FIVE OBSESSIONS OF ELITE ORGANIZATIONS

ADVANCE PRAISE

"This book blew me away. Everyone has heard of EOS® and many have used it. If you're ready to go beyond EOS and move up to the next level, read this book… and then get Michael's team involved to help, but only if you're really serious about exponential growth."

—CAMERON HEROLD, Founder of COO Alliance,
author of *Vivid Vision* and *The Second in Command*,
former COO of 1-800-GOT-JUNK?

"I can truly say that the investment we have made with Next Level Growth has been the single most important investment I have ever made in the history of my firm."

—MICHAEL BRADLEY, Founder of Bradley Wealth

"We've worked with Next Level Growth for almost six years and have grown 7x during that time. The investment in the journey is well worth the benefit you will receive if you are ready to take your business to the next level!"

—GRAHAM JOHNSON, CEO of Denova Collaborative Health

"As the CEO, I'm trying to make sure that every dollar we spend is a good investment. Working with Next Level Growth is a no-brainer for us. Every time we meet with our Business Guide, it is money well spent, time well spent, and we're a better company because of it."

—RYAN WOODWARD, CEO of National Technical Institute

"Next Level Growth helped us grow a 100-year-old organization by 91% in our first few years together. Thanks to their guidance, we are a stronger, healthier

leadership team that shares the same inspiring purpose and values. I highly recommend a conversation with the Next Level Growth team."

—TIM HEIS, CEO of Goodwill Industries of Dallas

"Our journey with Next Level Growth has been nothing short of extraordinary. Since partnering with them in 2018, our company, Embark Behavioral Health—one of the country's leading youth mental health providers—has been able to scale the number of families we have served by 5x in just five years. I wholeheartedly recommend Next Level Growth to any organization seeking to build a tighter leadership team, increase accountability and clarity, unlock their full potential, and achieve extraordinary results."

—ALEX STAVROS, Former CEO of Embark Behavioral Health

"Love the entire team at Next Level Growth! I've worked with a lot of coaches and systems for entrepreneurial organizations, and Next Level Growth is exactly that: Next Level. Their organization, thoughtfulness, customization, and partnership are invaluable to any growth-oriented company. Whether you're a low- or high-functioning team, your company will definitely see the ROI when working with this group."

—ALEX TAYLOR, Partner and COO of 34th Floor Hospitality

"We've experienced a tremendous amount of professional and personal growth through working with the team at Next Level Growth, and our business is so much better now than it ever has been. Personally, the biggest benefit to me as the CEO of Sensei has been to be able to focus on my passions and enable others to do the same with clear ownership and expectations for every role. The entire team and Next Level Growth is awesome, and they enjoy having fun in the process."

—KENNETH STEINESS, CEO of Sensei Project Solutions

FIVE OBSESSIONS OF ELITE ORGANIZATIONS

Take Your Business and
Your Life to the Next Level

MICHAEL ERATH



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This book is dedicated to my wife, Elizabeth,
for encouraging me to transition to a new career path as
a Business Guide in 2015 and her unwavering support
along the way. It is also dedicated to our incredible team of
Partners and Business Guides at Next Level Growth for
all we do to sharpen each other as we continue
to learn, grow, and evolve together.

"The only thing standing between you and what you want, is you and what you are not willing to do."

—Larry Winget

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Chapter 3

OBSESSION #1: GREAT PEOPLE

"Great vision without great people is irrelevant."

—JIM COLLINS

Lauren Bailey, co-founder and CEO of Upward Projects, the hospitality group behind the restaurant brands Postino, Windsor, Churn, Federal Pizza, and Joyride, was frustrated. It was the summer of 2017, and we were at The Henry, a popular meeting spot among entrepreneurs in Scottsdale, Arizona. The company that she had started with Craig DeMarco just eight years earlier had already grown to a total of twelve locations, with seven of those being its flagship concept, Postino.

In a nutshell, Upward Projects was in the final stages of securing a private equity deal, which they eventually closed in November of that year. The stakes were high, and growth was expected. Upward Projects would need to further accelerate its growth trajectory at a time when the organization was already beginning to grow at a faster pace than its leadership team could keep up with. This is a very common challenge that high-growth companies face. The first stage of growth

is built with a team of people who are there from the start. They are the doers, the grinders. They are the ones who pulled the all-nighters to help the founder succeed in the early stages and get the company off the ground. In many cases, the growth of the company eventually reaches a point where the experience and skill sets that were needed in the early days are no longer sufficient for the future pace of growth and scale. This is where many organizations get stuck. We tend to see this happen most often somewhere between fifty to one hundred million in revenue, but it can happen at many different stages along a company's growth curve.

Lauren was at exactly this place with Upward Projects. Her leadership team had lots of experience and tenure with the company and had done an outstanding job of growing the organization to its current scale. Postino was clearly the growth engine, and Lauren knew that with the right people and the right focus, it had the potential to become a nationally recognized brand. At the same time, as with most entrepreneurs, there were so many doubts and so many questions.

As we started our work together in November of 2017, we began to clarify Lauren's vision for the organization. We started with what we call "The Summit." If you think of growing a business like climbing a mountain, you need to start by getting clear on what mountain you're climbing and what the summit of that mountain will look like. As the conversation goes between Alice and the Cheshire Cat in *Alice in Wonderland*, if you don't know where you're going, any road will take you there.

With her team's help, Lauren and the Upward Projects leadership team defined their Summit as: "*By the end of 2025, we will be a nationally recognized brand with 35 Postino locations.*" We added some qualitative language around what that would look like and what it would mean to be "*nationally recognized,*" and the vision of the Summit, while very far in the distance, began to provide some clarity and direction.

One thing that became clear to Lauren was that while some of the people around the table in those early meetings had done an outstanding job of helping her grow the business to those first seven Postino locations and were culturally great fits, it was going to take a different team of people, with different skills, to go from seven locations to thirty-five. She realized that growing the business five times its current size in just eight years would require people with vastly different experiences and perspectives.

Over the course of the next few years, Lauren remained very focused not only on her vision but also on making sure she found the right "who" for each key executive seat to help her through every stage of growth that was coming. This is an area where many entrepreneurs get trapped. They have so much love and loyalty for the people who helped them through the first phases of growth that they hang on too long when the needs of their business are growing at a faster pace than their people can grow, and as a result, the business stalls. It is what Jocko Willink and Leif Babin describe in their book, *The Dichotomy of Leadership*, as the "Ultimate Dichotomy."

> There are limitless dichotomies in leadership, and a leader must carefully balance these opposite forces. But none are as difficult as this: to care deeply for each individual member of the team while at the same time accepting the risks necessary to accomplish a mission… If leaders develop overly close relationships with their people, they may not be willing to [hold those people accountable] to do what is necessary to accomplish a [goal]. They may not have the wherewithal to [move on from] individuals with whom they have relationships, even if it is the right move for the good of the [organization].[9]

9 Jocko Willink and Leif Babin, *The Dichotomy of Leadership* (St. Martin's Press, 2018), 15.

As you read that, is there someone on your team right now who comes to mind? Someone who you know, in your gut, is not the right person for the seat they are in, but about whom you have been putting off the decision because of loyalty, history, or simply because the thought of having the conversation feels overwhelming? If so, how long has that been going on? And what is it costing you, your team, and the organization every day that you let it continue?

Another thing that happens, and often ends badly, is that the very reason the entrepreneur hangs on to those people too long, the love and loyalty, begins to fade. As the organization stalls, the entrepreneur's frustration rises. The team members who are not keeping up with the growth of the business also grow frustrated as they feel the pressure of knowing they are not performing. As everyone's frustrations build, the pressure inside the team and the organization is also building, and eventually, the team chemistry will suffer, which will lead to further erosion of performance. That will accelerate the breakdown in team chemistry, and a downward spiral will begin to take over.

While it may seem counterintuitive, it can actually be kind to help a team member transition out of an organization when the organization's velocity is growing at a faster rate than their ability to keep up. At Next Level Growth, we strongly believe that everyone deserves an opportunity to be coached up and that every leader in an organization has to be focused on their role as a coach. However, when people cannot be coached up fast enough to keep up with the organization's needs, or when they simply lack the aptitude to level up as needed to meet new demands of their role, they need to be gracefully coached into another role or coached out. If someone was a great operations leader from one to ten locations but not able to level up to meet the demands of the organization at twenty to thirty locations, they would be much more successful and likely much happier either moving into a regional director role or going to work

for another organization with one or two locations that is trying to get to ten.

In Lauren's case, her first new hire was to move from a controller on the executive team to a CFO. To level up her finance team, she brought in a CFO with experience at two different and larger hospitality companies who also had extensive experience with investor relations. Prior to that, she had a controller who was outstanding but did not yet have the level of experience and skills needed to be the CFO in the environment they were moving into. In this particular case, the controller transitioned off the leadership team, stayed with the organization, became a direct report to the new CFO, and has continued to grow and flourish as a key member of a powerful finance team. Since that time, she has worked her way up to senior corporate controller, and with everything she has learned under the mentorship of the CFO, I wouldn't be surprised to see her eventually becoming a CFO herself.

To bring in someone who had operational leadership experience at a larger scale and would be able to help the team become a nationally recognized brand, Lauren later brought in a rock star COO with over twenty years of executive operations experience at P. F. Chang's and Shake Shack. Again, by making a key investment in someone who has already been where she wanted to go, she was elevating the team exponentially.

When the vision for 2025 grew from thirty-five locations to fifty, Lauren knew she needed to upgrade her development team. Again, thinking big and being bold, she brought in a chief development officer who had previous experience with both Chipotle Mexican Grill and CAVA.

Of all the entrepreneurs I've worked with, Lauren is an extraordinary example of an entrepreneur who took big, bold steps to surround

herself with the people she would need based on where she wanted to go rather than focusing on where she was. And it paid off. As of the publishing of this book, Postino has grown from seven locations when we first started working together to more than forty locations, and it is on its way to fifty in the next two years. They reached their original Summit of thirty-five locations ahead of schedule, and with locations currently in Arizona, California, Colorado, Georgia, North Carolina, Tennessee, and Texas, they are well on their way to becoming a national brand.

YOUR A-PLAYERS ARE FREE

Your A-Players are free, and they come with interest-free financing. This is something I have been preaching to my clients for years.

Think about it. Every time you upgrade a position in your company from being filled by an underperformer to an A-Player, the marginal value of the A-Player far outweighs the marginal cost of the upgrade. At the same time, you likely pay your team members over twenty-four to twenty-six pay periods without interest, so while you are essentially financing the investment in the new A-Players, much of their value begins to come within the first few months of you bringing them on board. With that as context, let's dive into the first of the Five Obsessions of Elite Organizations, *Great People*.

WHAT IS AN A-PLAYER?

The definition of an A-Player will vary somewhat from one organization to another, but the way I like to define it follows a logic I learned twenty years ago when I studied *Topgrading* by Brad Smart. For the purposes of this book, I will be using the following definitions from *Topgrading*:

A-Player

- *Top 10 percent performers:* A-Players are the top 10 percent of talent available for a specific position, not just within your company but in the entire market.
- *High performers and high potentials:* These individuals consistently exceed expectations, demonstrate strong leadership, and contribute significantly to the organization's goals. They are also aligned with the company's culture and values.
- *Growth-oriented:* A-Players are highly motivated, proactive, and adaptable. They constantly seek ways to improve themselves and their teams.
- *Retention-focused:* These employees typically stay with organizations that challenge and support them, offering opportunities for further development.

B-Player

- *Adequate performers:* B-Players are solid, reliable employees who meet expectations but rarely exceed them. They usually make up a large portion of the workforce.
- *Steady but not exceptional:* While B-Players are competent and contribute positively to the organization, they do not drive the high-impact results that A-Players do.
- *Limited growth potential:* These employees are typically less ambitious about career advancement or lack the skills to progress significantly. They perform well in stable roles but may struggle in rapidly changing environments.
- *Culturally aligned but less driven:* B-Players generally fit the company culture but are less likely to push themselves or others toward innovation or change.

C-Player

- *Underperformers:* C-Players are employees who consistently underperform or fail to meet expectations. They may have the wrong skills for the role or lack the motivation to succeed.
- *Misaligned with company culture:* Often, C-Players struggle to fit into the company's culture or fail to contribute positively to team dynamics.
- *Negative impact:* These individuals can hinder team performance and morale, dragging down the organization by requiring disproportionate management attention and resources.
- *Not a long-term fit:* The goal is to either develop or replace C-Players, as they pose a risk to achieving the company's long-term goals.

A-Potential

A-Potential refers to individuals who may not currently be A-Players in their roles but demonstrate the characteristics and potential to become A-Players in the future. You can identify employees with A-Potential by looking among your B's and occasionally your C's for the following five traits:

1. High Capacity for Growth

- *Learning agility:* A-Potential individuals are quick learners, able to pick up new skills and adapt to changing circumstances. They show the ability to thrive in more complex or demanding roles over time.
- *Track record of improvement:* They demonstrate a history of continuous development and have progressively taken on more responsibilities or shown the ability to step up in critical situations.

2. Cultural Alignment

- *Values match:* These individuals strongly align with the company's values, mission, and culture, which is essential for long-term success in the organization.
- *Leadership qualities:* Even if they are not currently in leadership positions, A-Potential candidates often display leadership traits such as initiative, resilience, and emotional intelligence.

3. Drive and Motivation

- *Ambition and career aspirations:* A-Potential individuals are highly motivated to grow within the company and take on more significant roles. They seek out challenges and express a clear desire to achieve more.
- *Commitment to excellence:* They are driven to consistently improve their own performance, as well as the performance of their teams or departments, showing the work ethic and focus needed for A-Player status.

4. Adaptability

- *Change readiness:* A-Potential employees are flexible and adaptable to new opportunities or changes within the organization. They thrive in dynamic environments and can easily shift gears as needed.
- *Problem-solving mindset:* They show strong problem-solving capabilities and a proactive approach to tackling challenges, which indicates future success in more complex or strategic roles.

5. Future Leadership Material

- *Leadership development potential:* A-Potential individuals are seen as candidates for future leadership roles because of their ability to inspire others, take initiative, and make decisions that align with the company's long-term goals.
- *Capacity for strategic thinking:* While they may currently be involved in tactical or operational roles, these individuals demonstrate the ability to think strategically and are preparing to move into roles that require broader organizational insight.

Topgrading, and all of us at Next Level Growth, emphasizes the importance of identifying your A-Potential team members because these individuals, when nurtured and given the right opportunities, can develop into the company's future A-Players, filling critical leadership positions as the organization grows.

AN A-PLAYER CULTURE

Rudyard Kipling begins his famous poem "The Law of the Jungle" as follows:

> "Now this is the Law of the Jungle—as old and as true as the sky;
>
> And the Wolf that shall keep it may prosper, but the Wolf that shall break it must die.
>
> As the creeper that girdles the tree trunk, the Law runneth forward and back—
>
> For the strength of the Pack is the Wolf, and the strength of the Wolf is the Pack."[10]

10 Rudyard Kipling, "The Law of the Jungle," in *The Second Jungle Book*, 1894.

On your journey to building an elite organization, "…the strength of the Pack is the Wolf," means that you must commit to and remain disciplined about developing, recruiting, and retaining *Great People*. These are people who advocate for your values and culture, who have the skills and drive to consistently perform to a high standard, and who passionately embrace your cause as an organization. At the same time, "…and the strength of the Wolf is the Pack," means that you must prioritize the highest level team you are on as the most important team. Leaders cannot prioritize the teams they lead over the highest team in which they work, or they will end up lobbying for their constituents, like Congress, rather than for the good of the organization and its cause.

For example, at a leadership team level, where you might have your director of sales and director of operations both participating with this as their highest-level team, they must prioritize the leadership team over the needs of the departmental teams they lead. This is a concept Patrick Lencioni describes as *Team One*. There is a natural tendency for leaders to prioritize the teams they lead over the highest team on which they serve. They do this because they hired the people on their team, they work closely together, and they share the same skill sets and interests. While their intentions are usually good, it is actually very harmful to the organization because when those leaders come together to meet as a leadership team, they will naturally act like Congress and lobby for their constituents rather than the greater good of the organization. When they do this, they are not only working against what is best for the organization, but they also create silos within the organization as they set their team members up to feel more like they are battling with other departments than they are collaborating and working toward a common goal.

Note: To watch Patrick Lencioni describe Team One in greater detail, visit our YouTube channel at YouTube.com/@NextLevelGrowth and visit the "Client Favorites" playlist.

You must protect the health and cohesiveness of your team at all costs and above all else. That requires you to have an *A-Player System*.

THE A-PLAYER SYSTEM

Most organizations have several "potential" A-Players already inside the company. The problem is that they either have no consistent way to assess individual performance, or they have a system that is so complicated or requires so much time and energy from leaders and managers that it is simply not effective in driving an obsession around coaching, development, and filling the organization with *Great People*.

At Next Level Growth, we work with all of our clients to develop their own customized A-Player System. The A-Player System has a handful of key components, which include:

- Core Values
- Next Level Accountability Chart®
- Onboarding System (discussed in Chapter 5)
- Quarterly Calibrations (discussed in Chapter 6)
- Coaching Plans (discussed in Chapter 6)

CORE VALUES—THE FOUNDATION OF YOUR CULTURE

Many organizations have core values, and some of them have great core values. The concept of core values has become very common and, in

many cases, very cliché. In *Traction*, Gino Wickman does a great job of breaking down a simple process of discovery, rather than creation, to understand and begin to articulate your core values. This is a very similar process to the one we teach our clients at Next Level Growth.

Start with your leadership team and ask everyone to make a list of three people, ideally people already inside the organization but not on the leadership team, who, if you were going to restart the business from scratch, would be the top three people you would absolutely want to take with you to start over. Put all the names on a single list, ideally on a large whiteboard or a flip chart.

Next, looking at the list of names, ask everyone to make a second list of the most common characteristics, qualities, and traits of those people that are the reasons they are on the list. Once everyone has made their list, transfer all of their answers to the board. What you will start to see is that among the list of traits, just a handful of themes emerge. Once all of this is on the board, use different colored markers and go through the traits together, color-coding them based on the common themes.

Once you have the list of traits color-coded, rewrite them in groups based on color. Once we've done this, we like to draw a box around each grouping. From there, you can have a discussion about the word or phrase that captures the essence of what is in the box. Sometimes, it is one of the words or phrases from the exercise, and other times, seeing all the words and phrases together brings something even better to mind.

Here is an example of all the words and phrases grouped together from doing this exercise with one of our clients:

Can-Do Attitude	Selfless	Easy to Communicate with	Eager to Learn & Grow
Does What It Takes	Trustworthy	Never Complains	Seeks to Improve
Self-Starter	Honesty	Composed under Stress	Always Learning
Perseverance	Integrity	Helpful	Coachable
	Dependable	Good Attitude	Good Attitude
	Good Work Ethic	Caring	
		Team Player	

Figure 3.1

From those four boxes, the "discovered" core values this organization came up with were: *Driven*, *Dependable*, *Team Players*, and *Passion for Growth*. We asked our client to put them in a "voice" that felt inclusive and collaborative, and we also encouraged them to include verbs in each short statement as these are really about actions that they wanted to see in people's behaviors to be able to know that they would be the right fit for their culture. In this case, they ended with:

- We Are Driven
- We Are Dependable
- We Are Team Players
- We Are Passionate about Growth

In terms of how they now speak about and introduce their core values, they simply turned it into a sentence. *We are driven, dependable team players who are passionate about growth.* People in the organization see it being lived out from the top down, and they are embracing what

it means to be part of such a great and aligned community on the relentless journey to the summit of their business mountain.

Once you have your core values, you will need to confirm the behaviors that will define what those values look like in your unique organization. With that clarity, the final step is to confirm that these are, in fact, the right values. Begin by asking yourselves, *If we use these core values in our hiring, firing, coaching, and rewarding, and can get everyone to align their behaviors with these values, will that be transformational and beneficial to the organization going forward?* If the answer is yes, then you have likely landed on the right genuine and authentic values.

The next and final step of the exercise is to have an open and honest discussion among the leadership team about how each leadership team member's behaviors and interactions are aligning, or not aligning, with these organizational core values. It is important to ensure that if you are going to agree to and promote these values within the organization, the leaders must set the standard of what it looks like to live these behaviors. As John Maxwell wrote about in *The 21 Irrefutable Laws of Leadership*, the "Law of the Lid" describes how a leader's limitations will set the limitations, or lid, not only on the leader but on the organization. Your team members will naturally not go beyond what they see in their leaders, so if one of your core values is dependable, you cannot expect that your employees will be more dependable than your least dependable leader.

At Next Level Growth, our core values are Take Ownership, Be Resourceful, Have a Thirst for Learning, and Be Fun to Work With. We talk about these values often, and we use the specific wording of our values both when acknowledging a positive behavior or challenging one that needs correction. Sometimes, when I'm asked how to do something that is clearly a part of our documented onboarding and training and that the team member should know how to find on their

own without asking me, I'll respond by saying something like, "*If you were being resourceful, how could you find the answer to that question?*" It's a way to remind the person that, in the moment, they are not being resourceful. The more consistently I do this, the faster they understand where they are falling short in that value and the more likely they are to self-correct in the future.

On the other side of that same coin, when somebody does something that is a great example of embracing one of our values, I will reference the specific value when I acknowledge my appreciation. One of our newer Guides and I were recently talking through some facilitation techniques around a specific issue, and he referenced several things related to the topic that he had seen in our training videos. It was a great example of taking ownership of his own training, and it also showed me that he was being resourceful, so I mentioned those specific values and thanked him for being so engaged and resourceful in how he was taking ownership of his onboarding.

FROM AN ORG CHART TO AN ACCOUNTABILITY CHART

Also in *Traction*, Wickman made a significant improvement to the well-known org chart (organizational chart) when he introduced the idea of an Accountability Chart. The purpose was to clarify the roles and responsibilities for every seat in the company by adding a few short words or phrases as bullet points in the box for each seat.

In the example of a Sales & Marketing Leadership seat from the book *Traction*, those bullet points are LMA, Sales Goal, Selling, Marketing, and Sales & Marketing Process. While a good step in the right direction, when I implemented EOS in my own business, I felt this was an oversimplification and needed to be stronger if it was truly going to set

clear expectations to help leaders and managers effectively identify the right people for the right seats, and either coach people up, or coach people out when they were not performing to expectations.

All of the companies I have worked with over the years have heard me say that *I believe the underlying cause of most of our frustrations is based on unclear expectations*. This applies in all areas of life, and especially in the relationships between a leader and their direct reports.

The Next Level Accountability Chart

This led to the creation and evolution of what we teach at Next Level Growth as the *Next Level Accountability Chart*. The critical difference, and in fact, the key value of the Next Level Accountability Chart is in establishing what we call MMOs, an acronym that stands for Mission, Most Critical Outcome, and Obsessions®. With MMOs in place for every seat, both the leader and their direct report will have absolute clarity on what is expected of them so that they can truly understand if they are in the right seat and, if necessary, get the coaching and development they need and be clear about where they need it.

Let me share an example using the same Sales & Marketing Leadership position mentioned from *Traction* above. First, to the Mission.

Establishing a Clear Mission

We define the "Mission" for a seat as a one-sentence description of the consistent, high-level deliverable a person in a seat on the Next Level Accountability Chart must achieve to be successful. Think about a typical executive team with a chief executive officer, a marketing and sales leader, an operations leader, and a finance leader. The Mission of each position should support the Mission of the person to whom they report.

For example, the CEO who reports to either the owners or the Board of Directors (or is themselves the owner) might have a mission to "Grow the Enterprise Value by guiding and ensuring the execution of the long-term strategy while maintaining an on-brand culture." This mission encompasses many things, but over time, we can evaluate how well our long-term strategy is both being executed and how well it is working. We can measure our Enterprise Value, and we can tell if our culture is or is not on-brand. That creates a clearer path to outcomes-based accountability.

From there, let's look at a possible Mission for our marketing and sales leader. For this role, you might decide on a mission to "*Consistently grow target market lead generation and conversion to meet or exceed revenue goals*." It is a simple statement and should be fairly obvious, but this is also high-level and highly measurable, which creates clarity and accountability. We have a budget for the year based on achieving a specific revenue goal, and if this leader drives sufficient target market growth in lead generation and successfully converts the leads at the conversion rate necessary to meet our budget, the company will likely meet or exceed its revenue goals. As a result, we can measure, track, and discuss performance around this mission on a consistent basis.

Moving on to the operations leader, if we assume this company is in the home services industry, the Mission might be something like, "*Ensure the on-brand and on-budget execution of all projects, in a timely manner, while maintaining a safe and healthy working environment.*" Again, this encompasses a lot, but it is an overarching statement that has multiple components that can be objectively evaluated.

Lastly, looking at the finance leader, one of the most common Missions we see with our clients for this role is "*Timely and accurate delivery of financial reporting, analysis, budgeting and forecasting.*" If the finance

leader consistently delivers on that mission, the rest of the team will have all the information they need, when they need it, to make educated and informed decisions that help them lead the organization toward its Summit.

When you step back and look at each of these Missions, if the marketing and sales leader, the operations leader, and the finance leader all consistently execute their Missions, then the CEO's Mission of growing the Enterprise Value by guiding and ensuring the execution of the long-term strategy while maintaining an on-brand culture is much more likely to be successfully achieved.

Most Critical Outcome®

The second component of the Next Level Accountability Chart, the Most Critical Outcome (MCO), is defined as the single most important and measurable outcome for a function. At the leadership team level, the MCO is almost always a lagging indicator and typically should be tracked on a monthly team scorecard, by person. The two to four primary drivers of each MCO are usually measurable leading activities and should be tracked on your team's weekly scorecard. The Most Critical Outcome should both prove success in achieving the mission and also answer the following question: "*If you were asked to measure one thing that most accurately proves you are getting a return on investment for the fully burdened human capital cost of a specific person in a given seat, what would you measure?*"

In the case of our executive team, as shown in the example above, most CEOs have an MCO of Enterprise Value Dollars to Goal. In some cases, I have seen Return on Invested Capital to Goal as a CEO's MCO, but in any case, if the Mission is about growing the value of the business, the MCO has to be the outcome that you measure to prove growth in value relative to a specific goal.

With the CEO's MCO established, the marketing and sales leader will likely have an MCO as obvious as Revenue Dollars to Goal (budget or forecast, depending on which one you use). If the company is consistently meeting or exceeding revenue goals and forecasts, it is very likely that the marketing and sales leader is performing at a high level in leading their team and generating a sufficient Return on Investment for the compensation they are being paid.

For the operations leader, depending on how your financials are constructed and what specific things they have decision-making authority over, a typical MCO would be something like Gross Profit Percentage to Goal, Net Operating Income Percentage to Goal, or Net Income Percentage to Goal. Ultimately, it is the marketing and sales leader's job to go get the revenue dollars you need, and it is the operations leader's job to run a tight and efficient operation that meets the profitability goals as a percentage of revenue generated.

One thing I want to point out here is something that has evolved in our own thinking over time. Notice that the marketing and sales leader's MCO is measured in actual dollars, and the operations leader's is a percentage. In the early developmental stages of Most Critical Outcomes, we were coaching teams to set the operations leader's MCO in terms of real dollars as well, but we noticed a behavior that would often come from that which went against what Missions and Most Critical Outcomes are intended to do: drive the right focus and behaviors.

When we had situations where the revenue had fallen off track and behind budget, it soon became obvious to the team that the profit number, in terms of dollars, could not realistically be met, so the teams' focus on profit and being good stewards of financial resources would become diluted. If, instead, the operations leader was focused on meeting the goal as a percentage, then even if the company's revenue missed by 10 percent, if the operations lead acted quickly and

decisively, they could often maintain or come very close to maintaining the percentage of profit budgeted. By having them focus more on the ratio of expenses to revenue, they could play their position with a different and more helpful mindset.

Lastly is the finance leader, which becomes a little more nuanced. The finance leader rarely has the authority to pull a lot of levers that impact revenue and profit, as their role is more rooted in analysis, reporting, and interpretation of data. I'm a big believer that at an executive level, your finance leader should have an MCO of Net Cash Flow Dollars to Goal. Here's my logic behind creating an MCO that they don't actually control:

Similar to setting an intention, the MCO should really help focus each team member in the organization. We want our finance leader to always be ahead of the company from a cash flow forecasting and analysis position. In the budgeting process, we want them to take the extra steps of not just a Profit and Loss budget, but also to dig into the "how" behind the Profit and Loss budget. We want them to be thinking about the balance sheet and Cash Flow impact. Every annual budget should be able to reasonably estimate cash flow to the point that we can establish some goals and parameters. With those goals established, by arming your finance leader with an MCO of Net Cash Flow Dollars to Goal, you are focusing them on cash flow forecasting, protecting the organization as it grows.

Every time I go through this exercise with my clients, I look at the finance leader and tell them that my intention with asking them to accept this MCO is that whenever they see a warning sign on the horizon, they are sounding alarms and getting everyone's attention so that decisions can be made long before cash gets tight and decisions have to be forced upon the organization.

In reality, if the marketing and sales leader meets their goal for revenue dollars, the operations leader meets their goal for Income Percentage, and the finance leader ensures we meet our goal for cash flow, the CEO will almost certainly meet their goal for Enterprise Growth Value.

This same logic holds true throughout the entire organization. If you build a single MCO into every position in the company, and every position's MCO is supportive of the MCO in the seat to which it reports, you will build a *fabulous economic engine* in your organization and become much more financially resilient and successful.

Defining Obsessions

Lastly, we come to Obsessions. Obsessions are defined as anywhere from two to six things that a seat-holder must obsess about on a daily basis to be successful (usually around four to six at a senior leadership level and as few as two to three for a front-line employee). While the EOS Accountability Chart uses just a single word or short phrase for each of the roles or responsibilities, we believe there is still too much ambiguity and room for interpretation and confusion. If you look at the example from *Traction* earlier in this section, it can be difficult to truly hold people accountable for "selling." What exactly does that mean in terms of how you measure a person's success?

When you have a clearly established Mission with the right MCO, the Obsessions become a strong way to align expectations around where a team member must focus to be successful at the level of an A-Player. For example, the Obsessions I often suggest as a starting point for a marketing and sales leader are:

1. Lead, Manage, Retain, and Hold My Team Accountable

I personally prefer to start with this Obsession for anyone in the organization who has a direct report. With this approach, we can specifically evaluate a team leader on how well they are "*leading*" the team. Is there dissension or harmony? There are things we can observe and use to provide feedback to help the leader improve if needed. We can look at how they "*manage*" the team on a daily basis and provide coaching and feedback. We can look at "*retention*" on the team. *Most people go to work for an organization but quit because of their boss.* If a team leader has trouble retaining their high performers, then they need to be coached in that area.

Some people would argue, and some systems suggest, that accountability is a by-product of leading and managing. While I agree in theory, in the real world, I have found that when leaders are not willing to have the tough conversations necessary to hold their teams accountable when needed, the teams underperform. Measuring how well a team leader holds their team accountable is actually not very difficult at all.

2. Own the Marketing and Sales Strategies, Plans, and Outcomes

If the person in this seat focuses their energy on getting the marketing and sales strategies right, developing and updating the right plans to execute on the strategy, and tracking outcomes to adjust where needed, we have them laser-focused on a strategic approach to growing our pipeline, conversion, and revenue. If, over time, they cannot get the right strategy and plan in place to achieve the desired outcome, they are likely not the right person for the seat.

With this obsession in place, when we work with teams who are not meeting their revenue goals, it allows us to ask the leadership team to share their marketing and sales strategy documents and their written

sales plans for each individual sales team member with us so we can evaluate them and try to help. What often happens is that we get a response like, "*Well, we don't actually have them all documented*." In that case, it is difficult to confirm that the members of the sales team really have clear expectations of what their sales plans are and how they are supposed to execute a well-defined strategy to grow revenues and meet growth goals.

3. Own the Marketing and Sales Process Playbooks and Execution

With the right strategies and plans in place, to be successful in this role, an A-Player will obsess about the playbooks and about making sure that everyone on the sales team is following them. So many times, when we start digging into a company's "sales playbook," we find that they really don't have one, and everyone on the sales team is more or less doing their own thing. With a strong leader in place, the team can develop some best practices and optimize how they run their sales plays to help improve conversion throughout the sales funnel and accelerate growth.

Think about your own organization. When you get a new lead or a new referral, if you watch how every one of them is handled, is it consistent? Does it happen every time the way that it needs to in order to create the highest likelihood of a positive outcome? Are there key points that your sales team needs to make in the very first communication? Do they consistently hit on those points? Do you have a consistent and well-trained way for team members to handle and overcome objections?

Remember the Paul Batalden quote from earlier: "Every system is perfectly designed to get the results it gets." If you are getting inconsistent results from your sales team, you have a system in place that is perfectly designed to create inconsistent results. You need a marketing

and sales leader capable of creating, training, and enforcing a better system if you want better results.

4. Consistently Meet or Exceed Goals and Metrics

While this one may be implied, we like to include it anyway. If we're going to give our marketing and sales leader four things to obsess about on a daily basis, we want one of those to be their goals and metrics.

So, if on a daily basis, the director of marketing and sales truly obsesses about leading, managing, retaining, and holding their team accountable; owning the marketing and sales strategies, plans, and outcomes; owning their playbooks and execution; and meeting or exceeding their goals and metrics, they are very likely to be highly successful in the role, or else it will become very obvious, very fast, that they are not right for the seat.

When you establish a clear Mission, Most Critical Outcome, and Obsessions for every role in your organization, communicate those clearly, and coach people in each of those areas, you create de facto agreements. Like Harvey Mackay says, "Agreements prevent disagreements."[11] If you agree with me that *the underlying cause of most frustrations we have with people is a result of unclear expectations*, then use the Next Level Accountability Chart to create simple but clear expectations and reduce frustration throughout the organization.

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11 Harvey Mackay, "70 Years of Brutally Honest Business Advice in 25 Mins | Harvey Mackay," Joe Polish, June 1, 2024, YouTube video, 25:08, https://youtu.be/Dppm6mH-DhM?si=OQQ_YsFGfhZA4vJl.

NEXT LEVEL ACCOUNTABILITY CHART—GOING DEEPER

Now that we have clarified what the marketing and sales leader is accountable for, let's look at how the seat for a direct report, perhaps an outside salesperson, might be established.

You may notice that each Obsession in the Next Level Accountability Chart contains a verb. That is because these obsessions are about taking action, and it is important to get the verbs right if you're going to create clarity. When we suggest the verb "own" for a leadership team member, what we mean by that is if something isn't working, and they own it, it is their job to fix it. If they get stuck, of course, the rest of the team is there to help, but the vast majority of the time, they should have the aptitude to fix what they own when it isn't getting the desired result, or they may be in the wrong seat.

For an outside sales seat, in light of the leader's mission, you might establish their supportive Mission as something like, "*Consistently grow and convert my pipeline to meet or exceed my individual goal for new revenue*." This mission, when achieved, supports the mission of the person to whom they report. The corresponding MCO would likely then be "*New revenue dollars to individual goal*."

When rolling out their Obsessions, you should start by looking at the seat to which they report. This holds true everywhere in your Next Level Accountability Chart. Since this person will have no direct reports, the Obsession around leading, managing, retaining, and holding their team accountable does not apply. They might, however, have an Obsession that stems from the second Obsession of their leader, and that might be to "*Follow and successfully execute my sales plan*."

Notice that the verb changed to "follow." This is important because, for this person, you don't want them making up or modifying their sales plan without working with their leader. You want them to buy into the plan and then obsess about following and successfully executing it.

Another obsession might be "*Follow the Sales Process Playbook*." If the leader "owns" the Sales Process Playbook, you likely want the salespeople to obsess about "following" the Playbook.

Finally, as before, we like to suggest including the Obsession to "*Meet or exceed my goals and metrics*." It's really that simple and, at the same time, that powerful. Think about it. In your own organization, how consistently is the sales team doing a great job of those three things? In most organizations, it is very hit-and-miss.

When you have a salesperson in the field, if they will just obsess about executing on their individual sales plan, following the sales playbooks, and meeting or exceeding their goals and metrics, and if their boss has taken ownership of creating effective plans and playbooks, they have a much greater chance of being successful in their role. With this level of clarity, consistency, and focus, the employee wins, their leader wins, the company wins, and the customer wins. It is not the intensity of your efforts but the consistency of your efforts that leads to success.

For more help building your own A-Player System, be sure to consult with my clone at **AskMichaelErath.com**.

RIGHT PEOPLE, RIGHT SEATS— GOOD TO GREAT, BUT NOT ELITE

Now that you have the foundational clarity and tools to begin filling your organization with *Great People* who share your values and have the skills and desire to perform their roles to a high standard, you need to capture their hearts. Over the course of my career, I've come to realize that if you are really obsessed about *Great People* in your organization, the "right people in the right seats" analogy made popular in *Good to Great* is missing one important thing. In order for people to truly be their best, they must also feel an emotional connection to an *Inspiring Purpose* behind what they do and what the organization stands for.

The analogy Collins uses is to think of your organization as a bus. You first have to get the right people, those who share your values, on the bus and the wrong people off the bus. Then you have to get those right people in the right seats, meaning in seats that are a good fit for them to perform to a high standard based on their skills and abilities. At Next Level Growth, we believe there is a third component required to go from good, to great, to elite.

Yes, we need our team members to share our behavioral core values. And yes, we need them to have the skill sets, experience, and desire to perform their roles at a high level. But when you add in the third element, that they form an emotional connection to their company's *Inspiring Purpose*, that is when they will bring the greatest effort, drive, passion, and creativity to their role. That is when they will resist silos in the organization and collaborate best with others because they no longer see what they do as a job, but rather as their contribution to a greater cause that inspires them.

When you have the right people in the right seats, and you inspire them in a way that allows an internal and purposeful connection to

the organization to be formed, they will always bring more energy, passion, and creativity to their work because their connection to their work is not just rational, it is emotional. This is a key part of what we call an *Inspiring Purpose*, the second of the Five Obsessions of Elite Organizations.

Conclusion

TAKE YOUR BUSINESS AND YOUR LIFE TO THE NEXT LEVEL

"You are my creator, but I am your master."

—MARY SHELLEY

THE TRAP OF CONTENTMENT

So many entrepreneurial leaders become content with good being good enough and end up trapped in their own businesses. The problem is not unlike what Mary Shelley wrote about in her 1818 novel *Frankenstein*. In the novel, scientist Victor Frankenstein, through an unorthodox scientific experiment, successfully creates life from something that before was lifeless. In many ways, entrepreneurs do the same thing. They create something where there once was nothing.

In the novel, the creation of Victor Frankenstein eventually turns against him and seeks to destroy him. For entrepreneurs, there almost always comes a time when it feels like the business you've created begins to turn against you and, in many ways, feels like it is out to

destroy you. For some of you, that may have happened already, as it has for me, and you've moved past that stage. For others, it may be happening now. If you are not currently experiencing that feeling, and if you have not already, statistics show that with very few exceptions, at some point, you will. It's what Cameron Herold, former COO of 1-800-GOT-JUNK? and founder of the COO Alliance, refers to as the "Entrepreneurial Roller Coaster."[34]

> If you are in that place right now, where the business feels like it is running you instead of the other way around, what happens if you don't do anything about it? What happens if you just keep going the way you've been going for another year? Another three years? Another five? What does that cost you, not just in dollars, but in your energy, your health, your relationships, and your quality of life?

As I mentioned earlier, I was fortunate to spend fifteen of the first twenty years of my career as a member of the peer groups YPO and EO, with a short time also spent in Vistage. From my time with each of those organizations, one thing became very clear to me: *Most entrepreneurs, to some degree, achieve success at the expense of their relationships, their time with family, their physical health, or their emotional health.*

I created Next Level Growth, and ultimately decided to write this book, because I believe it doesn't have to be that way.

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34 Cameron Herold, "Highs and Lows of CEOs: How to Successfully Ride the Entrepreneurial Roller Coaster with Cameron Herold at Joe Polish's Genius Network™," May 2018, in *Genius Network*, podcast, 21:30, https://geniusnetwork.com/podcast/highs-and-lows-of-ceos-how-to-successfully-ride-the-entrepreneurial-roller-coaster-with-cameron-herold-at-joe-polishs-genius-network/.

COHERENCE: HOW 1 + 1 = 4

"Like going to the gym, it is not the intensity of your effort, but the consistency of your effort that leads to success."[35]

—SIMON SINEK

In order to achieve true success in building an elite organization and become a category of one in your market, you must reach a point where you are consistently focused on steady improvement of all Five Obsessions. That said, I do believe most organizations will best build momentum by focusing first on *Great People* and *Optimized Playbooks*. That is the first foundation. Ultimately, however, to truly become elite requires you to be excellent in each of the Five Obsessions. When you do this well, you will experience a compounding effect: *coherence*, which Jim Collins discusses in *Good to Great*. In talking about the "flywheel effect," Collins references a conversation he had with physics professor R. J. Peterson. Here is what Collins wrote about the conversation and the concept.

> When I look over the good-to-great transformations, the one word that keeps coming to mind is consistency. Another word offered to me by physics professor R. J. Peterson is coherence. "What is one plus one?" he asked, then paused for effect. "Four! In physics, we have been talking about the idea of coherence, the magnifying effect of one factor upon another. In reading about the flywheel, I couldn't help but think of the principle of coherence." However you phrase it, the basic idea is the same: Each piece of the system reinforces the other parts of the system to form an integrated whole that is much more powerful than the sum of the parts.

35 Simon Sinek, "Next Level Growth—Simon Sinek on the Importance of Consistency," Next Level Growth, December 10, 2023, YouTube video, 2:03, https://youtu.be/Pb1KA0-Dy4g?si=nudcYCyLLToexVcp.

> It is only through consistency over time, through multiple generations, that you get maximum results.[36]

When you start taking your investment in *Great People* seriously, you will find that building the organization around a core of A-Players, people who perform two to four times above the average for their roles and who are aligned with and living your core values, you will get a return far greater than any investment you have to make to recruit and retain them. C-Players don't like working with A-Players, and A-Players don't like working with C-Players. As leaders, it is your job to recruit and retain A-Players while maintaining a robust system for coaching up or coaching out all of your underperformers. You cannot become a category of one with mediocre people.

Steve Jobs is widely attributed as having said, "If you are working on something exciting that you really care about, you don't have to be pushed. The vision pulls you." As you build your organization around a never-ending quest to level up your teams, you have to capture their hearts and souls with an *Inspiring Purpose*. As a leader, it is your job to communicate purpose and inspiration that pulls people together and forward. In Abraham Maslow's hierarchy, once basic needs (like food, safety, and belonging) are met, individuals seek self-actualization, which is the fulfillment of their potential and finding meaning in life. Purpose in work taps into this higher level of the hierarchy, providing people with the motivation to go beyond mere survival, just seeing their work as a means to earn a living and instead strive for personal growth and contribution.

People are more willing to exert effort when they believe their work has deeper meaning and contributes to their sense of purpose or self-fulfillment.

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36 Collins, *Good to Great*, 182.

When you have *Great People* and they are aligned around and driven by an *Inspiring Purpose*, you must provide them with *Optimized Playbooks* so that they not only know what to do in their role but also so they can see how other team members are running plays around them. If you've ever watched a great orchestra perform, part of what makes the performance great is that all of the musicians are in perfect sync, and they are working off of the same composition. That is their playbook. Imagine if you brought together an orchestra, and the conductor told them what piece he or she wanted them to perform but didn't give them a composition to follow. It would likely be a cacophony of noise that would send you running from the theater. The magic happens when the orchestra is filled with great musicians who are inspired by the purpose of their performance, and they are each executing their playbooks—their compositions—to perfection.

You cannot *maintain* greatness without a *Culture of Performance*. The musicians in the orchestra have to practice. They have to receive feedback. They watch recordings of their performances and study their craft. Every professional performer and athlete has a practice schedule. They practice so that when it is time to perform, they know what to do and how to do it. Ironically, it is often the best of the best performers who practice the most.

> Only in the world of business do we have professionals who don't value and invest in training and practice.

Your meetings, your Scorecards and Scoreboards, your onboarding and continuous training systems, those are where you practice. Legendary American football coach Vince Lombardi is widely attributed as the originator of the famous quote, "Practice doesn't make perfect.

Perfect practice makes perfect." Lombardi emphasized the importance of practicing correctly, not just repeatedly, to achieve excellence. His philosophy was that only disciplined, focused, and precise practice could lead to mastery and true success.

Think about that statement and then look internally. Do people show up to your meetings on time and prepared, like an elite athlete showing up for practice? When your Scorecards and Scoreboards are off track, do you really attack the issues and exhaust every effort to get back on track? Do you take your projects and commitments to each other seriously and follow through for each other? Are you intentional and disciplined about your onboarding and training systems? You have to be willing to do things to a high standard all of the time if you are going to become an elite organization.

Finally, to pull it all together and ensure you maintain and grow the resources necessary to invest in extraordinary execution of the first four obsessions, you must maintain a disciplined focus on consistently *Growing Profits and Cash Flow*. Profits and cash are the fuel you put in the engine that is your business, and the more fuel you have, the further and faster you can accelerate toward fulfilling your *Inspiring Purpose*. The more fuel you can invest in the best talent and benefits, the best tools and software, the best facilities, and the best marketing strategies. No profit, no purpose.

When you get it right, you will begin to experience the concept of coherence, where the whole of your efforts and focus is far greater than the sum of its parts. That is when you will begin to earn not just a meaningful Return on Investment but a meaningful Return on Life… the Holy Grail we all seek during the finite amount of time we have on this earth.

So here is the question you have to ask yourself: Are you willing to settle for good, or are you ready to commit to becoming elite? Because there is a very real difference between organizations that talk about getting better and organizations that actually do the work to make it happen. Which one are you building?

PARTING THOUGHTS

Congratulations on taking this first step of discovery into making a meaningful investment in a bigger, bolder future by joining an outstanding group of organizations and leaders from across the country on a relentless journey to become their absolute best and to build truly elite organizations.

At the start of this book, I asked you to write down a date two years from the day you started reading it. I asked you to imagine your organization in two short years with all of the tools and systems in place to execute these *Five Obsessions* to a very high standard. Go back and reread that opening section of Chapter 1 and let yourself reground in that vision.

Really…try it and then come back to this page.

Can you see it in your mind's eye? Now that you understand the details, how much more valuable would it be for you, in two short years, to be joyfully on your way to that destination?

If you're the founder, or an owner, how much more would your business be worth in terms of real value in the marketplace? How much could you grow revenue and profit? How much would that improve the multiple that the business would be worth? On average, our clients

grow their estimated Enterprise Value by 5.9 times, or 490 percent, in their first five years working with one of our Partners and Business Guides. That is a Return on Investment you likely cannot get anywhere else.

Do the math for yourself. What was your profit last year, and what is a conservative multiple that you believe your business is worth right now? Multiply that by 5.9 to see how much value you could create over the next five years. Keep in mind this is just the average. The best of the best teams and organizations do much, much better than that. If you estimate your business is worth five million dollars today, that may not be enough money to outlive you should you sell for that. If, however, you just performed to the average of our clients in this case study, you could expect to have a business worth roughly thirty million dollars in as little as five years. If your business is worth twenty million dollars today, performing to the average would mean your business could be worth over one-hundred million in just five years.

Even if you have no desire to sell, you will have an exit one way or another. The death rate is holding steady at 100 percent, so even if your business is passed down, you will exit. How much more bulletproof and sustainable will your business be if you are running it on the Five Obsessions? How much easier will it be for future generations if you lay the foundation and do the hard work now?

Make no mistake, if you decide to embark on this journey, it will not be an easy one. You will experience failures and defeats along the way. There will be disappointments, and people will let you down. Be glad for it. Every failure, every disappointment, and every setback is an opportunity to learn and grow. The journey is not about how many times you fail; it is about your commitment to excellence and your commitment to stay in the game, getting better and better on your relentless journey to build something elite.

In our experience, the most successful teams and organizations are the ones who push, challenge, and inspire each other to greatness. At the same time, they are also the ones who support each other, have each other's backs, and stick together when times get tough. They do this without ever losing focus on the Five Obsessions of Elite Organizations.

A GUIDED PATH TO AN ELITE ORGANIZATION

"[The best advice I ever received was] to have a coach.... Every famous athlete, every famous performer has somebody who's a coach—somebody who can watch what they're doing and...give them perspective." [37]

—ERIC SCHMIDT, Former CEO of Google

While this book was intentionally written to give you the ability to do it yourself, I would challenge you to consider three things before you start:

- Your time
- Your priorities
- Your proficiency

Your Time

When you consider the lift required to implement and customize everything you will need to get started and the effort that it will take

37 Eric Schmidt, "Bill Gates on Mentors," Every Bill Gates Video, October 13, 2015, YouTube video, 1:25, https://www.youtube.com/watch?v=ar2VNgRDGJ0.

to roll everything out to all levels of the organization, will you honestly be able to give this the time it needs and do it to the high standard being elite requires? I'm confident that you are completely capable. That is not the question.

Will you have the time to teach every leader and every team in your organization the tools? Will you have the time to drive accountability while maintaining your day-to-day responsibilities?

Let me ask it another way: Is taking a do-it-yourself approach really the best use of your time, especially when you consider what your time is worth, including the opportunity cost of you trying to self-implement this principled approach instead of doing other things that are a higher and greater use of your unique value and time?

If not, this will take years, if not decades, to get done…and the odds are, you will start and quit because you will not be able to stay focused and give it the time and attention it requires.

Your Priorities

Think about your current priorities. Think about what you need to prioritize over the next few years. Can you create the space for self-implementation of the Five Obsessions to be your number one priority for the next two years? Can you avoid the temptation and pull of all the distractions to keep this alive and moving forward?

How have you done in the past with staying focused on your priorities and commitments? If you add this to your plate, how will you do?

If you cannot commit to keeping your focus on the Five Obsessions as your top priority, you will fail. There will be starts and stops, and your people will not follow you if you are not consistent. It is the *Law*

of the Lid.[38] No one in the organization will rise to a level greater than the level to which they see you as their leader. If you are not consistent and focused on it, they will not be either.

Your Proficiency

Are you the right "who" to take this on? Do you have the experience and the passionate desire to be a teacher, facilitator, and accountability coach? Do you have the reps, or do you just dabble at things like this? When you consider the potential gains and long-term value of getting it right, does it make sense to do it yourself, or should you bring in an expert?

If someone you loved needed surgery, would you read books, study videos, and do it yourself? Of course not. You would research the best of the best surgeons and spare no expense to get your loved one in the most capable hands possible.

Our Next Level Growth Partners and Business Guides are the best of the best. We are all former owners, CEOs, or Presidents of businesses with more than ten million in revenue and fifty or more employees. We understand the complexities of leading businesses at scale, and we are obsessed with being elite at what we do. We collaborate regularly, sharing experiences, best practices, and lessons learned on the journey. Our clients benefit from our collaboration and experience shares. All of it is a result of our extreme passion to help YOU achieve greatness.

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38 John C. Maxwell, *The 21 Irrefutable Laws of Leadership: Follow Them and People Will Follow You* (Thomas Nelson, 1998).

"Alone we can do so little; together we can do so much. Having a guide transforms our potential into progress."[39]

—HELEN KELLER

We hope that you will choose to put your faith in a Next Level Growth Partner to be your Guide on this journey. We have already helped hundreds of organizations who came before you. Many of them have already reached their Summits, and most of them made it up the mountain faster than they expected and are now on to a new, even bigger and bolder Summit. Some of them were as small as just a few million dollars in revenue when they started, and others were in the hundreds of millions when they roped in with us. It's not where you start; it's where you finish.

If you want to go fast, go alone.
If you want to go far, go together.
If you want to go fast and far, go with a Guide.

The best views come after the hardest climbs. You may be just one conversation and one simple decision away from the one thing that will change everything for the better and help you take your business, and your life, to the Next Level. I'm inviting you to rope in with us, but you have to make the choice. You can either stick with the status quo, or be decisive and take ownership of a bigger, bolder future.

If you are ready to take the next step, or even if you are just curious about where your organization stands today, I encourage you to review

39 Helen Keller, *The Story of My Life* (Doubleday, Page, 1903).

the Additional Resources section next, and to start by taking our Elite Organizations Assessment at **FiveObsessions.com/Assessment**. It only takes about seven minutes, and you will receive a customized report based on your answers that will give you immediate clarity on where you are already strong and where the biggest opportunities exist across all Five Obsessions. You will also get links to lots of free resources and videos that will give you deeper insights and guidance. It costs you nothing, and you may be surprised by what it reveals.

To get even more value, have your entire leadership team take the assessment, and compare not only your scores in each obsession, but your individual scores for each question. You may be surprised by some of the misalignment you find and will be able to resolve.

If what you see in that report confirms what you already feel in your gut, that there is a gap between where you are and where you know you could be, then I would encourage you to have a conversation with one of our Next Level Growth Partners and Business Guides. No pitch. No pressure. Just an honest conversation about what is possible for you and your organization when you stop settling for good and commit to being elite. You can find us at **NextLevelGrowth.com/Guides**.

Don't settle for good...be ELITE!

Michael Erath
Founder and CEO
Next Level Growth

If you enjoyed this book, please leave an Amazon review and share the book with your colleagues.

ADDITIONAL RESOURCES AND NEXT STEPS

- To take our Elite Organizations Assessment to see how you're doing in each of the Five Obsessions and get insights and guidance on how to take your organization, and your life, to the next level, visit **FiveObsessions.com/Assessment**
- To learn more about working with a Next Level Growth Partner and Business Guide, visit **NextLevelGrowth.com** and click the button to **"start a conversation"**
- To download resources from this book, visit **FiveObsessions.com**
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We are honored to be roped in together and part of your journey.

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ABOUT THE AUTHOR

MICHAEL ERATH is the founder of Next Level Growth, a firm of elite business guides with clients across the country who are committed to Helping Entrepreneurial Leaders Build Elite Organizations® while earning more than just a Return on Investment, but also a meaningful Return on Life. Next Level Growth works with entrepreneurs and their leadership teams to strengthen The Five Obsessions of Elite Organizations® utilizing a custom-tailored and principled approach to help each individual company reach its ultimate goals.

Michael has been a lifelong entrepreneur with twenty years of his career spent in the hardwood manufacturing industry, where his companies had offices on six continents around the world. He is a former member of the Young Presidents' Organization's (YPO) Southern Seven Chapter, the Entrepreneurs' Organization's (EO) Columbus and Arizona Chapters, and a current member of YPO Gold Arizona. He is also a former record-holding EOS Implementer® and former Scaling Up Coach. During that time, Michael discovered a passion for helping entrepreneurs develop customized solutions for systemizing and scaling their businesses, which led to his transition to working as a business guide and to the founding of Next Level Growth.

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