



# No company can outgrow its leadership team. Are you investing in your present & future leaders?

**\$7**  
TRILLION

The amount of revenue lost due to productivity issues at work from non-engaged employees<sup>1</sup>

**67%**

According to a 2018 Forbes article on Leadership 67% of today's workforce is disengaged<sup>2</sup>

*“Your eye-opening training continues to give our team invaluable insight about each other's personal work style preferences...enabling us to 'let go' of some misconceptions.”*

- Deb Young,  
Iron Lakes Country Club

**Studies show that companies with engaged employees had:**

**30%**

Lower absentee rates and 30% more company loyalty<sup>3</sup>

**19%**

Reduction in employee turnover<sup>3</sup>



## A few reasons to invest in leadership development:

### 1. ATTRACT AND RETAIN TALENT

Leadership development increases employee engagement and reduces costs associated with turnover.

When you give employees a role in your company's future, they respond with loyalty. Developing your own people also is less expensive than bringing on new recruits, as it doesn't require you to spend money on advertising, HR costs, moving expenses, signing bonuses, etc. In terms of turnover, the most common reason for employee exodus is a bad manager, that is, poor leadership.

### 2. RETURN ON INVESTMENT

Leadership development is a sound investment.

According to a Global Coaching Client Study by ICF, 86% of the companies able to provide figures to calculate ROI indicated they had at least made their investment back. "The median company return was 700%, indicating that typically a company can expect a return of seven times the initial investment," ICF reported.

### 3. IMPROVE CORPORATE CULTURE

You invest in them. They invest in you.

Investing in leadership development sends a message to your people that you care about them, which in turn inspires them to meet and exceed performance expectations. A solid corporate culture reinforces a company's vision, mission and values by setting an example. Mentoring programs and coaching can boost employee morale and transform your company from a workplace to a great place to work.

### 4. INCREASE ORGANIZATIONAL AGILITY

Leadership development helps companies navigate challenging times.

Effective leadership is essential not only during day-to-day business operations but particularly during critical times such as drastic change, accidents, workforce reductions, corporate restructuring, political upheaval and personal tragedy.

### 5. IMPROVE YOUR BOTTOM-LINE

Developing leaders in your organization reduces costs, drives new lines of revenue and improves customer satisfaction.

Companies that invest in leadership development deliver stock market returns 5X higher than the returns of companies that place less emphasis on human capital, according to studies by Harvard Business Review and McBassi & Co.

1) State of the Global Workforce Report, 2) 2018 Forbes article on leadership, 3) marketforce.com

# Scaling Up

Decisions equal success – and there are four decisions in scaling up your business that you must get right or risk leaving significant revenues, profits, and time on the table. They are **People**, **Strategy**, **Execution** and **Cash**. When businesses plateau and struggle to get to the next level, they are wrestling with one or more of these decisions of growth.

 PEOPLE	 STRATEGY	 EXECUTION	 CASH
<p>Do you have partner issues, a disruptive employee or two or a leadership team that isn't on the same page? People issues can consume a tremendous amount of emotional energy. Get the right people doing the right things, with clear accountabilities and metrics and put your focus back on the business.</p>	<p>If revenue is not growing as quickly as you like, then it's time to re-examine your strategy (aka "what you're selling to whom"). Whatever you choose to call it – a unique selling proposition (USP), differential advantage, or brand promise – once you nail it down, those revenues will grow.</p>	<p>One common challenge that quietly sneaks up on successful growth companies is the subtle transition from excellent, precise execution to passivity, complacency and eventually poor execution disciplines.</p>	<p>What is your cash conversion cycle? How long does it take between when you spend a dollar (marketing, design, rent, wages, etc.) until you get that dollar back? Is it +30 days or -30 days? By focusing on decreasing this cycle, firms can dramatically improve the internal cash needed to fuel their own growth.</p>

Compass Point clients that have chosen to Scale Up with the Four Decisions experienced

a steady annual growth of **4% to 12%\***

*\*ROI can be realized in less than 12 months*



**Compass Point** helps their customers figure out where to make their money, how to make it faster and how to beat the competition, while working concurrently with the owner to build, protect and unlock the value tied up in the business – on their terms.

Our focus is on middle market, family-owned or closely-held businesses with revenues between \$5M-\$150M.

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