

Create a Competitive Edge With the Right People

Susan Solovic | THE Small Business Expert



Susan Solovic

Susan Solovic is THE small business expert. She's an award-winning, serial entrepreneur, media personality, and a New York Times, Wall Street Journal, USA Today bestselling author. She's spoken to thousands of small and mid-sized businesses around the globe and helped many build multi-million dollar businesses with her proven strategies from the trenches.



Right now, no matter the type of business you're in, or the size of your organization, your company is at risk of becoming irrelevant. Why? Business owners and leaders get stuck in their current business models and fail to keep pace with changing markets.

How do you avoid this pitfall to protect your business and maintain a competitive edge?

You need to build innovation into your company's DNA. Your business should be agile and flexible with an ability to adjust in real time.

Tapping into the creativity of your company's team is one way to help you identify new opportunities and initiatives. However, if your staff members all look the same and think the same way it's difficult to unleash real creativity. Diversity is critical to an organization's ability to innovate.

A Harvard Business Review article notes a body of recent research that says non-homogenous teams are smarter. When you work with people who are different from you, you're challenged to think in different ways. You shed your stale ways of thinking and are pushed out of the autopilot habits that have limited performance. We're always talking about thinking "out of the box"; it's impossible to do if everyone at the table thinks alike.

Additionally consider this, a 2015 McKinsey report on 366 public companies found those in the top quartile for ethnic and racial diversity in management were 35 percent

more likely to have financial returns above their industry mean, and those in the top quartile for gender diversity were 15 percent more likely to have returns above the industry mean.

There is one more important element to consider in today's changing workforce -- generational diversity. Millennials (born between 1982 and 2000), now out-number Baby Boomers according to the U.S. Census Bureau. This change in demographics is having an interesting impact on the workplace.

Millennials and Baby Boomers often clash when working together. Baby Boomers view Millennials as unmotivated slackers, while Millennials see Baby Boomers as rigid and out-dated. But each group can bring much to the table, learn from each other, and help your organization become more innovative and creative. The bottom line is, Millennials are the future of business.



Millennials (born between 1982 and 2000), now out-number Baby Boomers according to the U.S. Census Bureau. This change in demographics is having an interesting impact on the workplace.

As a business leader here are some keys and benefits to building diverse, innovative organizations.

1. Hire for life

You can't build a great, highly performing business if you don't make the right hiring choices from the beginning. Having the wrong people on your team comes with a significant profitability cost. Hiring team members has an associated cost known as LAC – labor acquisition cost. Your LAC can range from hundreds to thousands. A high turnover in personnel can result in significant costs and can cripple your business – not to mention other costs such as lost opportunities, productivity, and morale.

Solution? Make the right hires, and give them a reason to stay. Provide incentives for them to work hard and contribute to the company's vision. Make employee satisfaction one of the key factors you measure in your business. Companies with a competi-

tive edge hire for the long-term not just for an open position. They want someone who will perform well over time.

2. Shared Values

Technical skills can be overrated. Prisons are full of criminals who are proficient technically. You can teach skills. By the time men and women are adults, it's virtually impossible to teach character and values.

Every organization needs employees who mesh with its core values because values drive business decisions. Employees who do not adhere to a company's values end up diluting them. It's important to screen your job candidates for a good cultural fit. The CEO of Zappos says he will fire someone regardless of their job performance if they aren't living up to and subscribing to the Zappos values.

3. Real-time feedback

The annual performance review that has been a standard practice for years, isn't a good fit for today's fast-paced economy.

There is a caveat, however, while performance reviews as we know them are disappointing, measuring performance completely is not. Business leaders in highly functional companies today are providing real-time feedback to employees. Regular one-on-one meetings allow for the setting of priorities, a discussion of achievement and some coaching and development. Additionally, peer performance review is scheduled regularly in an open environment. While some team members may be reluctant to participate, strong business leaders train employees for those "hard conversations" by explaining their importance to the company's growth.



4

Inspire
people to achieve
their own greatness

4. Inspire people to achieve their own greatness

Is what you're doing spurring your team to be the best they can be? Thomas Edison was arguably one of the most brilliant minds in the world, but he knew he didn't have all the answers so he gave his assistants the opportunity to flourish. He said he generally instructed them on the idea of what he wanted and in some cases he even refused to help them with their experiments to encourage them to work it out on their own. By selecting the right people he knew that together they could achieve great results.

When you hire the right people for your team, you need to get out of their way and let them do their thing. Your business will benefit from the creativity and diversity of ideas.

5. Motivate with purpose

Innovative organizations need energy and energy comes from passion and purpose. Yet most companies spend their time focused on profits, shareholders, market share, etc. Employees don't feel energized because they don't understand the company's purpose. Why do we exist other than to make money? People want to contribute to something bigger than themselves. That's particularly true with millennials. They want to feel their life and work are meaningful and that they serve a higher purpose, aligned with their highest values.

6. Get creativity rocking with your team

Once you have the right players on your team, you want to give them the best opportunity to succeed. That means they need time to think. Think time is critical for innovation. If you have too much on your plate, there is no room for creative ideas.

In order to ensure that its team members have inspiring work, Google provides an allowance for 20 percent "free time." This program is responsible for some of the company's most innovative products

Including Gmail and Google Suggest. Disney established the Clear Blue Sky initiative that gives funding to staff members so they can develop their own ideas.

7. Consider the whole person

As you know, the lines between work and our personal lives have blurred. Some of us have adapted to that pace by practically working 24/7, but the same is not true for Millennials. A report published by the U.S. Chamber of Commerce Foundation noted that to Millennials, transparency, collaboration, and a seamless work-life balance are not only vital to their comfort, but also to their success within the workplace. In fact, flexible work arrangements, more time off, or other perks such as gym memberships are more important to younger workers than money itself.

8. Empower your team

Unwritten rules within established organizations can limit the free flow of communication. As a business leader, you must create a safe harbor for employees to state opinions and question decisions. Older

generations listened to management and executed plans with little or no hesitation. Today's younger workers are more apt to speak up. Managers should listen with an open mind. Never judge an idea at first blush. "That will never work." "That's not the way we do it." These phrases should never be part of the dialogue..

9. Failure is a badge of courage

If you aren't failing now and then, you aren't trying. You're sitting on the sidelines as an observer. A competitive edge can be identified with incremental experiments. Give your team members the opportunity to fail. Instead of negative consequences, learn from the mistake and move forward quickly. Some companies have a failure of the month award. Bill Gates refers to failure as research, and I think you'd agree he has done very well for himself.



10

Create
a workspace
conductive to
creativity

Does your work environment inspire innovative thinking? It's a question not very many business leaders consider. What kind of office setting sparks the most creativity? According to research by staffing firm The Creative Group, it depends on the nature of your business. When asked what the ideal work environment is for on-the-job innovation, the top response among advertising and marketing executives was an open-concept space. Employees, however, seem to prefer more alone time, with a private office being the most popular options.

You can create a competitive edge for your business by hiring the right people, investing in them, trusting them and empowering them. Give them a reason to feel a true partner in your business growth instead of another cog in the wheel. Be sure you listen to the breadth of ideas and perspective your diverse team offers and harness that creativity to stay a step ahead of the competition.

To learn more, watch a recent webinar I hosted with ShareFile on The Competitive Edge.

Watch the [on-demand webinar](#)



ShareFile

North America | 1 800 441 3453

Worldwide | +1 919 745 6111

United Kingdom | +44 800 680 0621

Australia | +1 800 089 572

Locations

Corporate Headquarters | 851 Cypress Creek Road Fort Lauderdale, FL 33309, United States

Silicon Valley | 4988 Great America Parkway Santa Clara, CA 95054, United States

© 2017 Citrix Systems, Inc. All rights reserved. Citrix, the Citrix logo, and other marks appearing herein are property of Citrix Systems, Inc. and/or one or more of its subsidiaries, and may be registered with the U.S. Patent and Trademark Office and in other countries. All other marks are the property of their respective owner(s).