagerly recommend his company to others — but the pure activity of building the wall is income CONSUMING.

Obviously, there are countless income consuming activities happening throughout an organization each and every day. While some are a necessary part of the business model, there still exists abundant opportunities to stop money-gobbling activities from destroying your profits. Whether it's being dragged to and through another pointless meeting ... or participating in a debate that goes nowhere ... or investing in a task force whose recommendations are never implemented ... or suffering through countless layers of bureaucracy that compromise communication ... or policies and procedures that do nothing but complicate the simplest of tasks ...or (fill in the blank with whatever drives YOU crazy), the average day is filled with things that are of little or no value to anyone inside or outside of the company.

Evaluating Your Situation

If you'd like to keep your busy-ness as profitable as possible, here's how:

First, detach yourself emotionally from the assessment process. Your evaluation needs to be objective, candid and clear.

Second, examine your company at the corporate, departmental, project and individual levels and estimate the percentages of time focused on each of the three categories.

Third, decide what would be the ideal activity ratio at each level — and 100% income generating isn't a realistic expectation!

Finally, instill in every member of your team a fundamental respect for income — its generation, conservation and consumption. Every moment of every day should be governed by a simple question: "How does doing this affect income?" The answer will dictate the level of priority that activity should receive:

Priority #1 — EVERY team member should take full advantage of EVERY opportunity to perform something income generating.

Priority #2 — When not busy generating income, team members should seek out ways to conserve what has been gained.

Priority #3 — If an activity neither generates nor conserves income, it must be carefully evaluated for its income gobbling potential. If the activity is necessary, team members should strive to be as efficient as possible. If it is simply a waste of resources, it should be avoided altogether.

Now, get out there and DO something with this information — you'd hate for the time you've spent reading this to be income CONSUMING because you did nothing useful with it!

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This article has been prepared and provided as part of our business outreach program, in support of our team of Certified MasterStream Instructors. For more information, visit our website at www.masterstream.com. Thank you!