

What generation is your company?

Generation	What is happening in the company?	What to work on	How will you know it's time to make changes?
<p>1G – first generation:</p> <p>Start-up</p>	<ul style="list-style-type: none"> • Entrepreneurial leadership • Few employees – up to 8 or 9 • Control from the centre • ‘All hands to the pump’ • High-energy, fun • Juggling, troubleshooting • Adrenalin high, ‘buzz’ • Focus on cash flow above all else 	<ul style="list-style-type: none"> • Work-life balance • Working ‘on’ as well as ‘in’ the business • Communication • Working together effectively • Keeping people motivated • Recognition • Time management • Financial awareness • Cash flow 	<ul style="list-style-type: none"> • Working harder just to stand still • People leaving • Trusted people are demotivated • Differences over direction among leaders • Frustration and finger pointing • Losing customers • Rapid changes in policy • Repeated mistakes • Waste - processes, money, time
<p>2G – second generation:</p> <p>Consolidation</p>	<ul style="list-style-type: none"> • 10-200+ employees • The organisation has developed a life of its own – leader(s) can no longer keep tabs on everything • Still directly led by the Director(s): business development, troubleshooting, resolving conflict • Beginnings of second tier of management / leaders • Focus on consolidation, building durable processes and systems 	<ul style="list-style-type: none"> • Vision, values, strategy • Team development -communication, role clarity, accountability, partnership • Delegation from leaders to managers at the next level • Creating a solid second tier of management • Performance and behaviour standards - best practice • Leadership and management skills • Development of future leaders • Consistent, durable management systems and structures • Structured and systematic account management 	<ul style="list-style-type: none"> • Over-dependence on Directors • No future leaders coming through • ‘Silos’ developing • Finger pointing and blame vs accountability • Narrow focus on one or two areas of the ‘scorecard’ • Performance management stale and formulaic • Inability to adapt/innovate • Complaints about bureaucracy • Talk about ‘the old days’ • ‘Structural engineering’ going on - recruiting, restructuring, pay awards, bonuses etc, instead of addressing and resolving problems head on
<p>3G – third generation:</p> <p>Governance</p>	<ul style="list-style-type: none"> • Owned by shareholders • Controlled by board of directors on behalf of the shareholders • Authority to manage day to day operations vested in officers • Emphasis on rigorous business planning • Hierarchy, departmentalisation • Structured organisation • Rigorous measurement of performance to support the organisation’s purpose • Director-led strategy and growth 	<ul style="list-style-type: none"> • Vision and strategy: clarity of purpose • A balanced scorecard • Performance management • Succession planning • Developing top performers • Transferring full ownership and accountability for the development of the organisation to second-tier management and beyond • Delegation • Recognition • Unity of culture • Continuous improvement 	<ul style="list-style-type: none"> • Poor performance • Need to address new trends or market changes • Flabbiness – unprofitable areas, costs out of control, too many levels, too many staff • Organisation structure out of date / doesn’t meet current needs • Poor corporate governance • No vision – going through the motions