

Is your Budget the best kept secret in the company?

Whether it is the new year, or you are half way through it, is your budget the best kept secret in the company? Before we answer, let's define the word "budget". On the surface budgets are rather sterile, lacking emotion or a sense of urgency among most of your employees. When in fact it means **everything** to the corporation. Hundreds of hours in the construction by senior staff, numerous revisions, then promises made to corporate, the bank, shareholders, other senior members on the team. It is, or should be, **the testimony** as to where you are going this year. The document outlining plans and objectives, and the game plan that unites the organization in a common goal. However, in most cases, the budget IS the organization's best kept secret. 80 to 90% of your employees don't know anything about it, would not understand it if you showed it to them, and get their base \$30,000 to \$100,000 a year in compensation whether you achieve it or not. Much like a football team where only 2 of the 11 players on the field know or care where the end zone is. A self-imposed organizational disconnect with a **significant price** tag attached.

We **are not** advocating sharing the entire budget document with all employees. However, we do strongly advocate identifying the key, fundamental performance "drivers" of the budget, and educating your entire team to their importance... more on that later.

You must to engage your employees, at all levels, in pursuing and achieving an aggressive, realistic goal. THAT is a leadership issue. Creating an environment where employees are led and motivated to specific business outcomes is a process and a discipline that shapes the culture of an organization. Are employees showing up for work and simply exchanging time for money, doing only what they have to do? Or are they aware, engaged, and aggressively driving towards this month's business goals AND sharing in the success of winning? Both hourly and salaried? The difference in culture, organizational dynamics and business results is real, measurable, and significant. We must LEAD people to where we want them to go. And this requires being VERY INTENTIONAL in creating an atmosphere, strategy and methodology to accomplish this. It does not happen by osmosis.

If you have read a few of our *Briefs*, you know we subscribe to a four-part mantra... *Define, Measure, Pursue and Reward Organizational Performance*. Reward exceeding the budget in this case... beating the key drivers. Nothing more, nothing less. From the top of the organization to the bottom. Clarity and focus. One team, one goal, this month, every month.