

# Smart Talk

Insights from  
entrepreneurs

## MICHAEL SHERLOCK ON THE VIRTUES OF REGULAR, BRIEF FEEDBACK



**Smart Talk is a weekly column by successful entrepreneurs about everyday challenges. Brumby's Bakeries founder Michael Sherlock reveals the benefits of holding regular but brief and businesslike feedback meetings with staff by phone or in person.**

● When giving presentations I notice that people in the audience pick up their pens and start scribbling whenever I talk about weekly “stand-up” meetings. I first got the idea from a seminar conducted by Verne Harnish, the self-styled “growth guy” from the United States. Harnish promotes a highly structured approach to managing high-growth companies that includes an emphasis on regular, well-structured and facilitated meetings.

When I was chief executive at Brumby's, we adapted Verne's approach to suit Australian circumstances – in particular our geographically dispersed group of 15 Together Everyone Achieves More (TEAM) members spread over three states.

We held meetings each quarter to formally review progress against the strategic business plan but we realised that we needed more frequent updates on how the TEAM was progressing between those quarterly meetings. So the weekly stand-up meetings were designed to keep all the key players on track and accountable for achieving the goals of the strategic business plan.

In these weekly meetings, team members either attended in person, or if interstate and travelling, team members phoned into a conference call that was fixed at 8.39am every Tuesday.

The rules for the meeting were simple – no sitting down, a maximum of two minutes for each point for each person, and everyone had to answer the following questions:

1. **What's up** – what issue is on the top of your mind?
  2. **Focus** – what's your focus for the following week and what do you hope to achieve?
  3. **Blockages or bottlenecks** – identify any that are going to stop you from achieving your weekly focus (and suggest anyone in the TEAM who can assist).
  4. **Market intelligence/ideas** – have you heard any rumours or intelligence that are important to the business or do you have any ideas to boost revenue and drive down expenses?
  5. **How do you feel? Your sign off.**
- Each TEAM member would answer each question in turn or pass if they had

nothing to contribute. TEAM members kept their own notes and to-do lists but there were no official minutes.

And everyone was standing up, which created a dynamic environment and helped TEAM members to give a succinct, focused summary of issues.

If a big issue or blockage emerged that had to be dealt with, it was taken offline to be sorted out between the parties straight after the meeting. The maximum meeting time was 30 minutes. The TEAM soon became used to the five questions and this led to a certain rhythm to their meetings. It worked a treat.

The meetings process identified issues and actions over which TEAM members could have a direct effect. They had access to the dashboard that measured their performance. It was in their face every day. They could see how their performance was affecting the scoreboard and the rewards that were directly linked to that performance.

From time to time, we would select a different dashboard indicator for the weekly meeting. These indicators included sales per customer, debtor levels, franchisee conference attendance numbers and new franchisee inquiries.

As a result of the stand-up meeting, the whole TEAM could see their results each week to provide clear evidence of progress towards meeting the strategic business plan outcomes.

The meetings ensured that as chief executive, I was connected with and could observe the dynamics and execution ability of all TEAM members, not just those with whom we worked closely. Difficulties were sorted out straight away and TEAM members were alerted to any issues or problems that would have flow-on effects in their areas.

The importance of using this accountability and communication technique to help improve performance cannot be underestimated.

The discipline and focus engendered by these meetings transformed the business over a three-year period, during which the share price rose from \$1.20 to \$3.60 and the business sold at 17 times its last reported earnings.

If you are experiencing communication accountability problems with your team, try adapting the above process to your business. You will be surprised what a difference it makes. **BRW**

**Next week: Sir Richard Branson, founder of the Virgin Group**



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