



## Think Like a CEO

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# Today's Speakers



**Bonnie Cox, MA**

Power Training Institute

<http://powertraining.biz>



**Power Training  
Institute**

*Building Tomorrow's Business Leaders Today*



**Roger Courville**

Co-founder & Principal  
1080 Group, LLC

[www.TheVirtualPresenter.com](http://www.TheVirtualPresenter.com)



# AGENDA

- Understand what is important to the CEO.
- Speak the language of business and keep yourself relevant.
- Align your training & communication goals to the organization's goals.

# What is Important to the CEO?

“... remains focused on targets for sales and earnings.”



- Eric Wiseman, CEO, VF Corp

# What is Important to the CEO?

‘If you sit in my office  
...you’ll see that I need  
*three things...*



Eric Wiseman, CEO, VF Corp

# What is Important to the CEO?

...I need strong financial leverage;



Eric Wiseman, CEO, VF Corp

# What is Important to the CEO?

....I need brands that are winning against the competition;



Eric Wiseman, CEO, VF Corp



# What is Important to the CEO?

...and I need talent.”



Eric Wiseman, CEO, VF Corp

# What Are Your CEO's Most Important Goals?

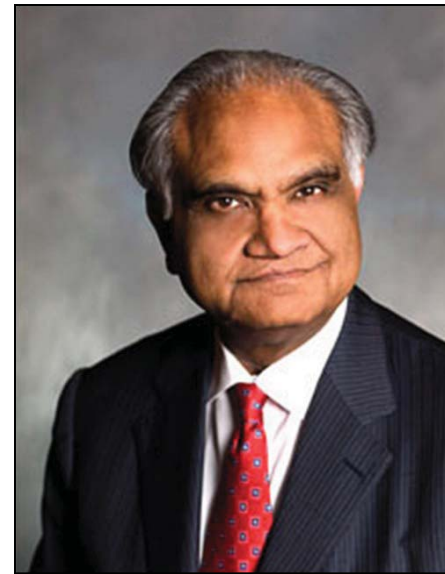
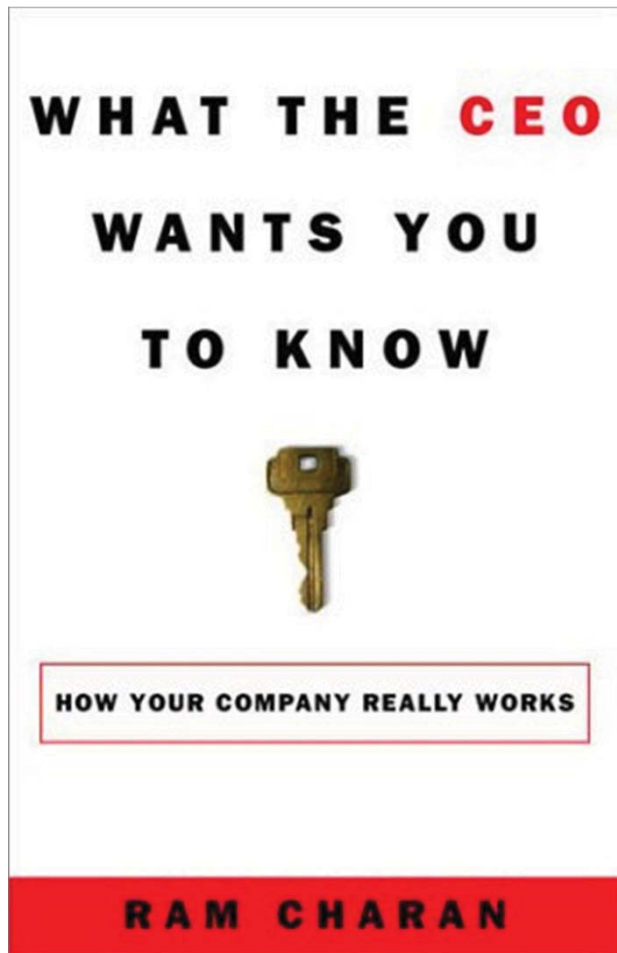


1. Increase Revenue
2. Reduce Costs
3. Improve Customer Service

# Speak the Language of Business

**“How quickly  
can you  
generate an ROI  
on a new hire?”**





“When you learn to **speak** the universal **language of business**, you can have meaningful discussions with anyone in the company, at any level.”

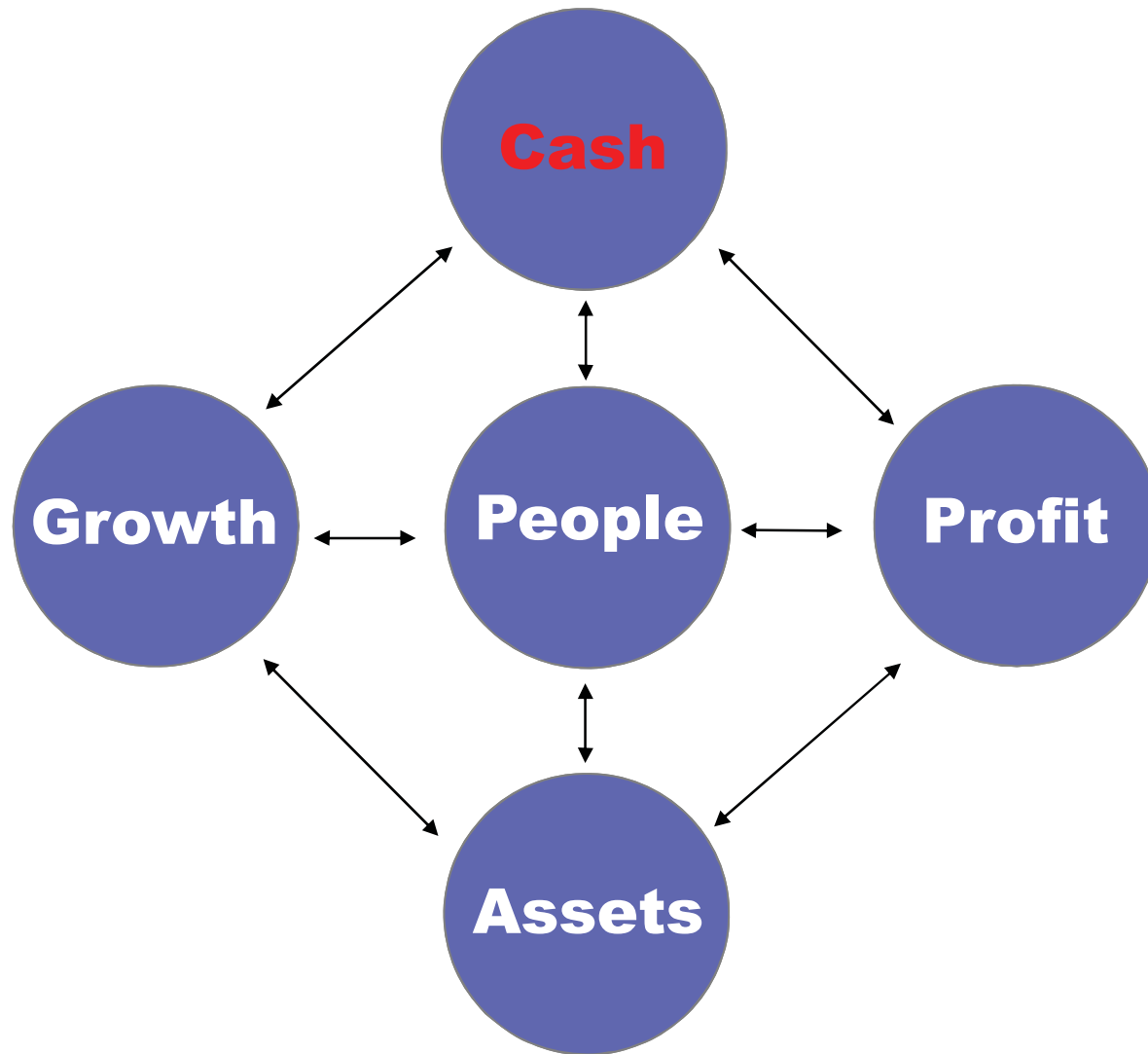
~ Ram Charan

# The Universal Language of Business

1. Cash
2. Profit
3. Assets
4. Growth
5. People



# Business Drivers



1. Generation
2. Cash Flow

# Two Types of CASH

Business managers refer to **CASH** in primarily two ways:

1. **CASH** Balances and Cash equivalents
2. **CASH FLOW** from Operations

**“Cash Flow from Operations”  
= Core Business Activity**

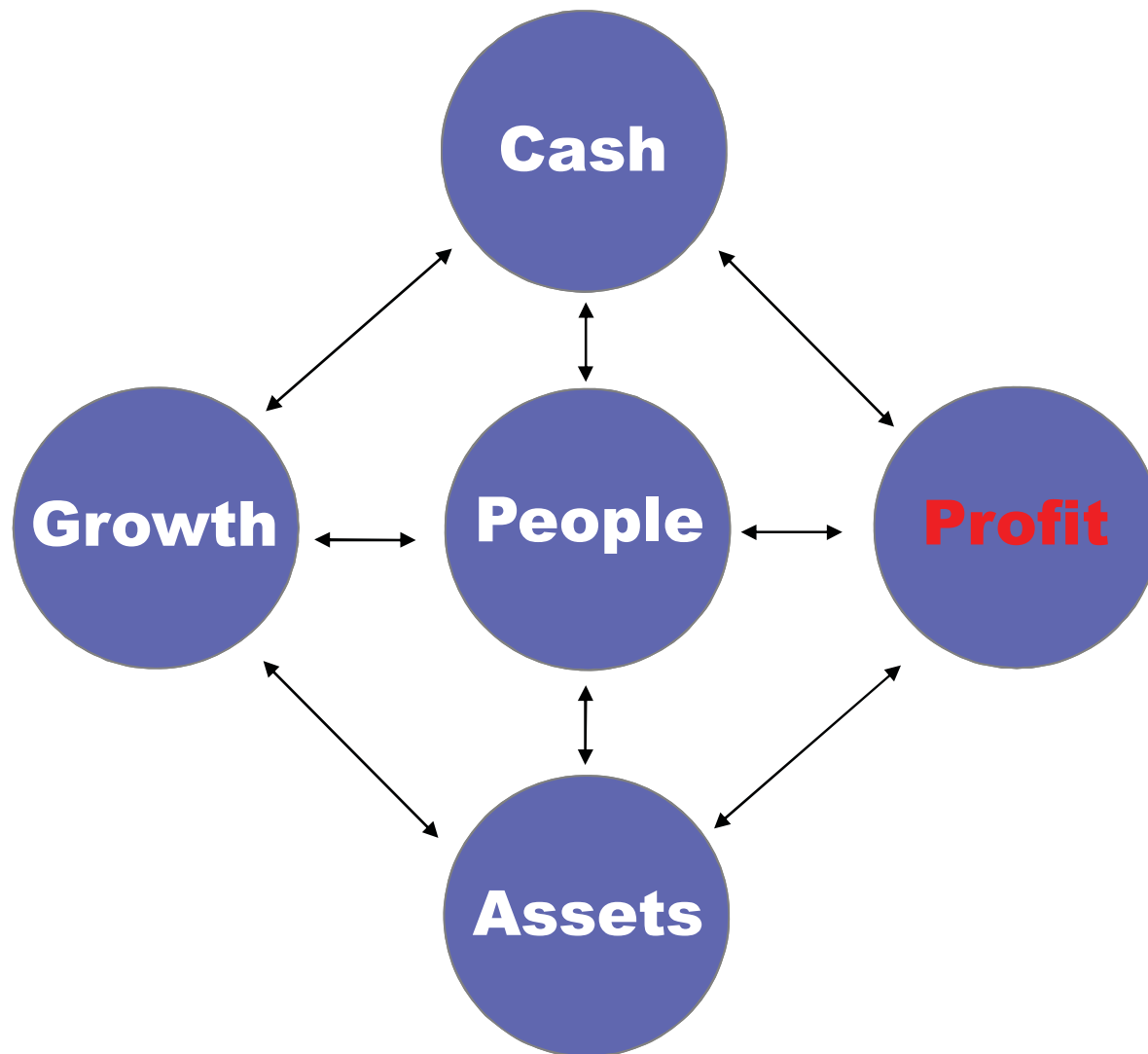
**Activity:**  
**How Your Function Impacts CASH**



How do you  
individually impact  
**CASH** and  
**CASH FLOW**?



# Business Drivers



1. Can be \$
2. Or a %

# Definition of Profit

- Profit is what is left over ...
  - after you have paid all your expenses.
- It can be expressed
  - in dollars or
  - as a percent.

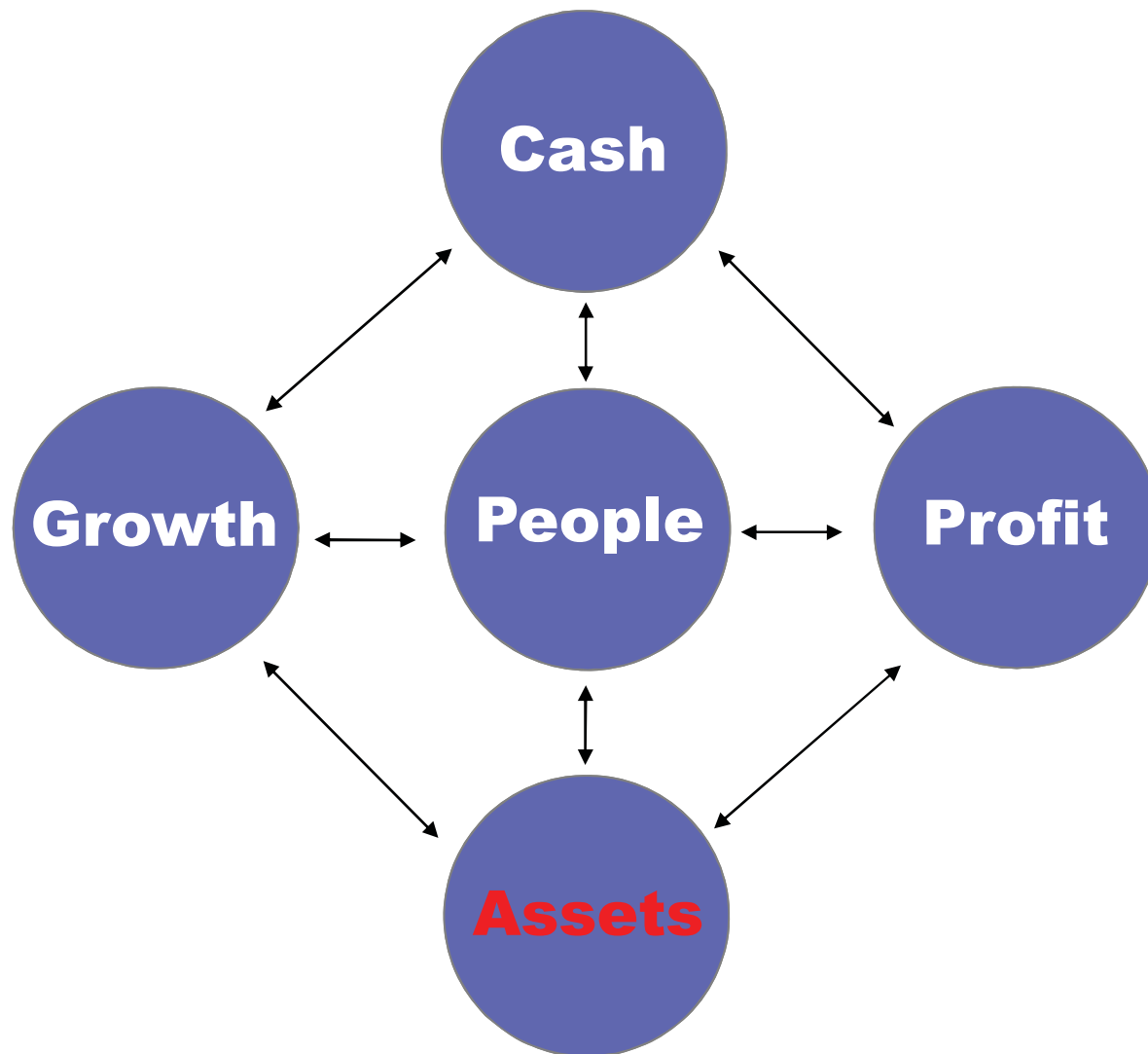


# Activity: How Your Function Impacts **PROFIT**

How do you  
individually impact  
**PROFIT?**



# Business Drivers



1. Strength
2. Utilization

# ASSETS



**“We want assets to be  
productive ...”**

-Carl Icahn  
Billionaire financier

# Balancing Act

**Asset Strength**



**Asset Utilization**

# **PEOPLE are Assets**

Need them to be productive,  
earning a return on investment.



**Activity:**  
**How Your Function Impacts ASSETS**

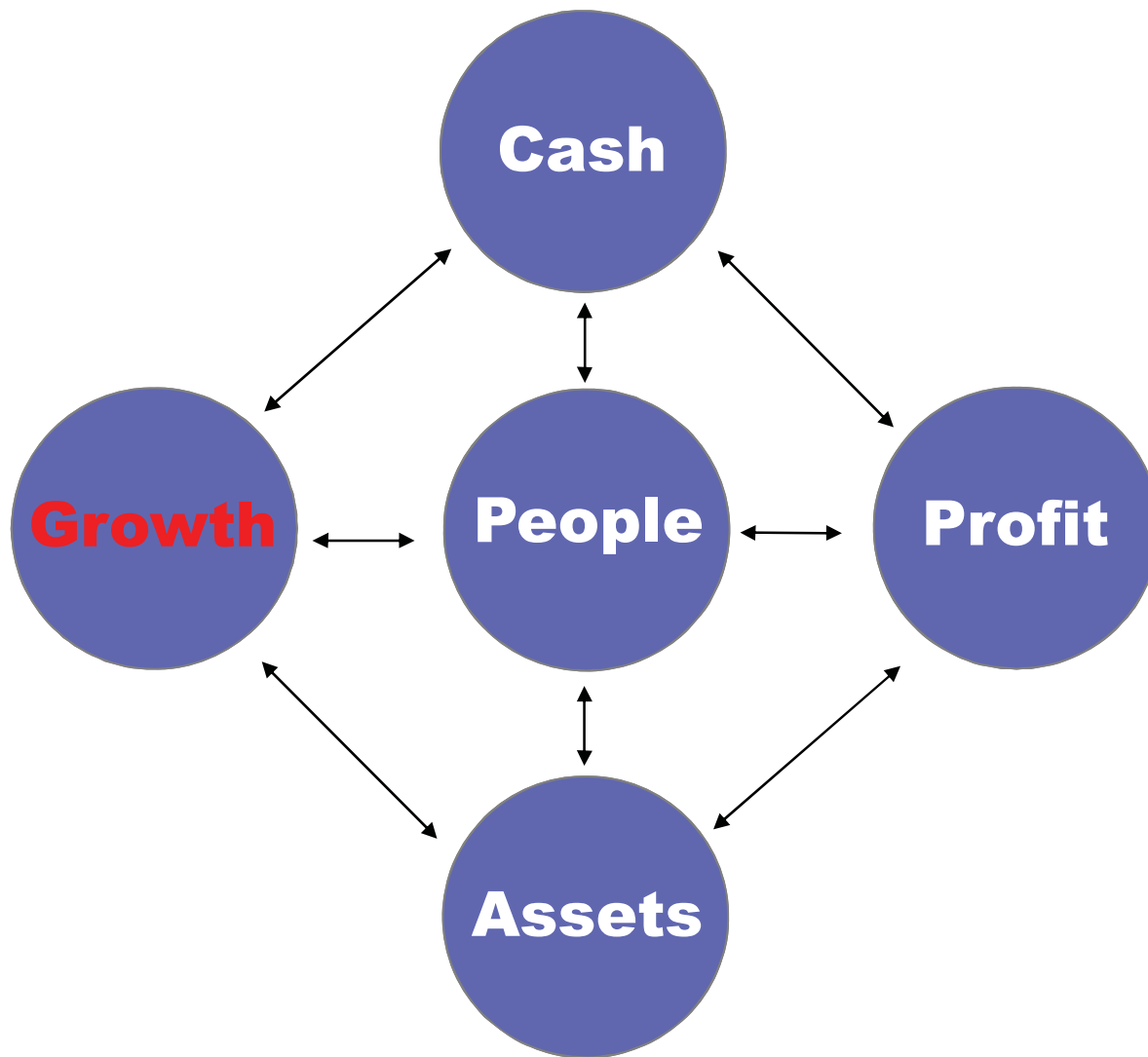
How do you  
*individually* impact  
your organization's

- Asset Strength?
- Asset Utilization?





# Business Drivers



1. Top Line
2. Bottom Line

# **GROWTH**

**In today's business world, no growth means lagging behind in a world that grows every day...**

**“Investors expect growth.  
Employees are more energized by it.  
Customers are generally attracted to it.  
And executives are measured by it.”**

- Kevin Cope

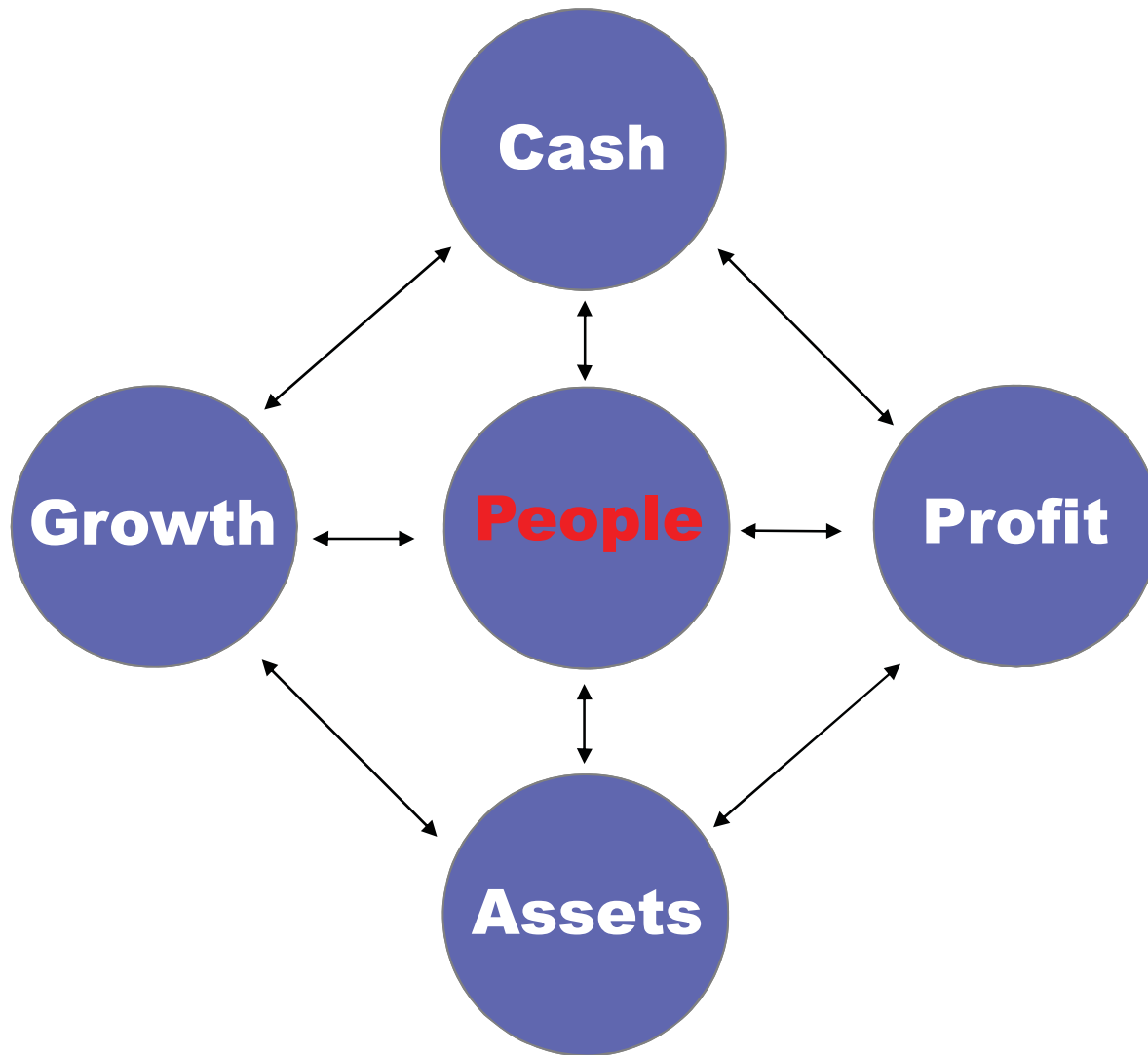
**Activity:**  
**How Your Function Impacts GROWTH**

How do you  
*individually* impact  
your company's  
GROWTH?

Write down a specific action  
you will take to positively  
impact the GROWTH of  
your company.



# Business Drivers



1. Customers
2. Employees

# CUSTOMERS



“A customer is the most important visitor on our premises. He is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it. He is not an outsider in our business. He is part of it. We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so.

~ Mahatma Gandhi

## **Activity a: How Your Function Impacts CUSTOMERS**

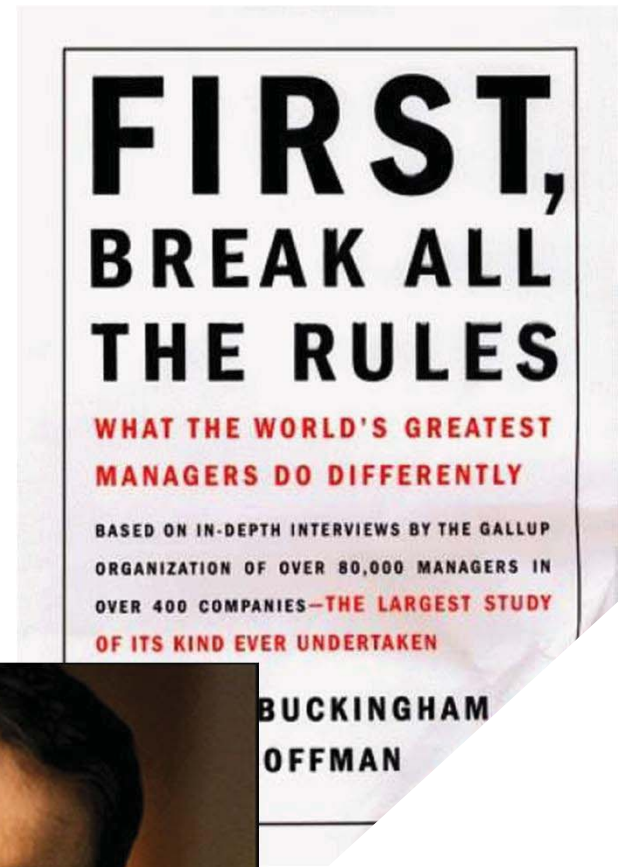
Write down one single action you can take to better “anticipate your customers expectations.”



# Employees

“Employees are the **ultimate** competitive advantage.”

~ Marcus Buckingham,  
*First Break All the Rules*



## **Activity b: how Your Function Impacts EMPLOYEEES**

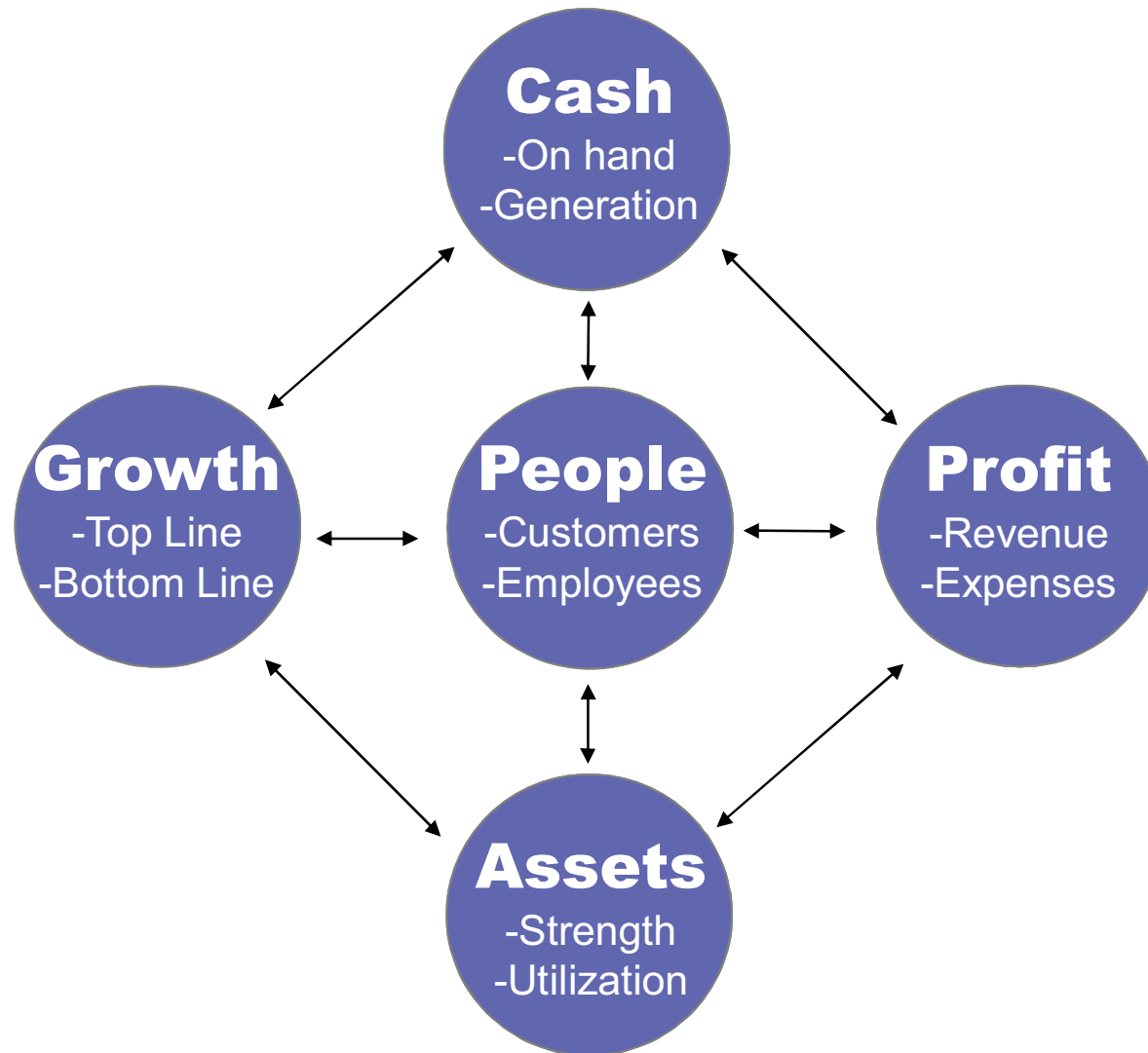
How are you attracting,  
developing, and  
retaining your  
employees?

Write down one single  
action you will do to improve  
this process.





# Business Drivers



**“There is a direct correlation  
between engagement and  
productivity.”**

~ Taleo Research, 2009

# “A **high** performer can out-produce an **average** performer ...”

EXHIBIT 1

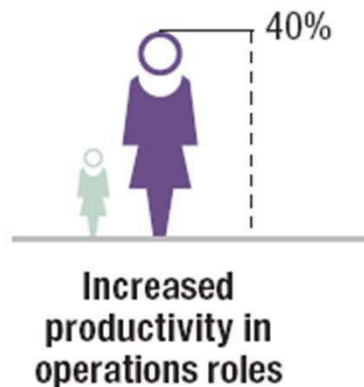
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## Good people are great for business

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Mean of responses from 410 corporate officers

“How much more does a high performer generate annually than an average performer?”



Source: McKinsey's War for Talent 2000 survey of 410 corporate officers at 35 large US companies

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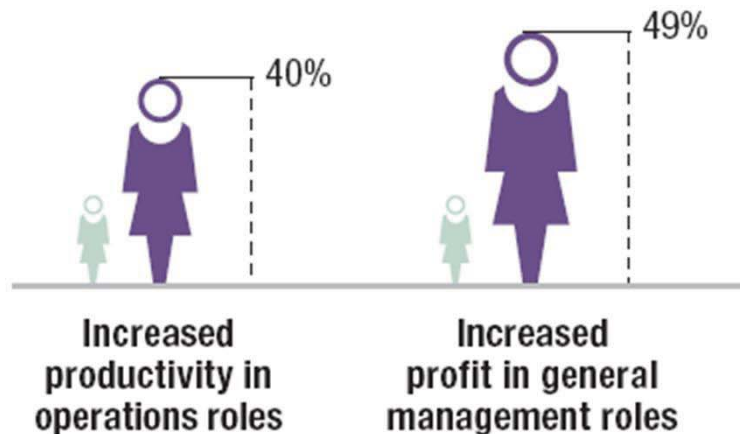
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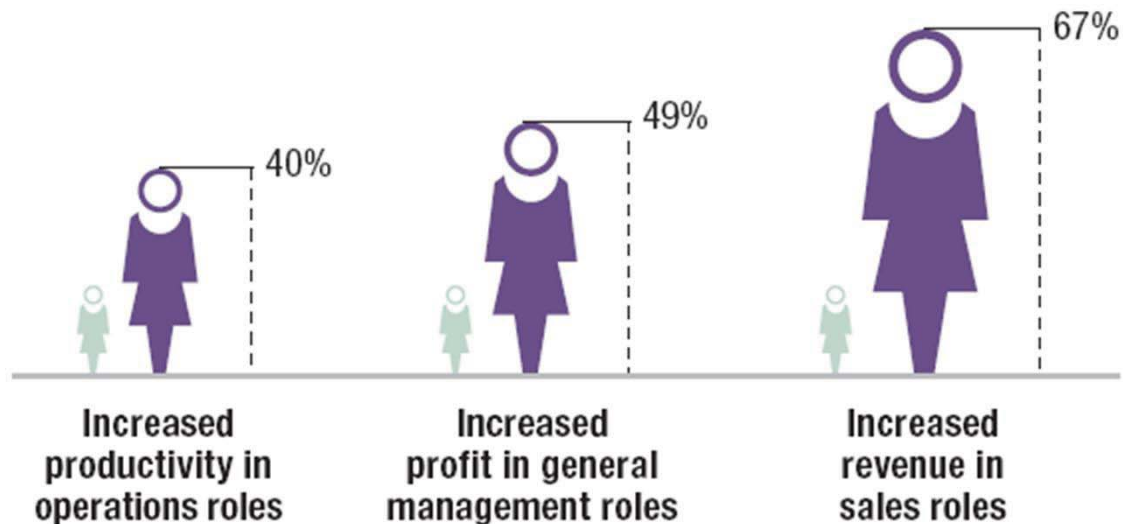
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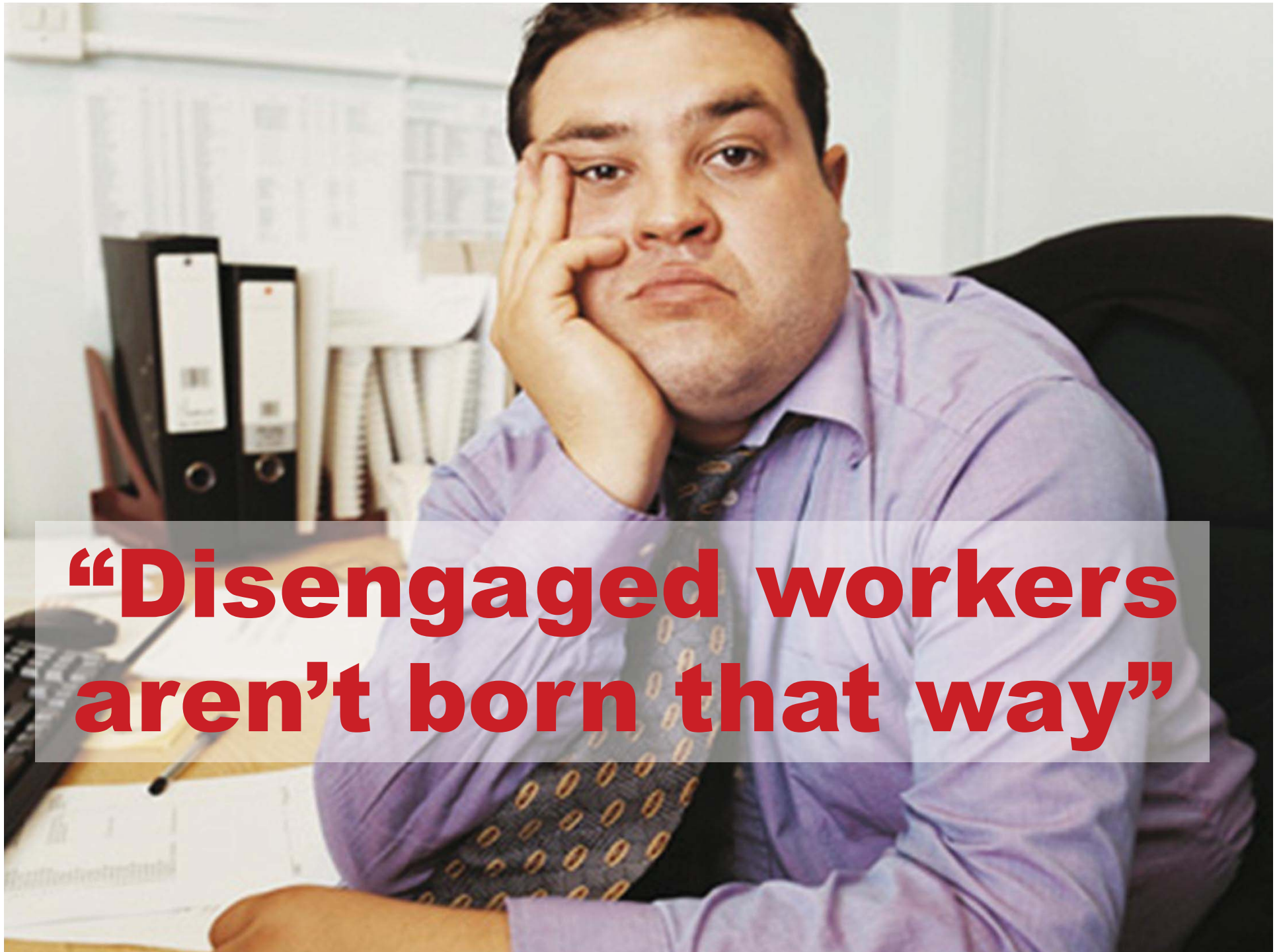
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**“Disengaged workers aren’t born that way”**

# Causes of Disengagement

- Poor management
- Lack of career opportunities
- Poor communication
- Pay, ineffective & inequitable
- Lack of recognition
- Poor senior leadership
- Lack of training
- Excessive workload
- Lack of tools & resources
- Lack of teamwork



Source: Saratoga Institute

# #1 Reason

Relationship  
between  
employee and  
supervisor





# Lost Productivity

## Labor Productivity Report:

- **<\$350** billion annually (American business economy)
- 26% of lost productivity directly related to poor supervision:
  - **Absence of people skills**
  - **Lack of understanding of Role**
  - **Poor communication**
  - **Lack of training**



## **The Direct Line Between HR / Training and the CEO's Bottom Line**

“HR [*& Training*] Professionals know they need to **think** and **act** more **strategically** to earn their place as a valued member of senior-level management ...

***[and that means]*** moving toward a more “**analytical role**” within their organizations.”

Source: Bill Leonard, “Straight Talk: Executives Sound Off on WHY they think HR Professionals Lost Strategic Ground ...”  
HR Magazine, January 2002.

# The Role of HR

Future / Strategic Focus

## Strategic Partner

- Strategic HR Planning
- HR as Business Partner
- Culture and Image

## Change Agent

- Staffing
- Organizational design
- Survey action planning
- Performance measurement
- Training & development

Processes

## Administrative Expert

- Compensation
- Benefits
- HR information systems
- Compliance

People

## Employee Relations Expert

- Employee relations
- Labor relations
- Safety & workers' compensation
- Diversity and EEO

Day to Day  
Operational Focus

# The Analytical Role:

## *Measure the Right Things*

### DO MEASURE

- HR/Training's "**IMPACT**" on the organization
- HR/Training's "**OUTCOMES**"

### DO *NOT* MEASURE

- *NOT your "performance"*
- *NOT your "activities, methods, or processes"*

Source: Lynch, and Wyrick, SHRM 2007  
*What Matters Gets Measured: Using Technology to Capture and Improve Metrics*



Jac Fitz-enz transformed human resources.

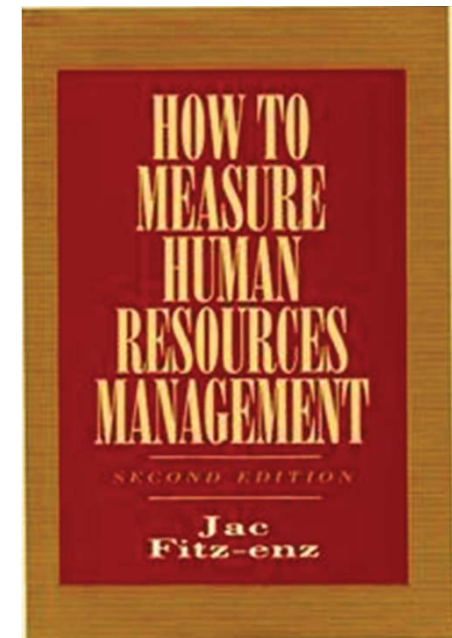
“To move to the center of the organization, HR must be able to talk in quantitative, objective terms. Organizations are managed by data.

- Jac Fitz-enz

Unquestionably, at times, managers make decisions based on emotions as facts.

Nevertheless, day-to-day operations are discussed, planned and evaluated in hard data terms.”

- Jac Fitz-enz



# HR Metrics That Matter

	<b>ACQUIRING</b> (efficiency of your recruiting processes )	<b>MAINTAINING</b>	<b>DEVELOPING</b>	<b>RETAINING</b>
<b>COST</b>	Cost per Hire	Cost per Paycheck / person & Employee Assistance Programs	Cost per Trainee	Cost of turnover
<b>TIME</b>	Time to fill jobs / TAT	Time to respond/fulfill requests	Cost per Trainee Hour	Turnover by length of service
<b>QUANTITY</b>	Number Hired	Number of claims / grievances processed	Numbers Trained	Voluntary turnover Rate
<b>ERROR</b>	New Hire Rating during first week	Process Error Rate / 0% defect free salary processing	Skills attained post training - %age of clear post assessments	Readiness Level
<b>REACTION</b>	Management Satisfaction	Employee satisfaction	Trainee Responses	Turnover Reasons

Source: *The ROI of Human Capital* - Jac Fitz-enz, AMACON, April 2000

# Training Metrics: Kirkpatrick Four Level Evaluation Model



Gather data at all four levels and show that your training delivers true **value** to your organization.

# **THE 4-STEP RECIPE FOR SUCCESS**

## **How HR [& Training] Can Help Business**

### **1. Business Operations**

**“...Have a basic understanding of how a business operates.”**



# **THE 4-STEP RECIPE FOR SUCCESS**

**How HR [& Training] Can Help Business**

## **2. Technology**

**“Get comfortable with  
technology and STATS ...”**

# **THE 4-STEP RECIPE FOR SUCCESS**

**How HR [& Training] Can Help Business**

## **3. Business**

**“Know business and the strategic plans...”**

# THE 4-STEP RECIPE FOR SUCCESS

How HR [& Training] Can Help Business

## 4. Talent

“Find, develop, and retain  
top talent!”

“At successful corporations, the CEO wants *one thing* from the top [HR] officer: a strong **pipeline of high level leaders that will drive business growth.**”

~ *Workforce Magazine*

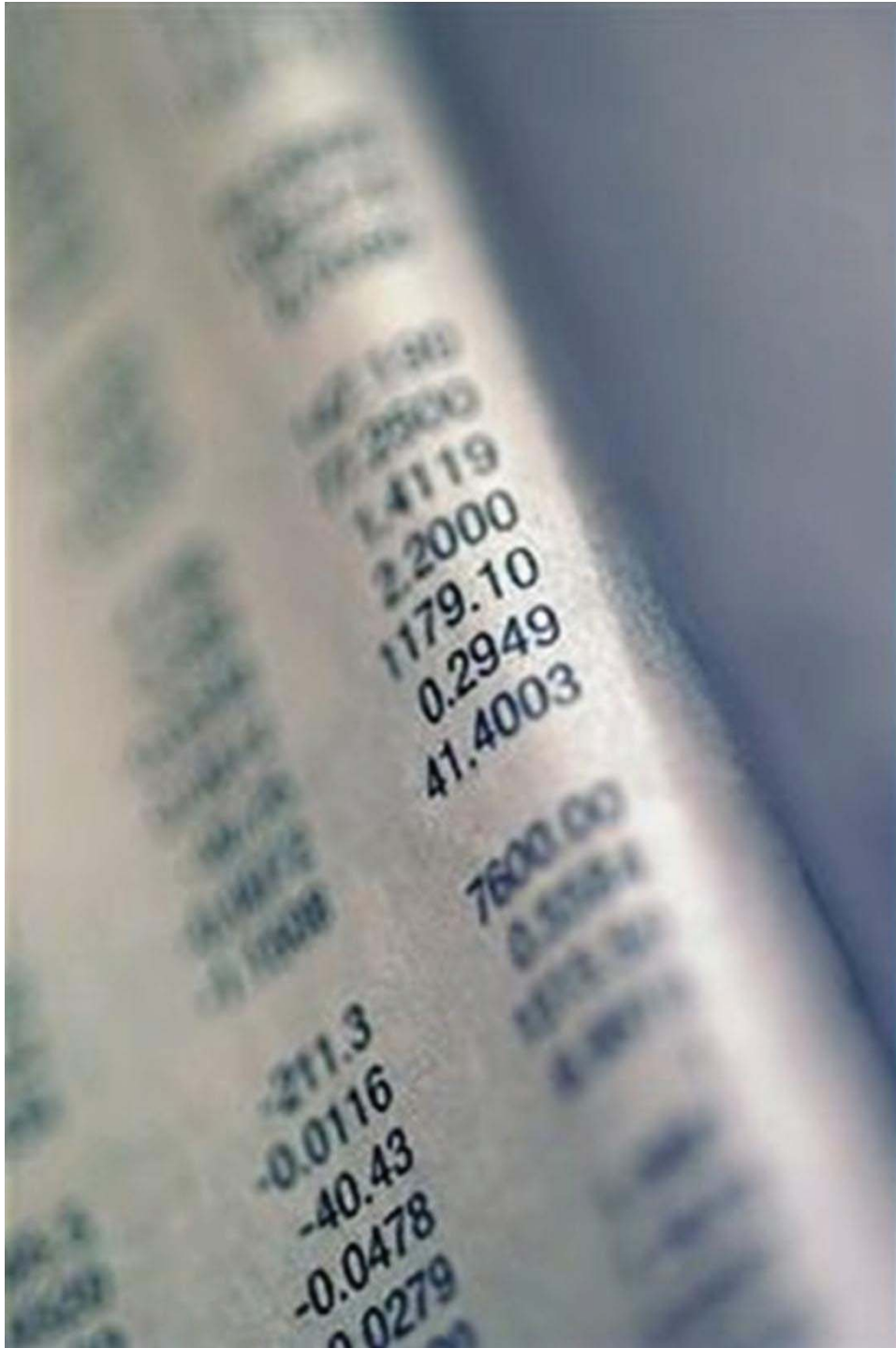
# **Self-Evaluation: How Do YOU Align ...?**

- a) **How educated and familiar are you with your organization's P&L, recent gains or losses, new clients, or economic state?**
  
- b) **How do you *directly* support one of the *production* functions?**
  
- c) **How could you *improve* your contribution – and make an even bigger impact?**

# The Importance of HR & Training

Don't underestimate  
your power and  
influence in driving  
organizational success!





**Big Idea...**

**Get comfortable  
with the number\$!**