Creating Growth in a Storm

A Roadmap from the Front Lines

Rick Miller

ISE/CHRMS

March 20, 2013
Why a Roadmap?

... to help EVERYONE get where they want to go by asking the right QUESTIONS, that lead to the right CHOICES
Creating Growth with Choices

Customers

Competitors

Costs

Capital

Community

Culture
“Hard is soft and soft is hard. It’s the numbers and plans that are the real “soft” stuff. It’s the people and the relationships that are the real “hard” stuff and the bedrock upon which all else stands, including any damn strategy you care to concoct.”

- Tom Peters
## Roadmap Results in Storms

<table>
<thead>
<tr>
<th>Pre Rev</th>
<th>Pre Growth</th>
<th>Post Growth</th>
<th>Post Rev</th>
</tr>
</thead>
<tbody>
<tr>
<td>1M</td>
<td>25%</td>
<td>600% (1)</td>
<td>7 M</td>
</tr>
<tr>
<td>50M</td>
<td>4%</td>
<td>15% (2)</td>
<td>66M</td>
</tr>
<tr>
<td>170M</td>
<td>-25%</td>
<td>30% (3)</td>
<td>373M</td>
</tr>
<tr>
<td>250M</td>
<td>5%</td>
<td>15% (3)</td>
<td>380M</td>
</tr>
<tr>
<td>3.3B</td>
<td>5%</td>
<td>15% (3)</td>
<td>5.0B</td>
</tr>
<tr>
<td>11.8B</td>
<td>4%</td>
<td>8% (1)</td>
<td>12.7B</td>
</tr>
</tbody>
</table>
Agenda

• Introduction
• Research
• A Growth Roadmap
• Case Studies
  • Background
  • Your Growth Roadmap (exercise!)
• Checklists
• Results
• Q & A

Objective: To give you a Roadmap and other tools to help you create growth cultures where people excel.

Note: Copies of this presentation will be emailed to anyone who does not want to take notes! Details will be provided at the end of the presentation.
**Corporate Culture and Performance, J. Kotter & J. Heskett**

<table>
<thead>
<tr>
<th>Growth</th>
<th>Adaptive Cultures (%)</th>
<th>Non-Adaptive Cultures (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>682</td>
<td>166</td>
</tr>
<tr>
<td>Employment</td>
<td>282</td>
<td>36</td>
</tr>
<tr>
<td>Stock Price</td>
<td>901</td>
<td>74</td>
</tr>
<tr>
<td>Net Income</td>
<td>756</td>
<td>1</td>
</tr>
</tbody>
</table>

*11 year study*
Research Summary

• Communicate consistently
• Retain an “outsiders” propensity for new ideas
• Create an “insiders” credibility
• Focus on customers, employees, and owners
• Promote carefully and demote when necessary
• Establish leadership (ability to produce change) at ALL Levels
• Operate as a Servant Leader and give 100%

Success comes from Actions and Attributes – WHAT you do and WHO you are

“All-In Leadership Roadmap”
All-In Leadership Roadmap
Key Questions, Key Choices & Culture

How can I manage better?  Discipline
How can I increase my impact?  Creativity
How can I increase the positive impact of others?  Support
How can I learn more about myself?  Insight
How visible are the fundamentals that will NOT change?  Values
Five Case Studies

A small software company  Discipline
A regional telecom services organization  Creativity
A global technology sales unit  Support
A global services business  Insight
A government-focused systems integrator  Values

Focus: Your Roadmap & Tools
Background

Internet start-up:
“We Change the Way the World Works”
2 Strategies:
   Consumer – Svcs for Free-Agents
   Business - S/W for companies
$1M annual revenue
$5M monthly expenses
Objective: Grow & IPO
Role: President & COO

The Added Challenge

Fear

NASDAQ Composite Index
Case Study #1 – Opus 360

Question #1 – where do I start?

• Day One Speeches
• Team Assessment
• Language
• Stories
• Early Lessons
Case Study #1 – Opus 360

Discipline – how can I manage better?

<table>
<thead>
<tr>
<th>Envision</th>
<th>Strategize</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjust</td>
<td>Discipline</td>
</tr>
<tr>
<td>Implement &amp; Measure</td>
<td>Plan</td>
</tr>
</tbody>
</table>
All-In Growth Roadmap Choices

Key: Never-0, Seldom -1, Sometimes – 2, Often -3, Consistently -4, Always -5

1. I describe my work and the work of others in a broad, positive context. (Envision)
2. I build specific approaches to accomplish group success with others. (Strategize)
3. I develop and/or use detailed plans to reach goals. (Plan Tactics)
4. I execute with those plans, track with metrics, and hold myself accountable for my group’s performance. (Imp/Mes)
5. I anticipate changes and welcome input from all sources. (Adjust)

My Discipline score total:

Instructions:
A. Answer 5 questions.
B. Total your score.
C. Identify your HIGHEST score, turn this page over, and CIRCLE the corresponding element(s).
D. Consider changes in any low score or in any category where your total score is < 18
Your All-In Growth Roadmap

Creativity
- Act
- Think
- Feel
- Write
- Speak

Choices
- Envision
- Strategize
- Adjust
- Plan
- Tactics

Discipline
- Implement & Measure

Insight
- Still
- Generous
- Present
- Grateful
- Accepting

Support
- Question
- Model
- Encourage
- Inspire
- Enable

Values
- _______
Case Study #1 – Opus 360

Discipline – how can I manage better?

**Discipline Tools**
- Customer Loyalty Program
- Competitive Benchmarking
- Margin Improvement Initiative
- Investor Relations Program
- Performance Management
- Meeting Efficiency Review
- Rankings/Transparency
- Balanced Dashboards*
- 2-Way Communication Initiatives *

**Results**
- Re-focused on S/W business
- Successful IPO
  - Raised $85M during the crash
- Fear down/Employee Sat up
- Customers stabilized
- 5 Consecutive qtrs. on plan
- Rev grew from 1 to $7M
Case Study #2 – AT&T Global Services East

**Background**
AT&T’s largest business customers
$3.3B Rev
5% growth rate, market at 10+%  
MCI/Sprint gains
Customer Sat scores low
Employee Sat scores low
Objective: Grow > 10%
Role: VP - 1 of 100+ @ AT&T
   (1\textsuperscript{st} line outsider in 100 yrs.)

**The Added Challenge**

39%  Apathy
Case Study #2 – AT&T Global Services East

Creativity – how can I increase my impact?

Feel

Act

Think

Creativity

Write

Speak
Bumper Sticker Creativity

- Safe to Say
  877-SAFE-TO-SAY Hotline

- Leadership isn’t a Level, It’s a State of Mind

- All Politics are local

- Born in the East
  Adopted by the Segment

- Personal and professional balance

- 2 ways to catch the bus...
  - Leave early...
  - Run like hell...

- Customer Face Time
All-In Growth Roadmap Questions

Key: Never-0, Seldom -1, Sometimes – 2, Often -3, Consistently -4, Always -5

6. I trust my feelings as truth and guidance. (Feel)
7. I take responsibility for my thoughts and can stop negative thinking when I become aware of it. (Think)
8. I choose words consciously when I speak because words are powerful. (Speak)
9. I write to express what I feel and what I think. (Write)
10. I act in ways that are consistent with what I feel, think, and say. (Act)

My Creativity score total:

Instructions:
A. Answer 5 questions.
B. Total your score.
C. Identify your HIGHEST score, turn this page over, and CIRCLE the corresponding element(s).
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## Case Study #2 – AT&T Global Services East

Creativity – how can I increase my impact?

### Creativity Tools

**Internal**
- Regular Gut Checks
- Watch Your Thoughts

**External**
- Regular Town Hall Meetings
- Skip-level Interviews
- Newsletter/Email Campaign
- 1-877-SAFE-TO-SAY
- Bumper Stickers
- Word Choice*

### Results
- Rev growth rate up 3X to 15%, for 3 yrs.
- Grew rev from $3.3 to $5.0B
- Apathy down/Employee Sat way up
- Customer Sat to all-time high
Case Study #3 – Lucent Technologies

**Background**

Stock up 1100% in 3 yr.s ‘97-'00  
Most widely held in the world  
$33B rev in 2000  
Bubble burst - $21B rev in 2001  
Wireline/wireless convergence  
Acquisition spree  
Customers/Employees shaken  
New CEO in 2002 – Pat Russo  
Objective: Rebuild Sales (Force)  
Role: SVP (1st hire for Pat)
THE PARTY'S OVER: MANAGING IN AN ULTRA-SERIOUS CULTURE

SALES & MARKETING MANAGEMENT

TOUGH SELL

Think you’ve got it bad?
Try selling for a struggling company like Lucent

PLUS: How to close deals when your company is ailing

Dump That Chump!
Signs that your prospect is a loser

The Risks of Ranking Your Reps

3 Sneaky Trade Show Tactics

Can God Help Your Bottom Line?

Patricia Russo,
CEO of Lucent Technologies

November 2002
$4.95 US $5.45 CANADA

www.salesandmarketing.com
His friends thought he was crazy. But then, what are friends for but to tell you you’re nuts for taking on the impossible? And that’s what it looked like when Rick Miller went after the top sales job at Lucent Technologies, a company with a once-golden reputation that had tarnished to a dull brown by the time Miller arrived on the scene. When Miller took the job of senior vice president global sales at Lucent Technologies last May, the once high-flying telecom’s stock, which had fetched $57 in December 1999, had crashed to under $4 per share. By September 2002 it would dip below a buck a share. Everywhere there was a deathwatch, as reporters, analysts and telecom insiders united in whispering that the once glorious company (a 1996 spin-off from AT&T) was not long for this world.

By Robert McGarvey • Photographs by Jordan Mather
Case Study #3 – Lucent Technologies

Support – how can I increase the positive impact of others?

<table>
<thead>
<tr>
<th>Question</th>
<th>Model</th>
<th>Encourage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Support</td>
<td></td>
</tr>
<tr>
<td>Inspire</td>
<td></td>
<td>Enable</td>
</tr>
</tbody>
</table>
All-In Growth Roadmap Questions

Key: Never-0, Seldom -1, Sometimes – 2, Often -3, Consistently -4, Always -5

11. I ask others about their views, motives, and assumptions, and always listen. (Question)
12. I “walk the talk” to demonstrate my values in action to others. (Model)
13. I motivate others more from who I am, rather than what I may say. (Inspire)
14. I actively support others with what they need, once I understand their needs. (Enable)
15. I cheer for others. (Encourage)

My Support score total: 

Instructions:
A. Answer 5 questions.
B. Total your score.
C. Identify your HIGHEST score, turn this page over, and CIRCLE the corresponding element(s).
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Accepting
Case Study #3 – Lucent Technologies

Support – how can I increase the positive impact of others?

Support Tools

Compensation:
   Market-based w Strategic Design
Formal & Informal Recognition
1st Level Management Education
Robust HRM & Metrics
Training:
   Ample Budget w Change*
Decentralization Objective*
   Kill Lists

Results

Depression down/Employee Sat up
Customer Sat scores up
Achieved accurate forecasts
Returned to profitability
Lucent Sales recognized as top sales force nationally 2X
Case Study #4 – AT&T Global Services

Background

New AT&T CEO – Mike Armstrong
Major AT&T Consumer acquisitions
$11.8B in revenue, 4% growth
Market growth 10% (?)
MCI/Sprint gains
Customer Sat scores low
Employee Sat scores low
Objective: Grow > 10%
Role: President

Added Challenges

External:
  Bernie Ebbers  Dishonesty

Internal:
  New boss  Friendly Fire
    - 50% budget cut
    - Voluntary RIF, no exclusions
    - Announced Acct. X-fers
      - International Accts.
      - Outsourcing Accts.
      - Low-end Accts.
      (total impact $5.5B)
Insight – how can I learn more about myself?
All-In Growth Roadmap Questions

Key: Never -0, Seldom -1, Sometimes – 2, Often -3, Consistently -4, Always -5

16. I can quiet my mind and listen to the voice inside me.  (Still)
17. I accept people and circumstances as they are and forgive all, including myself, for past mistakes.  (Accepting)
18. I am generous with my time and possessions.  (Generous)
19. I am grateful for life’s gifts.  (Grateful)
20. I live in the current moment.  (Present)

My Insight score total:
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Values

_______

_______

_______
# Case Study #4 – AT&T Global Services

Insight – how can I learn more about myself?

<table>
<thead>
<tr>
<th>Insight Tools</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Balance</td>
<td>Growth rate grew 2X to 8%</td>
</tr>
<tr>
<td>Gratitude Journal</td>
<td>Revenue grew to $12.7B</td>
</tr>
<tr>
<td>Group/Team Charities</td>
<td>Missed quota – 10%</td>
</tr>
<tr>
<td>Meditation*</td>
<td>Customer Sat improved</td>
</tr>
<tr>
<td>Watch for Multi-Tasking*</td>
<td>Employee Sat scores jumped to</td>
</tr>
<tr>
<td></td>
<td>award-winning record levels*</td>
</tr>
<tr>
<td></td>
<td>Bernie went to jail</td>
</tr>
</tbody>
</table>
Global Services Employee Engagement Results

Year over Year point change Year 1

Engagement element

<table>
<thead>
<tr>
<th>Engagement element</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leaders capable of meeting challenges</td>
<td>40</td>
</tr>
<tr>
<td>Continuous learning is promoted</td>
<td>30</td>
</tr>
<tr>
<td>AT&amp;T offers long term career opportunities for me</td>
<td>32</td>
</tr>
<tr>
<td>I would recommend AT&amp;T as a good place to work</td>
<td>30</td>
</tr>
<tr>
<td>Unit management will act on problems identified in survey</td>
<td>29</td>
</tr>
<tr>
<td>I am NOT currently considering leaving AT&amp;T</td>
<td>28</td>
</tr>
<tr>
<td>Overall Employee Satisfaction</td>
<td>19</td>
</tr>
</tbody>
</table>
Case Study #5 – Lucent Government Solutions

Background
Lucent’s Service Provider Market stalled
Enterprise Market rejected
Gov’t - only new market for growth
Core Bell Labs strength
$170M base revenue
25% revenue rate decline
Customer Sat scores very low
Employee Sat scores low
Objective: Grow to $500M organically, then grow to $1B with acquisitions

Challenges
Legacy clients abandoned years ago
- No Gov’t specific features
- Closed D.C. office
Long sales cycles
In D.C. loyalty matters
First big win - IRAQ

Skepticism
Case Study #5 – Lucent Government Solutions

Values – how visible are the fundamentals that will NOT change?

Discipline +
Creativity +
Support +
Insight +

Values Tools
Off the Wall &
On the Agenda

Sample

<table>
<thead>
<tr>
<th>Truth</th>
<th>Service</th>
<th>Values</th>
<th>Equality</th>
<th>Connection</th>
</tr>
</thead>
</table>

Your All-In Growth Roadmap

Creativity
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Insight
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- Present

Values
- Grateful
- Accepting

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Values Exercise
Pick your top 4 Values

• Trust
• Humor
• Directness
• Partnership
• Productivity
• Service
• Excellence
• Free Spirit
• Focus
• Harmony
• Recognition
• Accomplishment
• Honesty
• Orderliness
• Success
• Accuracy
• Tradition
• Creativity
• Integrity
• Ethics
• Peace

• Participation
• Performance
• Collaboration
• Community
• Personal Power
• Freedom to Choose
• Connection
• Acknowledgement
• Comradeship
• Respect
• Spirituality
• Empowerment
• Self expression
• Independence
• Nurturing
• Joy
• Beauty
• Authenticity
• Risk Taking
• Elegance
• Vitality

• Truth
• Spontaneity
• Serenity
• Adventure
• Comfort
• Dedication
• Wisdom
• Courage
• Sensitivity
• Family
• Tenderness
• Originality
• Strength
• Leadership
• Kindness
• Empathy
• Wealth
• Passion
• Imagination
• Equality
Case Study #5 – Lucent Government Solutions

Values – how visible are the fundamentals that will NOT change?

Results

Reversed 25% revenue decline, growth rate grew to 30%
Held growth rate for 3 years, 170 to $373M
Customer skepticism down/Sat up
Employee skepticism down/Sat way up
Iraq – Public safety network supported multiple elections
Top Lucent Business Unit Award – 3 consecutive years
Roadmap Re-Cap

• Discipline – how can I manage better?
• Creativity – how can I increase my impact?
• Support – how can I increase the positive impact of others?
• Insight – how can I learn more about myself?
• Values – how visible are the fundamentals that will NOT change?
All-In Leadership Roadmap

What is different about this research-based, non-conventional, road-tested approach?

Connects leadership up and down your organization
Connects your personal and professional life
Connects what’s on the inside with what’s on the outside
Connects managing and motivating

Success comes from Actions and Attributes – WHAT you do and WHO you are
“Culture eats strategy for lunch”

- Peter Drucker
It doesn’t matter whether you have a boss or are the boss, Use Your Roadmap!
Q & A

For copies of today’s presentation graphics:
Rick@ChoicesandSuccess.com
LinkedIn.com/in/RickMillerChoices
Twitter.com/RicksRoadmap
AllInLeadership.com
BEING CHIEF
creating growth in a storm

RICK MILLER