FOREWORD BY **JACK STACK**
AUTHOR OF *THE GREAT GAME OF BUSINESS*®

GET IN

HOW TO CREATE RAPID FINANCIAL RESULTS

THE

AND LASTING CULTURAL CHANGE

GAME

RICH **ARMSTRONG**

STEVE **BAKER**

Get In The Game™

How to Create Rapid Financial Results and
Lasting Cultural Change®

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GET IN THE GAME

Beyond Open-Book Management

What if People Acted Like They Owned the Place?

Imagine working in a company where everyone was engaged and acted like they owned the place? Where the people were truly excited and energized by the goals of the company and knew how they contributed.

What if all the people working there—not just the owners or managers—truly understood the marketplace, the competitors, and what it really takes to compete and consistently grow the business? What

if everyone truly grasped how difficult it is to make money and how most profit never ends up in the owner's wallet?

In short, what if they acted less like employees and more like owners? Sound impossible? It's not. Companies large and small have run their organizations using the business operating system called the Great Game of Business for more than thirty-five years and have achieved extraordinary results. We've seen it work in thousands of companies around the world, in just about every industry—public and private, for-profit and not-for-profit—with amazing results. It's the only sensible way to run a company.

> *This book is for people who are fed up with management systems that don't work. It's for managers who have tried every motivational tool under the sun and still can't get people to perform up to their abilities. It's for CEOs who wonder why their companies don't make more money even after they've installed all the latest bells and whistles from the business gurus. It's for everyone who has ever dreamed of working in a company run on democratic principles—the same principles we demand in every other aspect of our lives.*
>
> *The Great Game of Business*
> *by Jack Stack and Bo Burlingham*

Let's be clear about what we mean about thinking and acting like an owner. It's not about equity. In

fact, 85 percent of the companies who practice the Great Game of Business are not in a position to share equity, but they still see the results. Ownership is a mindset. Think about the last time you rented a car. Did you treat it differently than the cars you own? Unless you were prepared to check the tire pressure, schedule the preventative maintenance, and drive it with deference, you can probably relate to the point. We treat things differently when we feel a sense of ownership. It applies to cars, apartments, homes, and yes, businesses. Ask yourself this question: "Do my people act like they own the place, or do they act like they rent it?" Ouch.

When we talk about ownership, we are referring to the mindset—the behavior and the attitude. If you want employees to think and act like an owner, you must treat employees like owners. You must involve employees in the business much like owners are involved. You must ask everyone to know the business, set goals, make a plan, take responsibility, and even share in the risk. And if everyone is successful, they should also share in the rewards.

The underlying power of the Great Game of Business is that it's just plain common sense. It wasn't theorized in a business school or dreamed up at some consulting think tank. It was created by everyday business people much like you almost four decades ago at an engine remanufacturing plant in Springfield, Missouri.

In 1983, Jack Stack and twelve other managers scraped together $100,000, borrowed $8.9 million

dollars, and transformed a dying division of International Harvester into what has become SRC Holdings—now one of the most successful companies in America. But for that evolution to happen, things needed to change—fast.

Stack was amazed that one hundred and nineteen machinists, engineers, and plant workers could be the *absolute best in the world at their jobs*, and yet still face layoffs because their company was failing. But Stack learned an incredible lesson when he went on the quest to secure the financing they needed to save the plant and the jobs. As he approached bank after bank (fifty-three turned him down), he discovered that a secret universal language was being spoken in business—one he did not yet know or understand. It was the language of business and the language of owners: the financials. But Stack recognized that if they were going to save jobs inside their business, everyone in the company should understand and speak that same language.

He knew that to protect the jobs over a long period of time, they would need to build a company that would be profitable, growing, and sustainable. Stack needed everyone to know that since they were operating with a debt-to-equity ratio of 89:1, they could not afford to make a single thousand-dollar mistake! So together, they learned, set a goal, assigned accountability, and showed the risk as well as the reward.

What followed was a legendary turnaround and a radical new approach to running a company based on unleashing the untapped potential in every em-

ployee. It was considered radical because, back then, teaching employees business, and treating them like owners, was heretical. It was simply unheard of. In fact, nearly forty years later, some might say it still is.

Creating a Business of Business People

The Great Game of Business is based on a simple, yet powerful, belief: *"The best, most efficient, most profitable way to run a business is to educate everybody on how the business works, give them a voice in how the company is run, and provide them a stake in the financial outcome, good or bad."* The strategy of implementing The Great Game of Business operating system is to **build a business of business people who think, act, and feel like owners.**

Taking a look at the big picture, the Great Game of Business is a way of running a company that gets everyone, at all levels of the business, as informed, involved, and engaged as the owner is in making the company successful. It's about fully engaging employees in the business by teaching them how the business works and what is critical to success. This includes understanding how profitability is driven, how assets are used, and how cash is generated. But most importantly, how their day-to-day actions and decisions can make or break the business.

The result is long-term success for the company and long-term success for your people. By doing so you will improve your own business results and the lives of the people who create those results.

The Great Game of Business is the systematic way to get everyone focused on building a better business. It teaches all employees the goals of the company and how they can make a difference, both individually and as part of a team. It works because employees get a chance to take responsibility and ownership of the company's success rather than just "doing their job." Instead, every employee knows enough about the company to understand how their actions affect their personal rewards, or their "stake in the outcome."

It's Money. It's People. It's Both.

There is a spectrum in business operating systems. On one end of the spectrum are the numbers: cash, metrics, quotas, KPIs. On the other end is culture: systems fostering a great place to work, with shared values and common purpose.

In the middle, though, is truly where the magic lies. The pendulum swings both ways, and too far in either direction can throw you off kilter. There's a secret "balance" hiding in plain sight. All the business "gurus" have missed it. It's not just financial results; it's not just cultural change. What the experts have missed is that for the entire Industrial Revolution, companies tried to boil down business to quotas and metrics that simple-minded workers could understand. And by doing so, they inadvertently divorced the people who create the numbers from the financial health of the business. It's the reason so many people have felt as if, "I was doing my job really well… how did I get laid off?" Or to the other extreme, in a

culture of unlimited vacation, nap rooms, and bring-your-dog-to-work days, "This was such a great place to work! Why did we close down?"

The Great Game of Business is the only business operating system that reconciles this people/profits paradox, balancing the need for profit with the needs of our people. It's finance *and* it's culture. It's substance *and* it's soul. It's money. It's people. It's both.

It really is about *both* financial results and a great culture, a combination that in our experience creates successful, sustainable companies.

The Great Game doesn't just build businesses, it builds people. The Game sets people up for success through education, involvement, and opportunities for rewards—improving not only their financial position but their quality of life as well. The bottom line is this: Great Game companies understand that when employees win, the company wins, and Great Game employees understand that when the company wins, employees win. This is the only management system that consistently moves both the company and its people closer to their full potential. Partly because open-book management has never been just about generating profits, cash, and wealth, but also about using it for the good of the people and their communities.

It's worth repeating: It's money. It's people. It's both.

Beyond Open-Book Management

For nearly forty years, we've been known as the "open-book people." For the record, the term open-book management (OBM) was coined by a reporter named John Case back in the 1980s. The name stuck. With SRC's approach to OBM and the GGOB's outreach to help others, Jack Stack, our CEO and founder, was dubbed the "Father of Open-Book Management" by *Inc. Magazine*. But if you ask Jack what he thinks of OBM, he'll tell you—it's not just about opening the books! Financial transparency is worthless without education, accountability, and reward. The only way to see your people AND your organization grow and transform is to teach employees how business works.

We've learned that the term "open-book management" can mean different things to different people.

When you mention the term "open-book" to business owners and CEOs, for instance, many of them will respond by saying, "Oh, yeah, we do that." For these companies, it might involve simply posting the annual report on the bulletin board or throwing up some numbers in a PowerPoint presentation.

For others, they might even share top-line sales figures on a monthly or quarterly basis. Others might make their financial statement available online for any employee to peruse. These companies are "open-book reporting;" essentially saying, "I'm going to share my numbers with you as long as it's too late to do anything about them." GGOB goes far beyond simply opening up the books. Sharing information

does not necessarily mean employees understand or realize how their daily actions and decisions affect financial performance, or the health of the company. GGOB is not a spectator sport. It's about understanding how the business works, the employee's role in it, and how they can take action. Would a sports team rather have fans who just know the score or players who can change the score?

Other times, you might get a look of cynical disbelief if you ask someone if they open their books. "My people don't need to know any of that," they might say with a dismissive shake of their head. "They just need to do their job, focus on their KPIs, and the financials will take care of themselves." But will they?

Yet another response might sound something like: "I just don't trust that my people will understand the numbers." These leaders feel like they need to protect their people from the numbers, as if opening the books was like that scene in Indiana Jones where they open up the ark and it melts everyone's eyeballs.

But if you're going to play the Great Game of Business, you need to trust that your people really do want to know what makes the business tick. Contrary to conventional thought, people are far more interested in how they can contribute, how they make a difference, and how they can tell if they are winning or losing. Business is basic math, and "ordinary" people can learn it.

There is real power to unleash when you empower your entire team—not just your accountants—to

understand how the company makes money and generates cash. And it's just as critical to establish a line-of-sight that helps connect how the actions and decisions each person makes on a daily basis impact those numbers.

Patty McCord, the author of *Powerful: Building a Culture of Freedom and Responsibility*, was a key confidant of Netflix founder Reed Hastings and the head of HR during its rise. In her book, she credits reading *The Great Game of Business* by Jack Stack and Bo Burlingham for inspiring Netflix to adopt transparency and education when it came to the company's financials and its strategic goals.

"I fell in love with being a businessperson, and I didn't want to be a happy-face HR den mother anymore. I also fell in love with explaining very clearly and fully to everyone in the company why we were making the decisions we were, how they could best participate in achieving our goals, and what the obstacles would be."

McCord says that the first thing every new agent learned when they joined the company was how to read the company's P&L—which might seem like a radical policy until you consider how the goal was to get every agent to understand how their interactions with customers directly impacted the company's bottom line.

We must educate our people about the business they are in, empower them to use that knowledge to improve the business, and engage them by giving them a stake in the outcome.

Still Radical After All These Years

As stated earlier, forty years ago, teaching people business was heretical. Twenty years ago, it was still radical. Today, even though thousands of organizations and millions of employees worldwide practice the Great Game of Business, they are statistically invisible. It's a big world out there. But with changing times, are we reaching a tipping point? With a Next-Gen workforce, transparency and access to data are becoming more commonplace and expected. Capitalism itself is being questioned in its traditional forms. An ongoing war for talent means organizations must go beyond traditional benefits to truly attract, engage, and retain the best people. Leaders have no choice but to become the employer of choice. Let's face it: In today's ever-challenging business environment, we can't do it alone. The answer to real, lasting business performance is a higher level of business know-how and engagement at all levels of the company. We need everyone's head *and* heart in the game.

Here's a question: Why is it that we still run businesses the same way we did in the 1800s? Why is command and control our default style of leadership? Even the military has evolved in the face of enemies like Al-Qaeda and ISIS. With a decentralized enemy, elite forces learned that they needed to train teams on the mission and allow them to improvise in the field.

After years of studying the best management practices on the planet, Gary Hamel, author of *The Future of Management*, noticed that while technology has exploded in the past one hundred years, management

techniques have not really evolved that much. Looking at the most enlightened and innovative businesses in the past few decades, people like Google, WL Gore, and Whole Foods, he makes this observation: "Turns out you don't need a lot of top-down discipline when four conditions are met:

1. Front-line employees are responsible for results.
2. Team members have access to real-time performance data.
3. They have decision authority over the key variables that influence performance outcomes.
4. There's a tight coupling between results, compensation, and recognition."

Sounds like an excerpt from the GGOB playbook, right?

Hamel published that in 2007, twenty-four years after Jack Stack and SRC were first lauded in the press for these very concepts.

Why Another Book on GGOB?

First of all, the 1992 book *The Great Game of Business* was never meant to be a "how-to." It was the story of SRC and how they turned around a dying division of International Harvester by teaching everyone in the company how the business worked. It documented the idea, not the process.

Secondly, in the nearly four decades we've been practicing the Great Game, we've learned as much from the GGOB Community as we've taught. And it's not only open-book, it's open-source. As an open-source management practice, companies large and small have applied the immutable principles of the Game to their unique businesses, adding their own special style. Some are household names like Southwest Airlines, Whole Foods, and Netflix. Others have innovated and blazed trails through the years. While these pioneers didn't always share the same language or use the same techniques, they did operate according to the timeless principles of the Game. They discovered firsthand that when you harness the collective wisdom of your people, great things can, and do, happen. It's the practitioners and the community, not just SRC, who make sure that it's a process that is constantly evolving, advancing, and improving. Unlike any other business practice, GGOB has been equal parts revolution and evolution.

How to Use This Book

This book was designed with a focus on implementation. The how-to. The cookbook. The step-by-step approach we use every day to implement and sustain the Great Game of Business inside organizations all over the world and in every industry. We designed this book to teach you the principles and practices of the operating system to "get you in the Game" quickly, take you on a deeper dive to make it stick, and, finally, to start you on the journey of High

Involvement Planning that will help you transform not only your business, but your people. It's money. It's people. It's both.

After this introduction, you'll see four distinct sections:

1. Principles and Practices of the Great Game of Business
2. QuickStart: The 90 Day Challenge
3. The Steps of Implementation
4. High Involvement Planning

Along the way, you'll find the proven, time-tested tools, case studies, and techniques to successfully implement the Game in your company or organization. In addition to the book, our resource site (www.greatgame.com) is incredibly robust and always evolving. Our experienced coaches live and work around the world, ready to help with the challenges you'll face. And never forget that you are now a part of something no other business operating system has quite figured out. The GGOB Community is all around you. Our practitioners actively host regional workshops to showcase their people and their businesses. We have yet to meet a practitioner who would not take a call, answer a question, or invite you to a huddle. All you have to do is ask, and our team will connect you with someone like you who can give some friendly advice or lend a hand. And now that you're a part of the Community, you have a responsibility to engage your people, be wildly successful, and share your experience with the rest of us. We want to hear your story!

Principles and Practices
of the Game

> *"How can you win a game when you don't know what game you're playing?"*
>
> *From The Great Game of Business by Jack Stack and Bo Burlingham*

What's in a name?

The name we use for our system, The Great Game of Business (also known as the Great Game, the Game, or GGOB), has caused a lot of head scratching over the years, especially by people who think that it trivializes business by equating it with a game. Busi-

ness is serious, they say, where people's lives, let alone life savings, are at stake. It's a fair point. We used the word 'game' for our system in the first book because we wanted to find a way to make business approachable and less intimidating to our associates working on the shop floor or in the office. We wanted to break down the walls and hype that make business an elite sport for the select few that keeps everyone else in the dark and out of the money. We want people to understand business doesn't need to work that way. There is no reason you couldn't have a company where everyone could play and share in the rewards. Then business would truly be "Great."

The aim is not to trivialize business, but to demystify it. Business is a game, after all. It's not an art or a science. It's a competitive undertaking with rules, ways of keeping score, elements of luck and talent, winners and losers. It can be as exciting, as challenging, as interesting, and as fun as any game—provided, that is, you understand the rules and are given a chance to play. The difference is that in business, the stakes are higher—much higher.

How do you teach people the business and make it understandable, interesting, meaningful, and maybe even a little fun? That's the challenge—and that's where the Game comes in.

What if we could approach our day-to-day business activities with the same state of preparation, the same level of knowledge, the same enthusiasm, and most importantly, the same desire to win as we do with any competitive endeavor we pursue?

The Principles and Practices of the Great Game of Business

To successfully implement a business system like the Great Game of Business, you should first know what it is and why it's important. You must understand its principles and how they interact. Then you can apply the practices that bring the Game to life.

Business is intimidating to the average person. When Jack Stack sought financing to buy SRC back in 1983, he discovered that bankers and venture capitalists had a completely different scorecard than he did. He measured quality, on-time delivery, safety, and warranty rate. They measured debt-to-equity, days-to-cash, and liquidity ratios. He was there to save jobs. They were there to collect interest payments. With every rejection, Stack realized there were two different games going on, and if SRC was to survive, they'd have to learn the game of business.

But when you ask great technicians to learn a new skill like business, they say, "Nope! I didn't sign up to be an accountant! Now just give me the tools, and get the hell out of my way." (This is universal. We've seen the same effect with software engineers, doctors and pilots.) Jack had to find a way to demystify business. To make it accessible. So, he used the analogy of a game.

Recognizing the universal human need to win, he took the same elements that business and games share: a common goal, rules, a scoreboard, and a reward for winning.

To visualize this, picture three circles interconnected by a common goal, called the "Critical Number." As in any game, if a team shares a common goal, and it is the one thing that must be accomplished in the game, they are much more likely to achieve it. (Higher Law of Business #2: *It's easy to stop one guy, but it's pretty hard to stop one hundred.*)
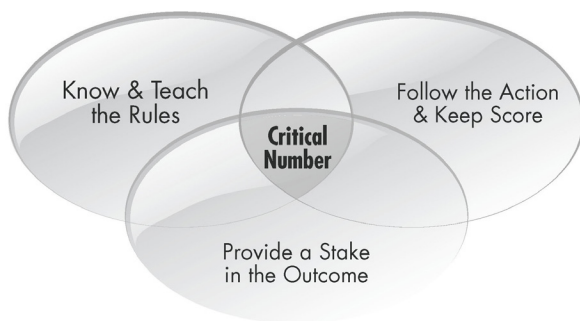
Once the goal is established, the entire team needs to understand both the goal and the rules of how to get there. Then we need to track our progress toward the goal, making adjustments as the game unfolds. After all, if we aren't keeping score, it's just practice. And finally, if we win, we need to know what's in it for us. The ultimate human question: "Why should I be excited about this?"

We believe that every employee…

- should be given the measures of business success and taught to understand them. (*Know*

and Teach the Rules)

- should be expected and enabled to act on their knowledge to improve performance. (*Follow the Action and Keep Score*)
- should have a direct stake in the company's success and risk of failure. (*Provide a Stake in the Outcome*)

Those are the three principles of the Great Game of Business. Each principle consists of proven, time-tested practices that, if applied consistently and with discipline, bring astounding engagement and results. While the Community has been improving, evolving, and adding to the overall GGOB process, these are the non-negotiable prerequisites for success.

Through the years, we've seen great innovation and creativity in how practitioners have applied them. The most successful practitioners have adhered to these proven, core tenets of the Game.

Let's look at each of the key practices.

Know and Teach the Rules
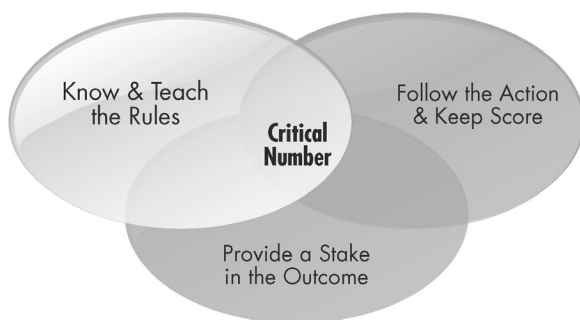
Financial Transparency and Education

The financials are often the only report card in the company that shows the collective contribution of each and every department and individual in the company. So why not use them to bring people together?

If the strategy is to create a "Business of Business-people," it follows that employees must learn the language of business—the financials. Nothing can duplicate the informal, practical learning that comes with keeping score and following the real numbers day in and day out. But there is definitely a place for formal financial transparency and training—if it is done right.

High Involvement Planning

When the Game is created with broad participation—specifically the people who are closest to the action and who understand the realities—it creates a level of commitment and alignment that just can't be matched. High Involvement Planning helps com-

panies transform their planning process from an annual, time consuming ritual to a highly informative, educational journey that involves everybody at every level of the company in understanding the big picture and the importance of looking forward into the marketplace.

The Critical Number

Focusing on the Critical Number is an essential step to getting everybody focused and accountable for results. The Critical Number defines winning. It rallies people around a common goal and a focus on what's most important and critical to the company's success. When the Critical Number is correctly identified, targeted, and tied to a reward, the rules of the Game have been set. The Critical Number becomes the focus of the Game. Once your people know what's critical to success, they must then understand what they can do to drive that success. Identifying the right drivers helps everybody begin to understand what they can do, both individually and as a team, to influence the Critical Number and bottom-line financial results.

Follow the Action and Keep Score

Know & Teach
the Rules

**Critical
Number**

Follow the Action
& Keep Score

Provide a Stake
in the Outcome
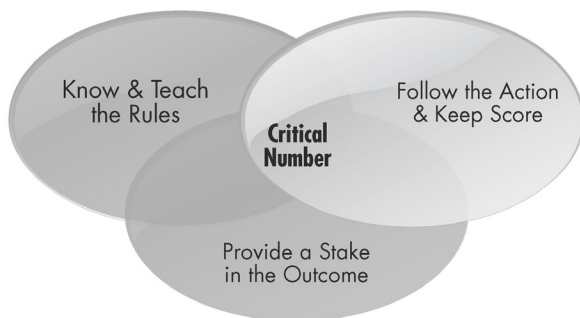
Keep Score

Winners are fanatics about keeping score. They understand that if you're not keeping score, it's just practice. The primary objective of keeping score is to simply and consistently inform the players if they are winning or losing, and who is accountable.

Follow the Action

Following the action through a series of huddles provides a rhythm of communication where everybody is kept informed, involved, and engaged in moving the company forward.

Forward Forecasting

You can't change history. Forward forecasting is the fundamental way in which Great Game companies communicate the numbers and create forward-looking, educational, and results-focused huddles.

Provide a Stake in the Outcome
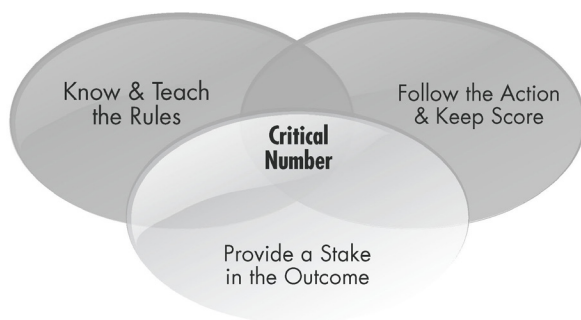
Rewards and Recognition

All who directly participate in strengthening the company likely do so because they have some form of a stake in the outcome. They come to work to win because they know their work will result in significant reward, recognition, and ownership in the outcome.

MiniGames

MiniGames are short-term, intensely focused continuous-improvement campaigns designed to effect a change, correct a weakness, or pursue an opportunity within the company. MiniGames are played in work groups or departments to help drive the Critical Number. There is a team goal, a scoreboard, and a reward for winning. It's the Great Game of Business in microcosm.

Ownership

Not all who play the Great Game of Business can or will share equity. Those who do share equity understand that employee ownership doesn't guarantee success. But experience and research have shown that employee-owners have a different attitude about their company, their job, and their responsibilities that increases the likelihood that their company will be successful. For more information on employee ownership, contact the National Center for Employee Ownership at www.nceo.org.

The 10 Steps of Implementation

1 — BEGIN WITH THE RIGHT LEADERSHIP

SHARE THE WHY BEFORE THE HOW — **2**

3 — OPEN THE BOOKS AND TEACH THE NUMBERS

FOCUS ON THE CRITICAL NUMBER — **4**

5 — ACT ON THE RIGHT DRIVERS

CREATE AN EARLY WIN WITH MINIGAMES — **6**

7 — PROVIDE A STAKE IN THE OUTCOME

KEEP SCORE — **8**

9 — FOLLOW THE ACTION-HUDDLES AND FORWARD FORECASTING

SUSTAIN WITH HIGH-INVOLVEMENT PLANNING — **10**

QuickStart:
The 90 Day Challenge

You are going to love this chapter. It answers one of the most common questions we get: "What can I do Monday morning?"

For decades, companies and organizations worldwide, and from every industry, have followed this quick, simple, methodical approach to getting started. An "onramp" to the Game. And it works. In a matter of weeks you will be set up, and over the next ninety days, you are likely to see financial results and cultural change that will surprise and delight you. And it's a safe onramp. In other words, for those who aren't fully sure if the Great Game of Business is right for you, this 90-Day QuickStart allows you to try the

principles in microcosm, in a department or work group, and get a "feel" for it. This is a method that can give you the quick, early wins you need to create the momentum, buy-in and experience you need for full implementation.

For practitioners of the Game, this 90 Day Quick-Start might be considered a kick start, jump start or re-start. A way to revive the energy they once had, and to re-engage their teams and get people back in the Game.

Either way, implementing the Game requires change. This QuickStart addresses many of the skills, behaviors, and toolsets you need to begin your journey of implementing the Game. The QuickStart will:

1. Create the awareness of the *need* for change.
2. Foster the desire to *participate* in the change.
3. Introduce the knowledge, skills, and tools to *make* the change.
4. Provide the reinforcement needed to *sustain* the change.

Your first step is to understand that it is indeed a journey, not a destination. You'll have to continue teaching and learning for as long as you are in business. The key is to start and never stop.

So let's get started. Within ninety days, you'll be able to make a financial and cultural impact on your organization. There are three sections to this Quick-Start process:

1. How to Open the Books
2. How to Create Line-of-Sight
3. How To Create an Early Win

We'll begin with something really simple, but rarely discussed: How hard it really is to make money. To do that, you'll have to open the books and educate people on the real numbers.

How to Open the Books

When Chris Sullivan and three friends decided to open a new restaurant in their hometown of Tampa, Florida, in March 1988, they wanted to do things differently.

He wanted to create a business that would give him and its employees the flexibility to enjoy the beaches and golf courses in Tampa. He wanted to experiment with innovative ideas, like only opening for dinner and by pruning down the menu to just fifteen items or so from the fifty or sixty items a traditional restaurant might offer. He also wanted to offer premier customer service by having servers to cater to just eight or ten customers instead of twenty, like they would in most other eating establishments.

But Sullivan had been in the industry for a long time. He had worked in enough restaurants to know that they suffer from a catastrophically high failure rate, mostly because their profit margin was so low. It's really hard to make money in the food business.

He wondered how he could change that in his restaurant. He tried to answer that question by holding a meeting with all of the newly-hired employees of the restaurant, which they were calling Outback Steakhouse. Everyone from the managers to the servers and cooks gathered together to talk about the kind of business Chris envisioned.

He started the conversation with a question to the group: How much money does a typical restaurant make on every dollar of sales? That led to a lively back-and-forth, where a whole range of numbers was thrown around. Finally Sullivan revealed the answer: the typical restaurant made just three cents for every one dollar it brought in.

As he said this, there was a loud laugh from the back of the room. It was one of the new cooks who said: "Chris, you do all of this crap for just three cents on the dollar?"

Sullivan smiled. He explained that he didn't want to make three cents; he wanted to make more—much more. He was convinced that the industry was leaving a lot on the table. But he needed everyone's help to get there. In return, he would open up the real numbers about what their business was making and share the extra profits with the employees.

What happened next? Nobody ran away. Nobody quit or complained. Rather, Sullivan's employees stepped up to help. They changed their behavior when it came to watching waste and expenses. They offered exceptional customer service. They owned it

and began to make money. Outback's profit margin topped 20 percent, which was shared with employees through a self-funding bonus plan.

Those profits also helped the business grow—fast. Eventually Outback Steakhouse expanded to become a premier restaurant with locations nationwide.

Have you been protecting people from the reality of your business, whether it's good or bad? The truth is, most companies aren't making nearly as much as their employees already think they do. And when people don't have facts, they rely on their imagination—or someone else's.

Imagine what people assume about you based upon the car you drive or the neighborhood in which you live. It's amazing what kinds of stories we're capable of dreaming up about the massive wealth the owners of a business are pulling in. Let's focus on one tried-and-true method: Teach your people just how hard it is to make money.

Perception versus Reality

Walmart makes just three cents on every dollar of sales. SRC, the parent company of the Great Game of Business, makes five cents during a really good year of remanufacturing. In fact, the median bottom line among companies in two hundred twelve industries across the U.S. is just 6.5 cents on the dollar.

But how much does the average employee think their company makes? The answer: thirty-six cents. (see Fig. 1)

Profit: Public Opinion vs Actual

Fig. 1

How about that for a gap between perception and reality? That is a six times gap in awareness between what companies really make and what their employees think they make.

What kind of decisions are they making under the assumption that you're making six times the profit you really are? If open-book is scary to you, "closed book" should be downright terrifying.

The reason this knowledge gap exists is because people are coming to work every day without any information. And so they fill the vacuum with rumor, misinformation, and the most outlandish story they can think of.

The good news is you can stop the rumors and change the narrative by opening your books and teaching your people how much money your business really makes…and how hard it truly is.

The Dollar Exercise

Now your people know that business is a game of pennies. Grab a flip chart and sketch out a simplified income statement for your business. (see Fig. 2) Begin by writing out your main "buckets" of revenue. It could be by customer, division, or product line. Next, cost of goods (COGS). Then, explain how *Revenue* minus *COGS* equals *Gross Profit* (when expressed as a percentage, *Gross Margin*). We love asking the question, "So, are we done spending money yet?" The answer is always "No!" People know that there are expenses: salaries, rent, sales and marketing, etc.

At the end, we take *Gross Profit* minus *Expenses* and we get *Net*. Net profit, operating income, PBT, EBITDA…what do you consider bottom line? Whatever it is, that is what you should teach your people. This is where you start to teach the language of business—the financials.

Draw a one-dollar bill on the left. This represents one dollar of hard-earned revenue. Ask who knows how much we keep, bottom line, out of every dollar.
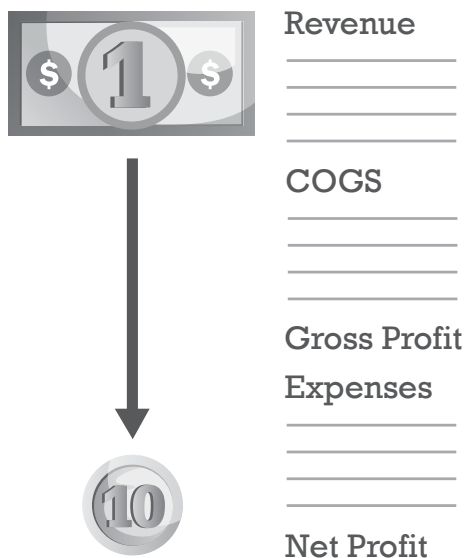
Fig. 2

Keep in mind that your people will guess from zero to seventy-five cents on the dollar! Let's say your organization makes ten cents on the bottom line. When you first expose people to the facts, remember the reaction Chris Sullivan got. "Why do you get up in the morning?!" could be a response you get from people.

Now you have a perfect opportunity to bring the marketplace to your people. Talk about what other companies like yours are doing. Some are *losing* money. Others may be making more than you. Do your homework, and find out what your competition and industry peers are doing. If you have no idea, go and try to borrow an outrageous sum of money like we did at SRC. Your banker will share what low, mid, and high performers in your industry are doing!

If people know the facts, and how they stack up against the competition, the average person will respond to your appeal to move the needle, even if only for a few pennies on the dollar. They'll ask, "I had no idea…what can I do to help?"

For the sake of argument, let's ask a simple question: "Would you like to make more money by the end of this year?" We have yet to meet anyone who has answered, "No." So, if a Critical Number of net profit is okay with you, let's proceed.

With a Critical Number of 10 percent net profit, ask how many dollars we have to sell to get a dollar on the bottom line. Then wait—perhaps for an uncomfortably long time. Your people need to do the math. Eventually, they will calculate that we have to sell ten dollars in revenue just to make a dollar in net profit.

Coach's Tip: To calculate your own revenue number, take one divided by your bottom line profit number—e.g., if you make a nickel in profit, 1/.05=$20. In other words, you must sell $20 in revenue to make that dollar of net profit.

So, it's clear that to make more money, whoever is responsible for sales better get off their butts and sell! We need a ton of revenue around here! Unfortunately, you'll only engage a small percentage of your team (sales), and they're constantly being pushed to sell more anyway. So how do you engage everyone else,

including "cost centers" like HR, accounting, marketing, and other departments?

Here's where the magic comes in. We're trying to make people business literate, and financially literate. We're trying to build a business of business people, right? What a fantastic opportunity to connect people and give them "line-of-sight" between what they do each day and the profitability of the business.

Draw a dollar on the right side (see Fig. 3) of the simple income statement. This represents a dollar in COGS or expenses. If we don't spend this dollar, does it become a dime on the bottom line? Nope. If we didn't spend it, it's still a dollar…and it drops directly to the bottom line. And in this example, that means every dollar we save in COGS or expenses is worth ten dollars in revenue. Wow.
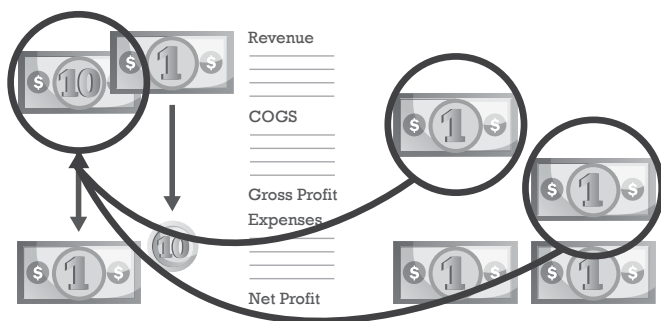

Fig. 3

When you tackle this exercise, you've taken your first step toward creating a line-of-sight for anyone in your organization to see that they can make a dramatic impact. You've introduced them to your financial statements. You've also changed their perceptions about how hard it can be for a business to make money while appealing to them to help make a difference.

In time, you'll only feed their appetite to know more.

Hang on to this flip chart. It'll be the foundation for the rest of your QuickStart.

How to Create Line-of-Sight

Kerbey Lane Café in Austin, Texas is renowned for making awesome pancakes and killer queso. Opening the books made a big impact on a young Next Gen associate team leader with plenty of ink on his arms and metal in his ears. He discovered that his location lost one hundred fifty spoons every week. He knew because he counted them. Every. Single. Spoon.

He took ownership of line items like bread, dairy, and smallwares. He discovered that there was no "par" or standard for things like plates and silverware. So he set standards, kept inventory, and learned. What really stuck out to him were spoons. He learned that the spoons they were losing only cost five dollars a dozen, so it wouldn't seem like a big deal to the average employee. But not to Matt. He understood that every dollar spent made an impact. He calculated that six hundred spoons a month is fifty dozen a year,

or about three thousand dollars. But they have seven restaurants in Austin; that's an unnecessary cost of twenty-one thousand dollars a year!

So, he figured out a process he could teach the other restaurants to save this waste. There was even a theme of "No Spoon Left Behind." He understood, as did the other stores, that seemingly small things had an impact far beyond the savings. At a profitability of ten cents, the Kerbey Lane Café team would have to sell two hundred ten thousand dollars in pancakes in order to offset just the spoons! Other teams focused on things like bacon, sodas, and paper products, having a revenue "off-set" impact of over one million dollars in the first year.

How's that for the power of creating a line-of-sight between what people do every day and the bottom line?

Opening the books and teaching people the numbers is not as scary as it seems. And it usually results in unexpected improvements in a very short time. So, how many "spoons" do you have in your organization?

Coach's Tip: The Great Game of Business is not just about cutting costs; it's not about 'lean.' It's about pursuing opportunities, new customers, markets, or products/services. The combination is the answer to longevity and building a great company for the long term. This we will hit hard later in High Involvement Planning. It's about understanding business and striving to make a difference. But in the first ninety

days, perhaps even your first year, it is a powerful place to start.

Everyone in the organization can affect the Critical Number. In our previous example, our Critical Number is bottom line profitability. Not only is everyone connected, but every dollar of cost has a tenfold impact. In our example (see Fig. 3), we see that every dollar saved "feels" like ten dollars in sales!

Once people know what is critical to success they must then understand what they can do to drive that success. Identifying the "right drivers" will help everyone begin to understand what they can do, both individually and as a team, to influence the Critical Number. The right drivers provide our people line-of-sight and how they can make a difference.

To inspire your team on potential drivers, let's zoom in again on the simplified income statement. In Figure 4, every line item has an impact, and every line item "owner" should help identify how we can improve something about that line. Use this tool with your teams to start identifying line item ownership and their direct tie to the financial statements. Ask your people to list all the ways they could influence your Critical Number, or profitability. Capture their ideas on this tool. Have everyone pick a line item or two that they touch every day. Something they can influence. If someone is stuck, use the "Inspiration" column to get them going. Ask them to take a few minutes and identify at least three things

they feel would make the biggest impact in the next ninety days.

Show them their line-of-sight to the Critical Number. Is it a revenue opportunity? Is it a cost of goods opportunity? Is it an expense opportunity? Ask them what each of these improvements might be worth. When you add them all up, you and your team will be blown away by the potential.

Next, use the 80/20 rule to select the top 20 percent—the things that will make the biggest bang for the buck **in the next ninety days**. These will become opportunities to create early wins with MiniGames.

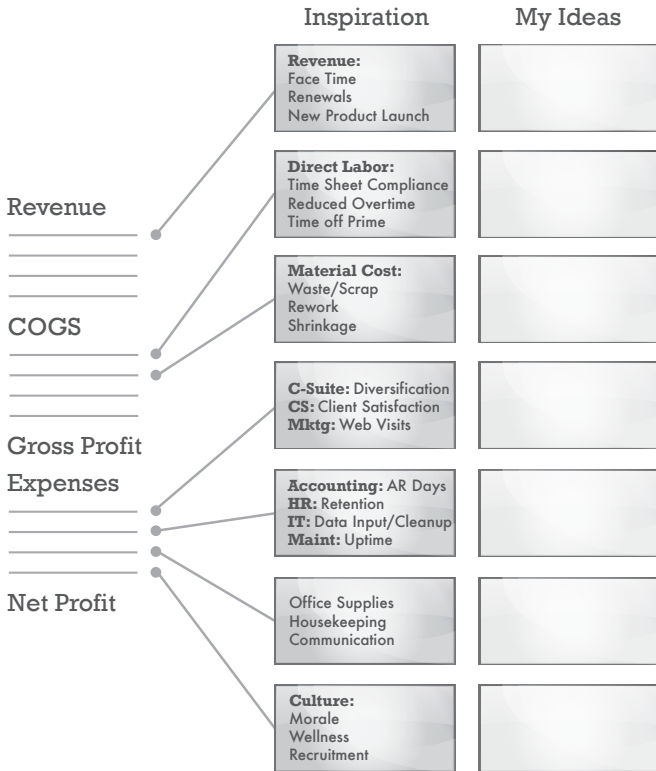|	Inspiration	My Ideas
	Revenue: Face Time Renewals New Product Launch	
Revenue	**Direct Labor:** Time Sheet Compliance Reduced Overtime Time off Prime	
COGS	**Material Cost:** Waste/Scrap Rework Shrinkage	
Gross Profit	**C-Suite:** Diversification **CS:** Client Satisfaction **Mktg:** Web Visits	
Expenses	**Accounting:** AR Days **HR:** Retention **IT:** Data Input/Cleanup **Maint:** Uptime	
Net Profit	Office Supplies Housekeeping Communication	
	Culture: Morale Wellness Recruitment	

Fig. 4

The point of this exercise is to begin to show each and every employee how and where they fit in the big financial picture of the business and most importantly how they can immediately make an impact. That's creating line-of-sight.

Now it's time to create an "early win."

Your people now have a clear line-of-sight to what they can do to make a difference. Let's equip them

and empower them to use that new-found knowledge to improve the business.

Everybody should focus on the goal of the big Game—the Critical Number, in our example, "Net Profit." But the only way we can achieve the goal of the big Game is by acting on the every-day activities and behaviors (like the drivers you identified above) that influence the Critical Number. How do you start making things happen immediately? By giving people a chance to win early and win often. With MiniGames, we believe that small wins add up to big wins.

How to Create an Early Win

Rolf Glass is a manufacturer of decorative glass located in Mount Pleasant, Pennsylvania. Their skilled team of operators employs a variety of processes to create their designs, such as sandblast etching, diamond wheel engraving, and glass polishing.

When the operators at Rolf reviewed their work at their company-wide, all-hands huddle, they learned that their machines were operating at just 88 percent efficiency—which meant they were losing 12 percent of their potential profits due to a lack of productivity. If they could boost their efficiency, they could drive their Critical Number of profitability and add up to one hundred forty-four thousand dollars in profits to their bottom line for the year.

In other words, the team identified that increasing machine operator efficiency was an important driver

to improved productivity and their Critical Number of profitability. As the team discussed that missed opportunity, they focused on their key constraint: When the machine operators didn't load or unload their machine efficiently, productivity suffered.

In many companies, the solution would be to simply tell the operator they were underperforming and order them to become more efficient. While that might create a short-term gain, it rarely results in lasting change.

But at Rolf, they knew of a better and far more effective way to improve; they created a MiniGame. The beauty of MiniGames is that they require teamwork to win and help bridge the gap between management and employees. Along the way, MiniGames provide incentives for employees to change processes, systems, and behaviors to get results—while having fun at the same time.

Management got the operators involved in creating the MiniGame. The team discussed what a reasonable improvement goal would be and agreed upon a target of operating at 95 percent efficiency for a period of nine weeks. They chose a fun golfing theme for their MiniGame that would be reflected in their scoreboard as well as their rewards. They called it "Efficiency Par Fore the Course". (See Fig. 5)

They created a scoreboard that looked like a nine-hole golf course, with a golf ball as their game piece. It was simple and fun to look at, making it easy to see at a glance how the team was progressing. Each week the team played the game, the golf ball would move

to the next hole on the course. After four weeks, the team would end up at the clubhouse—where they could earn partial rewards and recognition for progress they had made up to that point.
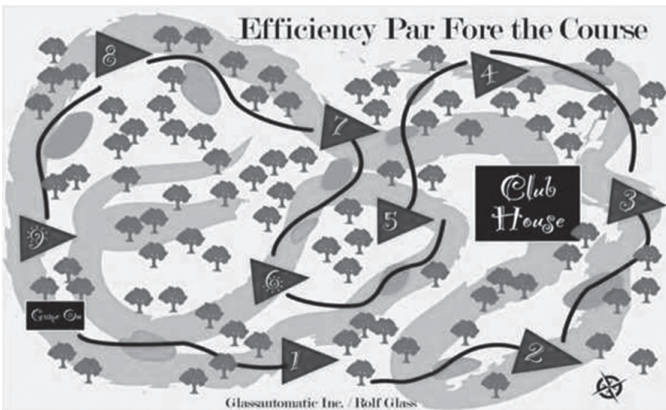
Fig. 5

If the team had reached its partial goal at the end of the fourth week, the company would host a cookout at the end of the month. If the team maintained its efficiency goal after nine weeks, they would enjoy a picnic held at a local amusement park.

This MiniGame included goals for both the team and for individuals. If an operator ran their machine at 100 percent efficiency three times in a single week—something they called a "benchmark birdie"—they would earn a gift card to use at the amusement park.

Also, for every week that the team achieved its goal of operating at 95 percent efficiency—some-

thing they called a "hole-in-one"—operators would become eligible for prizes that would be drawn at the picnic held at the end of the month.

The "course" on the scoreboard also contained sand traps and water hazards. Any time the team's efficiency slipped—or quality or rework issues cropped up—the game piece would slide into a hazard. That would then trigger additional team huddles and coaching from supervisors to help get the team back on course.

Every Monday, the team gathered in a series of huddles to update the status of their progress, as well as discuss strategies and best practices to win the game. When they began, the team was worried that the individual operator weekly "birdie" goals of 100 percent might be too difficult. But they not only proved to be achievable, they also provided benchmarks and inspiration for the other operators as they shared these best practices across the entire team. Overall, the team exceeded its efficiency goal for the first month—which meant they got to celebrate that accomplishment with a cookout. By the end of the ninth week, they nailed their goal—achieving an efficiency of 98.5 percent—and earned their celebratory picnic and the chance to earn one of nine raffle prizes given out at the amusement park.

While management was concerned that the efficiency gains would only be temporary—operators would just go back to their old routines after the MiniGame ended—the opposite happened. Efficiency remained steady at more than 98 percent over

the next few months. Not to mention, the team now knew that they were capable of operating at a level they thought unachievable before.

The efficiency increase not only generated an additional twenty-eight thousand five hundred dollars in profits for the business in just nine weeks, it also helped improve the company's culture. None of this could have been accomplished without the improved teamwork from all involved or the commitment to help one another and find ways to do things differently and better. That's the real, lasting payoff from playing MiniGames.

Four Reasons to Play MiniGames

MiniGames are a relatively simple practice that can create powerful engagement and bottom-line results. MiniGames are like small-incentive plans targeted at day-to-day improvements that add up to year-end success. They're played to affect a change, reinforce business education, build teamwork, and create a culture of winning—all of which lead to success for the company and for the players.

Affect a Change

The primary reason for playing a MiniGame is to strengthen the business by driving results through improved performance. MiniGames help companies boost work group, departmental, and corporate performance by focusing on an operational or

financial number that represents a weakness or an opportunity. MiniGame teams are challenged to find solutions to current problems and take advantage of current opportunities—whatever it takes to get to the goal! The best MiniGames affect a change in a system, process, or behavior that will stick long after the MiniGame is over.

Reinforce Business Education

MiniGames are one of the most effective tools used to "build a business of business people." MiniGames provide the opportunity for employees to practically apply the business education they receive and to learn even more as they play. Since many (or most) employees are unfamiliar with reading and acting on financial information, MiniGames focused on non-financial drivers or measures are the key to teaching managers and employees how to connect their work to the financial outcomes of the company. MiniGames also reinforce key principles and practices of the Game. Employees learn to set goals, keep score, run effective huddles, forward forecast, and hold each other accountable, experiencing the Game in microcosm.

Build Teamwork

MiniGames provide the people on a team (work group, department) with a shared common goal. While individual contribution is valued, individuals must unite as a team in order to reach the goal.

MiniGame rewards are based on the success of the team. The shared reward gives each player a vested interest in helping his/her team achieve its goal. MiniGames underscore the concept that we're all in this together. It's the number we are competing against, not each other. Through MiniGames, employees learn that a united team is vital to success at every level of the company.

As a short-term version of the Great Game, MiniGames also reinforce key components of team success—goal setting, mutual responsibility, and performance management—by teaching players to track, measure, and report team activity, by showing them how they can contribute to team success and by rewarding them when they do.

Create a Culture of Winning

Face it: Most people don't wake up feeling like winners. Life is hard. Maybe, just maybe, we could create a winning environment at work, where people are recognized and results are rewarded. MiniGames instill the desire to win and, if used often, can help you create a culture of winning. The more MiniGames are played, the more opportunities employees have to win. The employees win the more they want to win and the more they believe in their ability to win. Why not make winning a habit?

MiniGame Design Steps

Thoughtful design and proper preparation will help you avoid common pitfalls and create a winning

MiniGame with your team. There are ten proven steps to designing a successful and effective MiniGame.

1. Select the Objective
2. Set the Improvement Goal
3. Estimate the Benefit
4. Identify the Players
5. Determine the Time Frame
6. Create a Theme
7. Build a Scoreboard and Establish a Huddle Rhythm
8. Decide on the Rewards and Determine an Award Schedule
9. Play the Game
10. Celebrate the Win

Coach's Tip: As you get started, consider implementing more than one MiniGame, and keep them at the work group level. You'll have more focus, and more opportunities for early success and deeper learning.

Select the Objective

What do we want to achieve? Put it into words. While drivers that directly influence the Critical Number are often your best choice for effective MiniGames, other problems or opportunities for improvement can also provide rewarding drivers. Are there organic issues and challenges that are frustrating your team every day? In the line-of-sight section, we explored numerous potential opportunities that

your people identified. In the Rolf Glass story, the team discovered that operator efficiency was a key driver to their Critical Number of profitability. Their objective became improving productivity through machine operator efficiency. For Kerby Lane, it was spoons, sodas and bacon.

You will have multiple key drivers to your Critical Number. Now you need to pick one! Remember, *people support what they help create,* so don't do it in a vacuum. (Remember Higher Law #8)

Set the Improvement Goal

How will we measure success? Put a number on it. Once the objective has been selected, an improvement goal must be set. An objective without measurement is just fantasy, and GGOB is founded firmly in reality.

Make sure that the goal is achievable. People won't play a game if they don't think they can win. First, determine your "as is" state of performance. The team's past performance and industry benchmarks can also serve as baselines. Whatever the baseline is, get the team involved in setting the improvement goal. Ask the team, "What's possible? What do you think we can actually pull off?" They're the ones who must believe that it's reasonable and achievable if you want to see them really get engaged.

You'll remember that Rolf Glass knew their past performance of 88 percent left money on the table that could be going to the company (and their bonus

pool!). Management and the operators decided as a team that they would shoot for 95 percent efficiency, with a stretch goal of 100 percent. So, from 88 percent efficiency to 95 percent efficiency in nine weeks.

"X to Y by When" is goal-setting 101. In other words, determine where you are, where you're going, and when you plan to get there.

Here's another important point. In the following examples, which is better?

"We're going to reduce waste by 50 percent" or "We're going to reduce waste from four thousand dollars a month to two thousand dollars in ninety days."

You guessed it. The latter puts waste into terms everyone can understand. People get paid in dollars, not percentages. Mind you, we still want to teach people percentages—so why not do both? It's important to note that this example—waste—brings to mind a manufacturing issue. But waste affects all businesses; just change "waste" to "inefficiency" or "rework," or another term. There is one universal truth in business: We all have the same problems.

Coach's Tip: If current performance is not being accurately and reliably measured, you could design a "learning" MiniGame to get a baseline in the first thirty days, improve it, and maintain that performance for the next sixty to ninety days.

Don't forget to think narrow versus broad. Don't go too big too soon. Be careful to not make the game too big. For example, should you focus on a 25 percent reduction in rework or the root cause of the rework? Focusing on the activity or behavior creates lasting change and will be far more effective and impactful in the long run.

Estimate the Benefit

If you really want to build a business of business people, teach them business at every turn. Once they establish the objective and the "X to Y by When" improvement goal, ask them to estimate the benefit to the business, both in financial and cultural results. Involving the team in estimating the benefit is a great way of sorting out the games that we should do today, and those not worth playing. It's a vetting process and a business education opportunity. What's the biggest bang for the buck? We can explore ideas together about how to make the biggest impact, as opposed to a manager just saying "No."

In our example of reducing waste, you'd be right in guessing that the benefit would be two thousand dollars per month in savings. But the actual result is much more impactful. It's two thousand dollars per month, so that's six thousand in savings during the MiniGame, which in our earlier example of 10 cent profitability is worth sixty thousand dollars in sales! Wow! Now it feels like my department is making an impact! In this example, the company enjoys that savings all year—twenty-four thousand dollars in

profit, the equivalent of two hundred forty thousand dollars in sales.

For Rolf Glass, the team calculated that there was twenty-eight thousand five hundred dollars in additional profits if they maintained 95 percent operator efficiency in 9 weeks—a potential annual improvement of over one hundred fifty thousand dollars! If the change they made included a process, system, or behavior change we can now expect that to continue long after the MiniGame is complete. We call this the MiniGame Effect.

For Rolf, they had an early concern that when the MiniGame was completed their efficiency would backslide without continued focus. What they underestimated were the changes in behaviors and the new ways their operators developed to improve their efficiency. So, in the next few months, their efficiency ran 98.2 percent and 98.4 percent respectively, well above their original goal. That's the MiniGame Effect. (See Fig. 7)
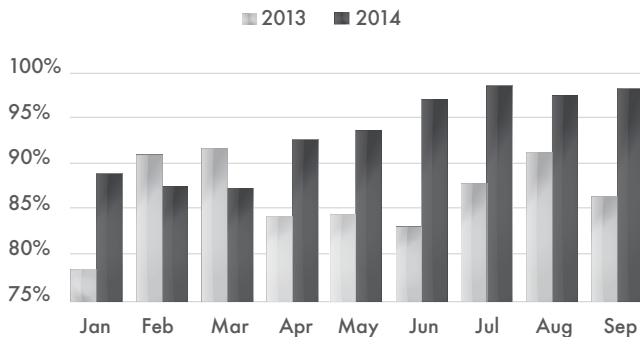
Rolf Glass Efficiency
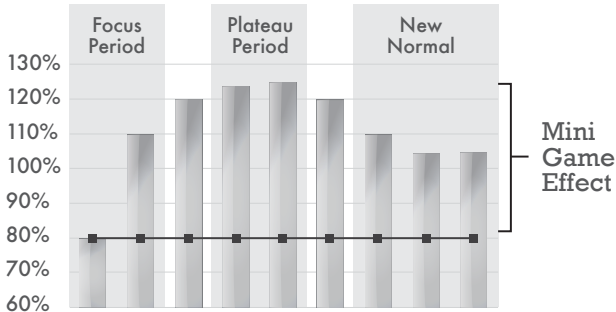
Fig. 6

The MiniGame Effect

Fig. 7

New Process + New Behaviors = Lasting Change

Identify the Players

Here's an easy one: Who can move the number? Who can impact the objective?

A MiniGame is most often played by a natural team—a work group, department, functional group, or geographic unit. If an individual has the ability to directly impact the MiniGame goal—if they have line-of-sight—they're on the team.

At some point, you'll likely want to have multiple MiniGames going on at once. The rule of thumb is focus. Have lots of MiniGames going, but try not to have one person in more than one at a time.

For Rolf, it was clear that the machine operators were the natural team, supported by supervisors and management.

Determine the Time Frame

You've heard that it takes time to change a habit. Twenty-one days, sixty-six-days... Which of the gurus are right? Some behavioral scientists tell us that it takes at least six weeks to change behavior.

What's the right duration to really make your MiniGame work best?

Keep it simple. Just make sure it's long enough to change a behavior and short enough to keep people interested. You want your team to win early and win often. In nearly forty years of practice in thousands of companies, we have found six weeks to ninety days to be the range (ninety days being most popular). Sure, yours could be a month or four. Just ask the question: "What does this Game require?"

> *Coach's Tip: If the goal may take longer than ninety days to achieve, consider creating two "back-to-back" games, e.g., Level 1 and Level 2 MiniGames to keep people interested and engaged. Change up the theme, scoreboard, or rewards. Rolf Glass had the opportunity to take their "Nine Holes in Nine Weeks" theme to a Level 2 MiniGame, playing the "Back Nine" with enhanced rewards.*

Create a Theme

In the first steps, we're defining the objective and establishing the goal. Now, we're bringing it to life! One of the most engaging elements of MiniGames

is the theme. Sometimes the goal itself will inspire a theme. Could be the strategy they are using to get there or perhaps the prize the team is pulling for. Maybe even the time of year. One of the best sources of inspiration can be pop culture—memes, music, movies. What's happening in the world?

Whatever the theme, ask these questions:

- Is it inspiring, engaging and fun?
- Whose theme is it? (Remember, people support what they help create!)
- Is it memorable?
- Does the theme carry through the scoreboard and rewards?

Rolf's team chose a golf theme, which tied beautifully into the group's interests, the scoreboard, and the rewards (minigolf at the amusement park).

Build a Scoreboard and Establish a Huddle Rhythm

An engaging theme usually inspires the greatest scoreboards, and an effective scoreboard is one that is simple and easy to understand. While MiniGame scoreboards must track the numbers associated with the game, avoid scoreboards that are so detailed that they overwhelm players with too much information. Sure, have a spreadsheet to track, measure, and report, but MiniGame scoreboards should communicate if we are winning or losing in three seconds or less.

Consider Rolf's simple golf course scoreboard with its traveling golf ball game piece. Hole-in-ones and birdies represented performance beyond the 95 percent standard the team had set. Sand traps and water hazards represented drops in efficiency, flagging the need for help. Winning or losing was immediately evident and highly visible to everyone.
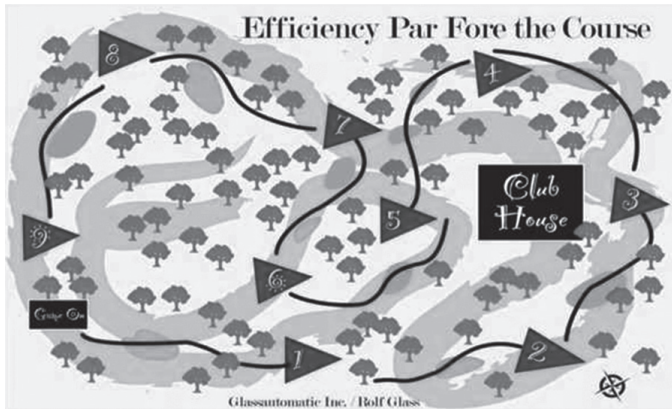
Fig. 5

The best MiniGame scoreboards are frequently viewed and updated. In order to keep players focused on the results of their performance, a MiniGame scoreboard should be updated daily, or perhaps even by shift, if applicable. Posting the scoreboard in an area where it can be easily viewed keeps the players motivated and informed about what it takes to win.

Coach's Tip: Look, you don't care what the scoreboard looks like or whether it has pipe cleaners, glitter, or construction paper. You care if your team is learning

something, if they feel like they can make a difference, and if they feel like they're a part of something. If your scoreboard educates, empowers, and engages your team, you'll see financial results and cultural change. Remember the "Ugly Baby Syndrome:" Nobody loves an ugly baby like its mama. If your people build it, they'll care for it. People support what they help create.

As your MiniGame progresses, regular communication through the scoreboard and huddles are vital to success. The team needs to see a direct tie between their actions and the score of the MiniGame (that's line-of-sight). Seeing the numbers on the scoreboard change as a result of their performance establishes that tie. Rolf's weekly huddle gave individuals a constant connection to how the entire production team was performing. Ad hoc huddles were held when folks found themselves in a sand trap or water hazard. Halfway through the MiniGame, they took time to recognize the players and celebrate their progress with a cookout.

Your huddle timing will depend on your MiniGame. For longer time frames, weekly huddles are appropriate. For shorter games, brief, daily stand-up huddles will keep the energy focused.

Create an atmosphere in your MiniGame huddles where learning is emphasized and questions are encouraged but where gripes and complaints are not. Huddling around a MiniGame scoreboard gives

the team an opportunity to review the status of the MiniGame, to brainstorm ideas for continued improvement, and to get fired up.

Decide On the Rewards and Determine an Award Schedule

Rolf Glass scored significant improvements in efficiency and captured tens of thousands in savings. The rewards were cookouts and amusement parks. Why didn't anyone demand a piece of the pie? A cut of the profits? Ask anybody what they want as a reward, and what do you think they'll say?

Gimme cash. Every time, guaranteed.

But think twice about cash. While cash is understood by everyone and easy to administer, it is not a memorable reward. It has no trophy value. Cash is often used to pay bills and is then quickly forgotten. Cash also tends to become an "expected" reward and therefore does little to motivate any change in behavior…and quickly becomes an entitlement. With MiniGame rewards, **don't set this precedent**. Remember that this is a QuickStart. When you fully implement the Great Game, employees will understand that any financial gains created from MiniGame wins will fund their annual bonus plan. A bonus plan that will be worth significantly more than short term MiniGame rewards.

The folks at Rolf did a great job reinforcing the team's stake in the outcome by awarding modest priz-

es and recognition for the wins of their MiniGame. Larger rewards were earned from a bonus plan based on overall company success. But there's more. They aligned the efforts of their team to larger goals of the organization that provide a sustainable place to work with job security and career opportunities.

The first step in choosing rewards for a MiniGame is pretty simple: **Ask them what they want**. People support what they help create. Based on the effort it will take to achieve the goal and the estimated benefit, what would be reasonable? In our experience, people will generally ask for far less than you think they will. And if they don't, it's a great coaching opportunity. If you're teaching people business and they understand how hard it is to make money, it's an adult conversation.

So, if it's not cash, what do we do? Focus the team on fun, memorable, motivating rewards. To truly motivate, you must provide a reward that the players genuinely value to inspire performance. Sometimes bragging rights alone will inspire performance. It's amazing what people will compete for! A memorable prize is one that anchors the memory of the accomplishment. It may be something tangible, something to hold on to, a reminder of the achievement and the fact that others recognized it, a real "trophy."

Alternatives to cash could include:

- Meals
- Time off
- Movie tickets
- iTunes gift cards
- Lottery tickets
- Trophies
- Maid services
- Company logo prizes
- Group activities
- Management serves winners
- Prize wheel or website
- Travel vouchers
- Spa services
- Tickets to sporting event

Coach's Tip: These days, gift cards are popular, yet are still cash equivalent. If you do find yourself giving gift cards, require each team member to share with the group what they bought!

Next, you'll want to set an award schedule. Here's what a ninety-day MiniGame reward system might look like: If your people themed their MiniGame around their favorite sports team, the thirty-day reward could be a team ball cap. The sixty-day reward could be a jersey emblazoned with their beloved theme. And the ninety-day reward could be a group celebration at the local AAA park on the club level. Something they may never do on their own and will never forget.

A simple way to think about progressive rewards is by breaking it down into small, medium, and large rewards. You may tie them in to performance levels such as "reasonable," "achievable," or "stretch." If it's food, think of them as hot dog, hamburger, or steak levels. These progressive reward levels allow you to engineer early wins and create momentum. It also allows you to reward incremental improvements so you can avoid "all or nothing" goals.

These simple guidelines will help you and your team plan out your entire MiniGame reward system.

Set an Award Schedule

30	60	90
S	M	L
Reasonable	Achievable	Stretch
Hot Dog	Hamburger	Steak

Fig. 8

Your MiniGame may not fall conveniently into a thirty, sixty, or ninety day schedule. The first reward at Rolf was an entry into a prize drawing, and the second reward was a cookout scheduled at four weeks. The group celebration at the amusement park

was at the nine-week mark. Whatever your schedule, involve your team in the planning of the goal, scoreboard, theme, and rewards.

How much do you share with the team? Relax. This is way better than you think. For easy math, let's say your MiniGame is forecast to provide everyone on the team one hundred dollars in rewards. How would you split that up between a small, a medium, and a large prize? One permutation would be: Small = $10; Medium = $20; Large = $70.

Now you have a budget for the first thirty days of your MiniGame, the second thirty days and the final thirty days, culminating in the largest reward.

Play the Game

It's important to roll out a MiniGame with enthusiasm. Someone must take ownership of keeping the spirit alive, preferably a member of the team playing the MiniGame. Again, people support what they help create. Keep the scoreboard updated, keep up the huddles, celebrate every small win along the way. Play the game with enthusiasm. A well-promoted MiniGame is a successful one.

Celebrate the Win

You would be surprised to learn how often people forget to celebrate the win and recognize the players. Well-designed MiniGames have celebrations built into the reward system. It may be one that gener-

ates good feelings that can be remembered weeks, months, or even years after the goal was achieved and the reward received. The opportunity to celebrate with teammates is an example of the "feel good" factor. Give the team a chance to revel in its accomplishment. When handled correctly, the good feelings created can far surpass the monetary value of the prize.

Just don't get "too busy" to stop and reflect on what the team has accomplished and to pay out the rewards. You'll find it's the best way to maintain motivation and momentum.

At Rolf Glass, the rewards and the recognition were tied to a company picnic celebration at a local amusement park. At Rolf's outing, they raffled off nine prizes, each commemorating weekly successes they experienced during the MiniGame. They literally tied rewards directly to the behaviors that earned the rewards.

MiniGame Checklist

A well-designed MiniGame will satisfy this checklist:

- Establishes line-of-sight
- Everyone has a chance to win
- Rules are clear and simple
- Easily measured and scored with a simple scoreboard
- Frequent scoring for constant reinforcement
- Competition against a problem or opportunity, not each other
- Scoring rewards positive outcomes,

not competition
- Limited duration, or early first round winners
- Rewards encourage participation, not competition
- Prizes reward performance, not motivate performance
- Goal is meaningful to the team's overall performance
- Scorekeeper settles disputes
- Incorporates business training to aid understanding
- Promotes long-term change
- Doesn't cause problems for other work groups or departments

What's Next

We're hesitant to offer this QuickStart.

Really hesitant.

It's because we've seen first-hand what can happen when people don't fully implement the Game. Be careful. Don't get "stuck" there, happy with a quasi-engaged team, decent results, and a better return on your business than you had before. There's something much, much bigger for you out there. We guarantee that if you follow this QuickStart, you'll see remarkable improvements.

This excerpt gives you the chance to try it out, to see how your people respond to new knowledge and

new opportunities, and to see how YOU respond to a new paradigm...all in less than ninety days.

Will it be sustainable? That's a whole other question.

If you are truly committed to transforming your business and your people through the Great Game of Business and Open-Book Management, you will need to learn and leverage the full power of the entire system.

This excerpt is intended to "get you in the Game," and to get your team engaged so you can experience the rapid financial results and lasting cultural change the Great Game of Business can provide. Use it intentionally and passionately… and don't stop.

Resources & Events

Free 30 Minute Coaching

On Demand

There is no quicker, more effective way to implement The Great Game of Business than with the help of a practitioner: someone who's lived it. Our coaches have the experience to get you and your team up-to-speed as quickly as possible, potentially launching your Game in as little as 90 days.

But what if you're not sure open-book management is the right fit for your company? Or perhaps you are concerned about transparency... or time... or cost... or any number of things that have kept you from pursuing the Great Game of Business in the past.

With our complimentary 30-minute coaching session, you'll get a taste of the tools, information and growth strategies a Great Game of Business Coach can provide, as well as answers to your OBM questions and feedback on what The Game can do for you.

greatgame.com/coaching-call

The Conference on Open-Book Management

Dallas, TX | Three Day Event

For 27 Years, the Annual Gathering of Games, presented by The Great Game of Business, is the only conference where the open-book management community comes together from around the world to learn, share, and celebrate the principles and practices of The Great Game of Business and open-book management. Hundreds of open-book practitioners attend this conference every year to learn innovative best practices, help introduce new employees to OBM, re-energize current employees with new ideas, and connect with other practitioners.

greatgame.com/events

The Great Game Experience

Various Locations in the U.S. and Canada | One Day Event

The Great Game Experience Workshop was designed to pack as much Great Game and open-book training into one 8-hour day as possible.

The Great Game Experience is hosted regionally at top Great Game of Business practitioner locations. The Great Game has hand selected the top players of open-book management to help us host these trainings and show-case how open-book has helped them take their businesses to the next level.

Participants will get a complete overview of what

The Great Game of Business is all about. The idea of this training is to teach attendees how open-book management works and how they can use the principles and practices to build rapid financial results and lasting cultural change in their organizations.

greatgame.com/events

Get in The Game Workshop

Springfield, MO | Two Day Event

The Get in The Game Workshop was developed to give participants an in-depth view of open-book management and how they can effectively play The Game in their organizations. Hosted at The Great Game offices in Springfield, MO, the birthplace and 'living lab' of open-book management, this training guides participants through two days of impactful training sessions that include a detailed look at Great Game's approach to implementation..

Event Highlights:

- Visit the birthplace of open-book management
- Deep-dive into the best practices of the GGOB
- The "GGOB Approach to Implementation"
- Offsite dinner with SRC executives
- Watch an SRC company Huddle
- Employee Q&A sessions
- Option for a free 1-hour coaching session

Participants will leave with valuable tools and

practical planning tips that will benefit them during their open-book management journey. The Get in The Game Workshop is designed to teach participants how they can implement and successfully sustain The Great Game of Business in their organization.

greatgame.com/events

High Involvement Planning Summit

Springfield, MO | Two Day Event

The High Involvement Planning Workshop (HIP) is a master's level training for experienced practitioners ready to transform planning from an annual, time-consuming ritual to an exciting, ongoing journey in which their entire organization is engaged in discovering the answers to growth and success.

This workshop is designed to equip you and your team with tools, practices and know-how to implement and sustain a high-involvement planning process that consistently involves, informs and educates your entire organization on the realities of the marketplace and the strategic goals of the company.

A strong HIP process takes planning out of the boardroom and gives it to the people who must make it happen.

By design, we have limited attendance to this workshop to ensure that attendees receive the personal attention you need from our coaches and facilitators. This is a hands-on, highly interactive work-

shop where you can learn, share and discuss the unique challenge and rewards of running an open-book workplace.

Event Highlights:

- Create planning processes that consistently involve, inform and educate the entire organization on the realities of the marketplace.
- Define your company's Critical Numbers™ and build your plan to rally around those numbers, linking your strategy to day-to-day actions.
- Develop a "Plan B" –a crucial contingency practice for on-going growth and success.
- Learn to bring financial plans to life with the power of "forward forecasting".
- Understand how to build companywide buy-in and commitment to the plan.
- Learn to conduct plan reviews that encourage participation and challenge assumptions.
- Prepare to get everyone involved in creating a zero-based, bottom-up financial plan.

greatgame.com/events

The Higher Laws of Business

The Higher Laws of Business were introduced in the 1992 book *The Great Game of Business* by Jack Stack and Bo Burlingham. They explain how and why we teach employees to think and act like owners. You won't find them taught in Harvard University's MBA Program or the World Dictionary of Business Idioms. Rather, these common-sense laws exist in the minds and souls of people who are street smart and have real-life experience in the world of business. Mention any of these laws and they'll likely grin and say, "By getting people to think at the highest level, you make it possible for them to perform up to the peak of their abilities."

Higher Law #1

You get what you give.

Employees have to understand that they have a direct role to play in creating the kind of company they want. Creating such a company is their responsibility. You spend a good portion of your waking hours at work, so why not make it more than just "screwing parts together" and punching the clock?

Higher Law #2

It's easy to stop one guy, but it's pretty hard to stop one hundred.

Successful businesses have employees who depend on one another and keep their promises and commitments to and with each other. The more engaged employees are in the business, the better the outcomes. If they are focused on a common goal and armed with the knowledge to act, and have the freedom to go after it and fire in the belly, they are unstoppable. They almost always exceed expectations.

Higher Law #3

What goes around comes around.

Lying and dishonesty have no place in business, nor does taking advantage of people, or bosses who act like S.O.B's. You only gain credibility by telling the truth. Business doesn't work unless employees believe you and one another. Be the kind of person for

whom you want to work for and with. Let someone else keep karma busy.

Higher Law #4

You do what you gotta do.

You drop everything else. You focus night and day on that one thing. When your back is up against the wall, you figure out how to move the wall back. You do whatever it takes because people's livelihoods are on the line. Take the hill! You gotta take the hill.

Higher Law #5

You gotta wanna.

People only get beyond work when their motivation is coming from inside. Whatever goal you are trying to accomplish, if you don't want it inside of you, it ain't gonna happen. We call it "fire in the belly." When you're a winner nobody has to tell you. You feel it inside. You know it.

Higher Law #6

You can sometimes fool the fans, but you can never fool the players.

Sometimes management forgets that workers usually know more about the products or services than they do. Rather than guess or make up answers, why not ask for help? It builds trust and credibility and

shows their opinions are valued. Besides, employees quickly figure out if you're blowing smoke, which never benefits you, them, or the company.

Higher Law #7

When you raise the bottom, the top rises.

If you teach employees how their actions impact the financial numbers, they'll figure out how to improve them. Why? Because nobody wants to be on the bottom of the pile. People want to win. They want to know they're the best at what they do, not just in the company, but in the marketplace against the competition. When workers think this way, they are becoming business people.

Higher Law #8

When people set their own targets, they usually hit them.

Our employees set their own labor and material standards, sales forecasts, and other benchmarks based on their experience and knowledge. They own those numbers for the entire year and must answer for deviations of plus or minus 5 percent from the standard. They don't give targets they can't hit. It is about keeping your word and doing what you told everyone in the company you would do.

Higher Law #9

If nobody pays attention, people stop caring.

People have to see the effects of what they do, or they won't care. It doesn't matter if the effects are good or bad. If people go to work every day and nobody acknowledges whether they are doing a good, bad, or indifferent job, they assume no one cares. Soon they stop caring too.

Higher Law #10

As they say in Missouri: Shit rolls downhill. By which we mean change begins at the top.

Responsibility for the future rests squarely on the shoulders of people who run businesses. We're the only ones left with the credibility and clout to affect real change. We have to eliminate the blame game and teach people to take responsibility, and become self-reliant and accountable. This won't happen unless business steps up. Since we're paying for it anyway, why not lead the charge?

The Ultimate Higher Law

When you appeal to the highest level of thinking, you get the highest level of performance.

The Great Game of Business creates an environment in which you can appeal to people's best instincts, in which you ask them to rise above the day-to-day frustrations and use all of their intelligence, ingenuity, and resourcefulness to help one another reach common goals. Ironically, it is also when employees are happiest and most productive.

THE WHAT

The Great Game of Business started a business revolution by introducing the world to open-book management, a new way of running a business that creates unprecedented profit and employee engagement.

THE WHY

Change the Game is an inspiration, brimming with case studies of enlightened capitalism and transformed lives, proving that business is truly the catalyst for lasting change in the world. This powerful book explores the impact of business and a financially literate population in every sector.

THE HOW

Get in the Game is a practical guide to create rapid financial results and cultural change. It outlines the 10 Steps of Implementation with case studies from real practitioners, with all the tools, tips, and hacks that our Coaches use to implement the Game.

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