

When you are learning something new, like the Entrepreneurial Operating System (EOS) , it can be confusing and overwhelming to learn the right words for the concepts you are implementing. This article is meant to help you learn the 26 important terms of EOS. What follows are the EOS terms, their definitions, my commentary, and a graphic depiction. Soon, you'll be speaking EOS terms like a professional!

1. **Entrepreneurial Operating System (EOS):** A proven set of simple, practical tools that synchronizes how people in an organization meet, solve problems, plan, prioritize, follow processes, communicate, measure, structure, clarify roles, lead, and manage.<sup>1</sup>

EOS helps leaders set forward a vision, where everyone knows where they are going and how they will get there, achieve traction in which everyone is executing against the vision with accountability, discipline, and focus, and build healthy teams where people are open and honest with each other and really enjoy working with each other.

I wish I'd had access to EOS when I was on the Leadership Team at a startup software company in San Francisco many years ago. Due to the strong leadership of the CEO, we were a good company with a great culture, despite not using an operating system. There was no such thing back then! EOS allows you to easily summarize and communicate your company's vision, including values, core focus, 10-year target and marketing strategy. EOS also helps you keep everyone focused and accountable to their quarterly priorities or Rocks, which would have helped keep one of the more "free-spirited", shall we say, members of the Leadership Team on track.



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2. **The EOS Model<sup>®</sup>**: Every business comprises Six Key Components™ as depicted by the EOS Model. Those six components are: Vision, People, Data, Issues, Process, Traction. These must be managed and strengthened to create a healthy, well-run business.<sup>2</sup>

Most companies operate at around 20% strong on the Six Key Components, succeeding despite themselves. In working with you and your organization, I will help you get to 80% strong in each of the components, thereby transforming your business from OK to great. Interestingly, no company can ever achieve 100% strong because the bar is continually set higher as you and your organization improve your business. As a result of our collaborative work, you'll always want to be even better.

I've been consulting with companies both large and small for over twenty years and have used many of the tools in the EOS toolkit but it wasn't until I became a trained and certified EOS Implementer that I saw the power of all six components working together. It is amazing to see how this model can transform companies from good to great. Some of the benefits I see include top-line growth of 18% on average, more effective meetings (that people actually look forward to), better communication, better problem-solving, and actually achieving the goals set at the beginning of the year. Without EOS, yearly goals are carefully created in January, put on a shelf, and not revisited until next December! I have been guilty of this practice myself with my own companies and my clients. With EOS, I teach my clients to review yearly goals each quarter and set priorities that will advance them toward the yearly goals.

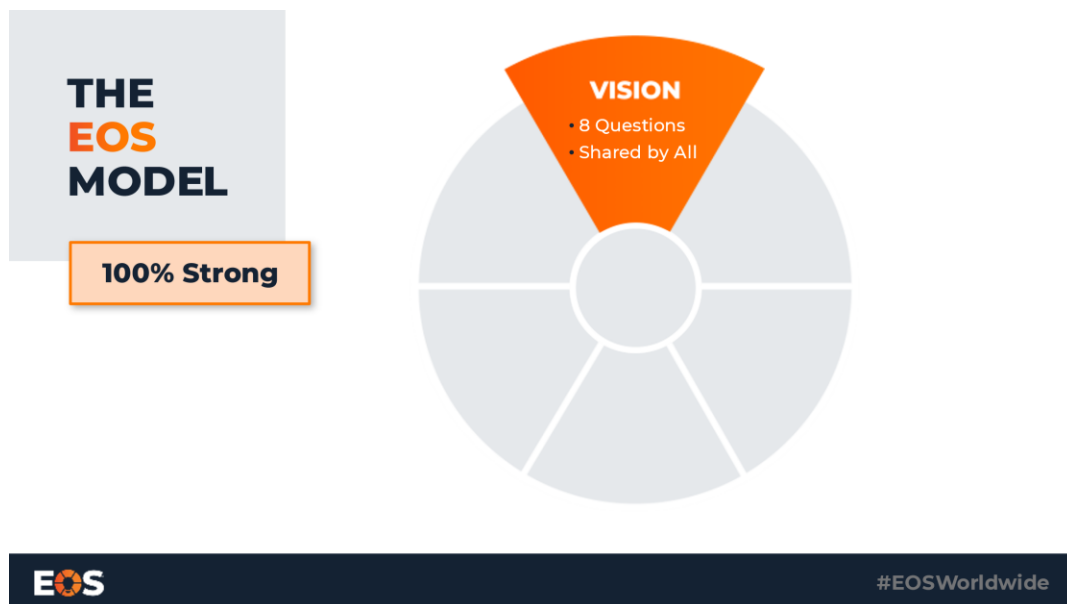


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3. **Vision Component™:** Getting everyone in the organization 100% on the same page with where your company is going and how you're going to get there.<sup>3</sup>

With the Entrepreneurial Operating System (EOS), we encourage you to Keep It Simple, Silly (the KISS principle) by stating your vision on one page, so everyone in the company can understand and live by it. Vision includes Core Values, Core Focus™, 10-year Target™, Marketing Strategy and 3-Year Picture™.

I remember serving on the Leadership Team of a small and growing company that did not use EOS. I was asked to interview a candidate for VP of Product Development and could not articulate the long-term goals of the company to him. The CEO heard about this and criticized me. I said something like, "Well, please share with me your vision for the future of this company!" EOS ensures that everyone in the company knows the company's plans and can articulate the 10-year, 3-year and 1-year goals. I wish I had that knowledge back then.



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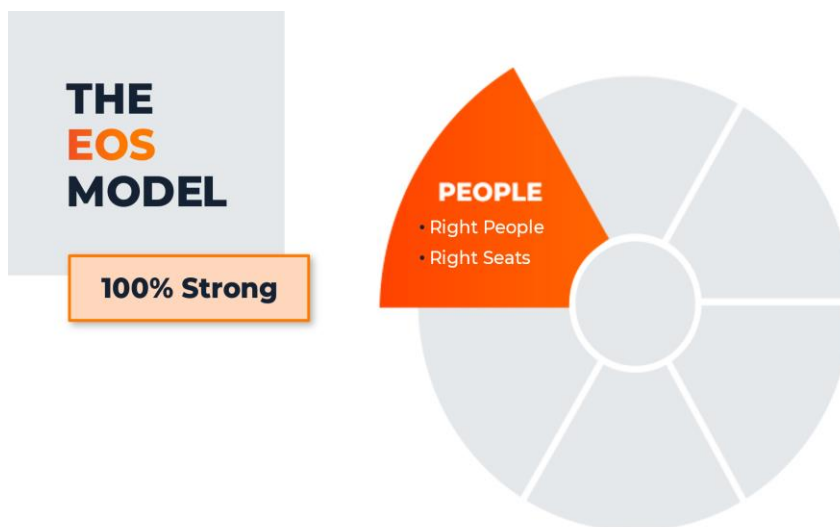
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#### 4. **People Component™**: Getting the right people in the right seats.<sup>4</sup>

“Right people” means hiring, firing, reviewing, recognizing, and rewarding people who demonstrate your Core Values daily. “Right Seats” means that people Get it, Want it and have the Capacity to do their job the best and right way. You need both Right People and Right Seats.

Many times, I’ve seen the results of not having Right People in the Right Seats. In one family-owned company, Uncle Bobby, a 20-year veteran of the company, had been put in charge of accounting. Everyone loved Uncle Bobby – he walked and talked the company values. But he had no training, aptitude, or love for accounting. He was “Right Person, Wrong Seat”. I worked with the Leadership Team to find a better spot for Bobby.

Another example is from a growing company where the CEO’s best friend was Vice President of Sales. Wow, that man could sell! He was perhaps solely responsible for the revenue growth of the company for several years. However, he was abusive and demeaning to everyone else in the company and had created a toxic, fearful atmosphere around him. He was poisoning the culture without the CEO being aware of it. He was “Wrong Person, Right Seat”. I spoke to the CEO and discussed this situation. Over time, the CEO was able to help the VP find another opportunity in another company.



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5. **Data Component™**: Using a handful of numbers that give everyone an exact pulse on where things are and when they are off track. <sup>5</sup>

Using a simple Scorecard of five to fifteen activities, you can track when you are on-track or off-track for the week, thereby creating an early warning system BEFORE things fall off the rails in your business. Additionally, everyone in the organization has chosen a metric that they can personally meet to forward the company's goals. The individual measurables create a sense of ownership in your team.

Activities are different from results. Activities are “leading” indicators, whereas results are “lagging” indicators. Some examples of lagging indicators are monthly sales, profit, customer retention and employee retention. Each of these have activities that lead up to achieving the result or lagging indicator. Having the right activities on your Scorecard is important. What activities will get you to your yearly goals? Starting there is the best way to identify activities to track. For example, you will have a revenue goal for the quarter and the year. What weekly activities does your team have to perform to achieve a quarterly revenue target? Most likely, they are activities like sales calls, demos, and proposals, which would be great additions to the Scorecard.

## COMPANY SCORECARD

WHO	MEASURABLES	GOAL	30-Sep	7-Oct	14-Oct	21-Oct	28-Oct	4-Nov	11-Nov	18-Nov	25-Nov	2-Dec	9-Dec	16-Dec	23-Dec
Anne	Weekly Revenue	>=\$84,500	\$92,000	\$85,238	\$81,200	\$80,934	\$88,678	\$88,200	\$85,321	\$80,282	\$95,291	\$100,281	\$86,200	\$78,290	\$83,498
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Robert	Sales Calls	50	54	55	61	59	32	48	51	72	61	54	50	52	54
Robert	Sales Meetings	10	10	10	10	8	10	10	12	11	15	10	9	8	8
Robert	Proposal	5	5	5	6	5	6	5	6	4	5	8	6	5	5
Robert	Closed Business	2	2	3	6	3	2	3	5	3	2	1	2	8	4
David	Customer Satisfaction	>=80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Claire	Accounts Payable	<\$8,000	\$8,450	\$9,234	\$3,450	\$5,500	\$4,300	\$8,900	\$2,300	\$5,409	\$4,390	\$9,032	\$3,445	\$2,300	\$5,009
David	Errors	<=4	3	2	2	2	2	1	2	3	0	0	0	2	1
John	Utilization/Capacity	>75%	75%	76%	75%	75%	75%	75%	75%	82%	75%	75%	78%	75%	75%

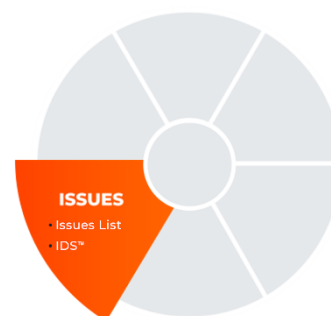


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6. **Issues Component™**: Strengthening your organization’s ability to identify issues, address them, and make them go away forever.<sup>6</sup>

We teach you how to keep an Issues List at multiple levels of your organization, so every opportunity, imperfection, problem, or challenge is documented and stored so you don’t forget it. Surfacing issues in a company encourages open and honest communication because there are no sacred cows when you are constantly mining for issues to solve as a team. Then we teach you how to Identify, Discuss and Solve (IDS) the issue, assign an owner for the solution, and track the solution to get it done – for good. IDS provides a structure to solve issues as a team. I emphasize the importance of the first and last task in IDS – Identify and Solve are much more important and harder to accomplish than Discuss. Most intelligent leaders are exemplary at discussing an issue, but they rarely identify the root cause of the issue nor do they agree on a solution and assign an owner for implementation. I recommend your team spends a good deal of time upfront identifying the root cause of the problem before discussing possible solutions. Some aids to identifying the root cause are to state the issue in one clear sentence, identify which of the Six Key Components of the EOS Model the issue pertains to and to ask who, what, where, when and how questions to dig down into the issue. You can also use the “5 Whys” method of questioning to find root causes,, which looks like this: 1. Why did we miss the deadline? (Because the product wasn’t completed.) 2. Why wasn’t the product completed? (Because the team failed to plan their time.) 3. Why did the team fail to plan their time? (Because they didn’t have a tool to track it.) 4. Why didn’t the team have a tool? (Because IT failed to provide it.) 5. Why did IT fail to provide it? (Because of lack of funding for additional users.) Now we know it was a funding issue, not a team issue.



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7. **Process Component™:** “Systemizing” your business by identifying and documenting the core processes that define the way to run your business.<sup>7</sup>

You learn how to use the 3-Step Process Documentation process to identify the handful of core processes in your company, then document them at a high level so people know what to do and can bring their own intelligence to bear. Sometimes the process can be documented with a simple flow chart, an outline, or even pictures. Lastly, make sure that all your people are trained and knowledgeable about the processes they perform. Manage and measure their application of the process to ensure that the process is performed the best and right way every time.

My background in call centers and technical support centers grounds me in this Key Component because call centers must be run with well-defined, streamlined processes. However, I was accustomed to using ISO-type documents that leave no detail to chance, so the EOS method of only documenting the 20% of the steps that get you 80% of the way there is refreshing. As they say, a picture paints a thousand words, so I like to flowchart processes with simple diagrams. Atul Gawande, in his important book [\*The Checklist Manifesto\*](#), reminds us that pilots and now doctors use checklists to save lives and provide safer outcomes. The same can be said for all businesses: checklists create better outcomes. When you can trust that your people will perform key business processes the best and right way, it makes working together more fun and rewarding



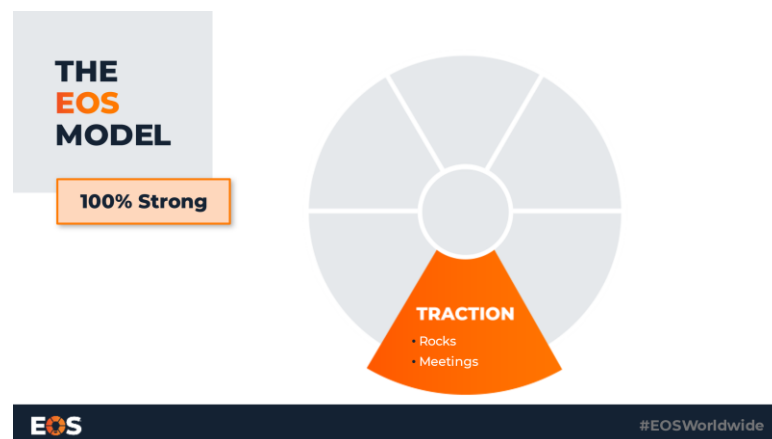
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8. **Traction Component™**: Bringing discipline and accountability into the organization. <sup>8</sup>

Traction is composed of setting Rocks and creating the Meeting Pulse. Rocks are the quarterly priorities that must be accomplished to advance the company toward its yearly goals. By establishing quarterly Rocks, you create a 90-Day World™ that ensures that people are focused on a finite number of priorities for three months, then they reset and set their sights towards the next quarter. Meeting Pulse refers to the rhythm of a weekly meeting that follows the Level 10 Meeting agenda (link to the agenda), done both at the Leadership Team level and at the department level. In addition, the Leadership Team meets offsite for a day every quarter to review Rock completion for the preceding quarter, review the Vision and 1-Year Plan, and set Rocks for the coming quarter. Once the Quarterly is done, the Leadership Team calls an All-Hands meeting to update all people on 3 things: 1) what we accomplished last quarter, 2) review of our vision, including the yearly goal and 3) the upcoming quarter's Rocks. Then the departments can set their own Rocks for the quarter in alignment with the company's priorities.

I call the Level 10 Meeting the heartbeat of EOS, because this weekly meeting provides the rhythm or cadence that keeps your team focused, disciplined and accountable. None of my clients were happy with the effectiveness of their meetings before they implemented EOS, but now they are fanatics of this discipline. Running a Level 10 meeting every week is the best way to get your team on the same page, running like a top!





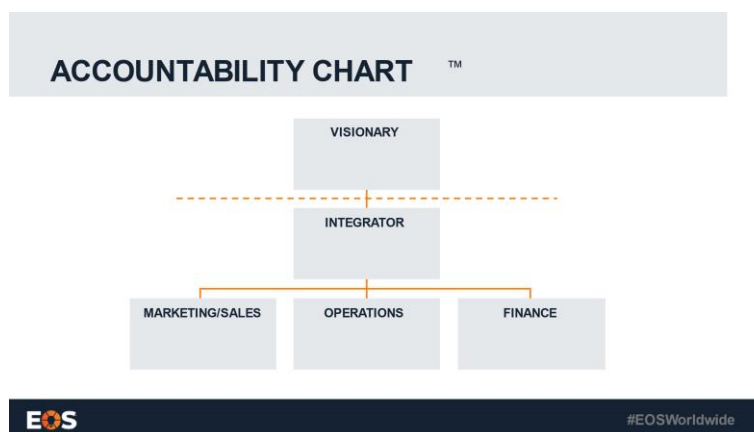
9. **Integrator™**: The leader of a company's leadership team. Integrators beat the drum, break the ties, harmoniously integrate other major functions in the organization, and accept ultimate accountability for achieving results.<sup>9</sup>

Along with the Visionary, the Integrator leads the company by ensuring that the Leadership Team works well together to accomplish the Vision. This person is responsible for leading, managing and holding accountable the Leadership Team, running the Leadership Team's weekly Level 10 meetings, and making decisions when the Leadership Team is stalemated or otherwise can't move forward. The Visionary might be called the CEO in a business setting while the Integrator might be referred to as the Chief Operations Officer.

When I explain the concept of Visionary and Integrator to people, it's like a light goes on in their heads. "Yes, that's exactly how it works at our company," they say. Making the distinction between the two functions is life-changing for most leadership teams because they finally have clear delineation between the roles and responsibilities of these two seats. I recommend that these two people meet weekly or bi-weekly to make sure they can speak with one voice to the company and solve their differences and issues in private. We call this meeting the Same Page meeting because that is what it accomplishes – ensures that both the Visionary and Integrator are on the same page.

Are you a Visionary or an Integrator? Take the Crystallizer Assessment to find out.

<https://blastoff.rocketfuelnow.com/quiz/crystallizer-quiz.php>



10. **Scorecard:** An EOS Tool used to track a handful of numbers that give you a pulse on your business.<sup>10</sup>

The Scorecard contains between 5 and 15 metrics that represent the most important activities that lead to positive results in your company. Examples of good Scorecard metrics include customer rating, accounts receivable, accounts payable, errors, utilization rates, web conversions, weekly revenue, cash balance, sales calls, sales meetings, proposals, and closed business. A simple spreadsheet can be used to create the Scorecard, with the <=15 metrics, a goal, the owner of the metric and 13 weeks of numbers that you review weekly. The Scorecard provides an early warning system that alerts you when something is amiss (meaning, you didn't meet the goal for a metric) and gives you an absolute pulse on your business. Once you find a Scorecard that works for your business, you will fall in love with this amazing tool for providing weekly visibility into the effectiveness of your company.

What are the best activities to track on your Scorecard? Starting with your yearly goals, you can work backward from each one and create a flow of steps that will accomplish the desired result. You can look at the activities associated with each goal and decide which ones to include on your Scorecard. To love your Scorecard, it must represent the important activities that get you to your goals.

## COMPANY SCORECARD

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Anne	Weekly Revenue	>=\$84,500	\$92,000	\$85,238	\$81,200	\$80,934	\$88,678	\$88,200	\$85,521	\$80,282	\$95,291	\$100,281	\$86,200	\$78,290	\$83,498
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David	Customer Satisfaction	>=80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Claire	Accounts Payable	<\$6,000	\$6,450	\$9,234	\$3,450	\$5,500	\$4,300	\$8,900	\$2,300	\$5,409	\$4,390	\$9,032	\$3,445	\$2,300	\$5,009
David	Errors	<=4	3	2	2	2	2	1	2	3	0	0	0	2	1
John	Utilization/Capacity	>75%	75%	75%	75%	75%	75%	75%	75%	82%	75%	75%	78%	75%	75%



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11. **Accountability Chart™**: Different from an organizational chart, the Accountability Chart defines the right structure for your company and clearly identifies who is accountable for what.<sup>11</sup>

Unlike a hierarchical Organizational chart, the Accountability Chart shows the right functions needed for your company and the four to five roles/responsibilities of each functional leader. This document defines who is responsible for what and is the starting point of creating crystal clear expectations for each of your team members. For example, the Visionary's five roles might be 1) Bring big ideas 2) Problem solving 3) Culture 4) R&D 5) Approve major expenses. The Integrator's five roles might be 1) Lead, manage and hold accountable the Leadership Team 2) P&L and Business Plan 3) Remove obstacles and barriers 4) Special Projects. Every team member in the company will have a box on the Accountability Chart that includes their 4-5 roles and responsibilities.

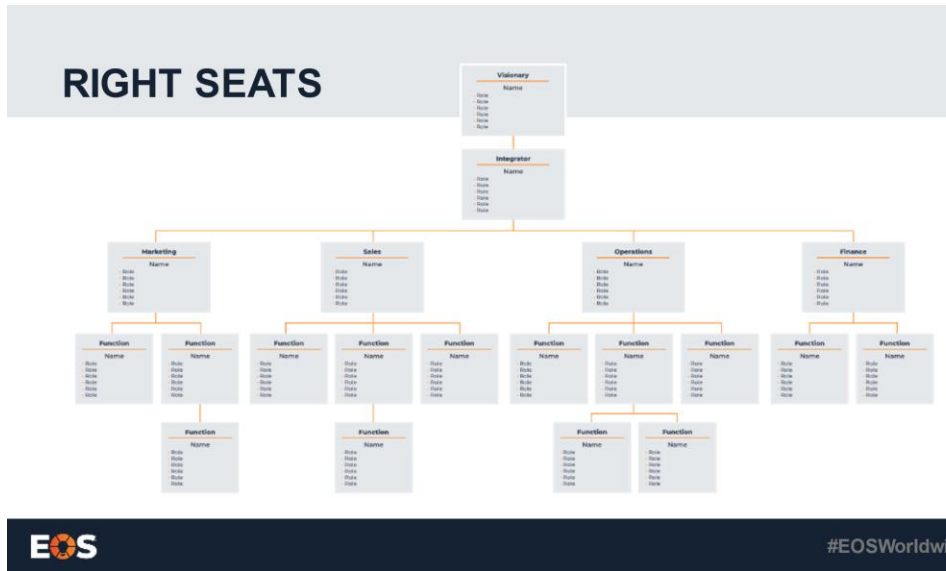
Several of my clients use the Accountability Chart for internal use only to clarify functions and roles that each person fills. However, they don't use those functional roles as position titles that might appear on a business card. For example, internally you might refer to someone as the Integrator, but that person's title on the website is listed as COO or Chief of Staff. The purpose of the Accountability Chart is to clearly define the functions needed to run your company and the roles/responsibilities of each box on the chart.

Additionally, in several companies I work with, one person might fill multiple seats on the chart. For example, the Visionary might also fill the Sales Leader box. However, there should be one and only one name in each of the boxes to ensure accountability. If more than one is responsible, no one is responsible. Sometimes that can be an uncomfortable conversation when two people have been accustomed to leading a function. However, to attain complete accountability, it must be a clearly defined role for one person.

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[Download the Accountability Chart](#)



12. **Rocks:** The three to seven most important things you must get done in the next 90 days. Employees will typically have one to three individual Rocks each quarter, while leadership team members will typically have three to seven individual Rocks.<sup>12</sup>

Rocks refer to the Franklin-Covey method of teaching time management, in which the facilitator has a pile of rocks, gravel, sand and a container of water that she wants to fit inside a glass canister. If she puts in the sand, gravel, and water into the container first, there will be no room for the rocks, but if she starts with the rocks first, all the other items will fit. The same is true for time management – if we schedule our highest priorities first, then the other demands on our time will fit in between the priorities. Rocks, therefore, are our highest priority for a 90-day time frame.

As a consultant to businesses in the past, I have been guilty of helping clients create beautiful annual goals and plans, but I didn't have the tools or knowledge to help them set Quarterly Rocks to help them advance toward their yearly plan. Without the discipline of setting Rocks every 90 days, an exquisite annual plan is likely to be forgotten or superseded by the issues of the moment, causing a lack of linear progression toward the most important things. Chaos ensues. I am constantly amazed by EOS' brilliant means toward ensuring that the entire company is re-focused on the yearly goals every quarter. Can you see how this could help your company progress toward its goals?

#### **QUARTERLY ROCKS**

				Who
1. _____				_____
2. _____				_____
3. _____				_____
4. _____				_____
5. _____				_____
Name	Name	Name	Name	
1. _____	1. _____	1. _____	1. _____	
2. _____	2. _____	2. _____	2. _____	
3. _____	3. _____	3. _____	3. _____	
4. _____	4. _____	4. _____	4. _____	
5. _____	5. _____	5. _____	5. _____	

13. **Measurables:** When companies use EOS, everyone “has a number” that is considered their measurable — something they do to contribute value to the organization that is measured on a consistent basis.<sup>13</sup>

When everyone “has a number” that they must achieve every week or quarter, ownership is created in the organization. The right measurable for each person is a metric that contributes to the organization’s Rocks and Yearly Goals AND makes sense to the person. In that way, measurables help each team member understand how they contribute to the company’s success.

Once the Leadership Team has created their Rocks and Scorecard, it is time to migrate the practice down to the teams by asking each member to define their Rocks and one to three measurables. The measurables probably won’t change on a quarterly basis. If measurables are mutually agreed upon with the team and the individual, the achievement of those metrics will clarify how everyone contributes to the company’s goals. Beautiful ownership at every level of the company is the result.

## COMPANY SCORECARD

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14. **V/TO™ (Vision/Traction Organizer™)**: A two-page document that helps your leadership team define, document, agree on, and share the company vision.<sup>14</sup>

The Vision/Traction Organizer is a one-page business plan (the Vision page) for the business, and the shorter-term goals that keep the company focused, disciplined and accountable (the Traction page). The Vision section includes Core Values, Core Focus™, 10-year Target™, a Marketing Plan and a 3-Year Picture™. The Traction section includes 1-Year Plan, Quarterly Rocks, and an ongoing Issues List. The Issues List is a repository for all your problems, troubles, challenges, and opportunities that you can't deal with this quarter, but you want to remember.

Even if you don't implement the Entrepreneurial Operating System in its entirety, I suggest that every company use the Vision/Traction Organizer as a communication device. Even though one of my prospective clients is not quite ready for EOS, I've advised them to use the V/TO to distill and communicate their strategic plan for the company. With a one-page business plan, you can easily convey important strategic information to every member of your organization. The brilliance is in its simplicity. As EOS Implementers, we often say "Use the KISS principle – Keep it Simple, Silly." The V/TO keeps the vision simple and clear.

## THE VISION/TRACTION ORGANIZER™: VISION

<b>CORE VALUES</b>	1. 2. 3. 4. 5.	<b>3-YEAR PICTURE™</b>
<b>CORE FOCUS™</b>	Purpose/Cause/Passion:  Our Niche:	Future Date:  Revenue:  Profit:  Measurables:  What does it look like?
<b>10-YEAR TARGET™</b>	<hr/> <hr/>	- - - - - -
<b>MARKETING STRATEGY</b>	Target Market/The List:  3 Uniques™: 1. 2. 3.  Proven Process:  Guarantee:	



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# V/TO: TRACTION™

1-YEAR PLAN	ROCKS	ISSUES LIST
Future Date:	Future Date:	1. _____
Revenue:	Revenue:	2. _____
Profit:	Profit:	3. _____
Measurables:	Measurables:	4. _____
Goals for the Year:	Rocks for the Quarter:	5. _____
1. _____	Who	6. _____
2. _____	1. _____	7. _____
3. _____	2. _____	8. _____
4. _____	3. _____	9. _____
5. _____	4. _____	10. _____
6. _____	5. _____	Prioritize
7. _____	6. _____	- Identify
	7. _____	- Discuss
		- Solve



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[Download the Vision/Traction Organizer](#)

You can also perform a Personal Vision/Traction Organizer.

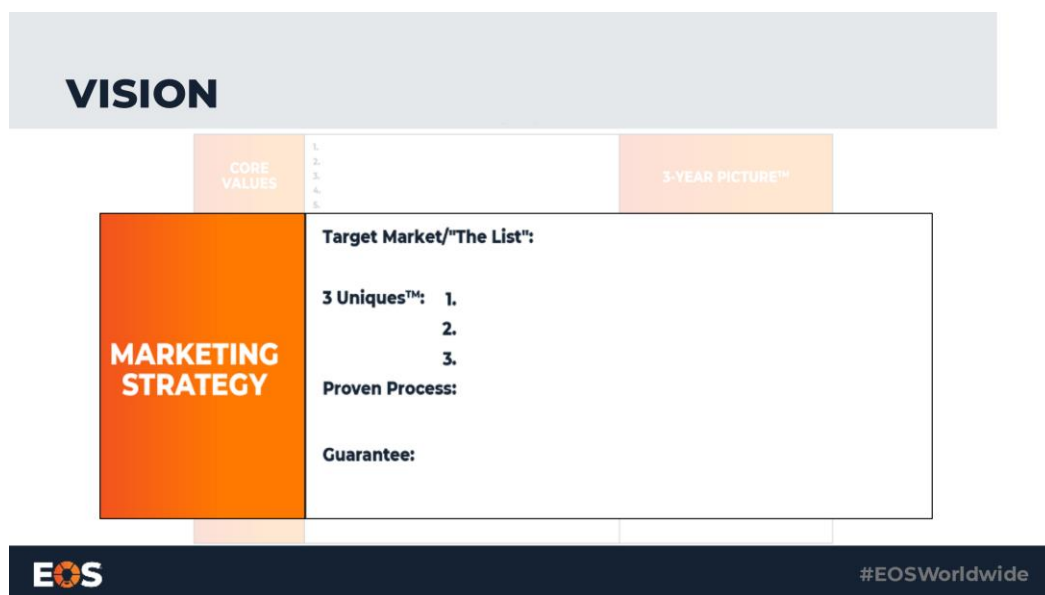
[Download the Personal Vision/Traction Organizer](#)



15. **Marketing Strategy:** The definition of your ideal customer and the most appealing message to attract them to your business. It should provide a laser-like focus for your sales and marketing efforts.<sup>15</sup>

Your Marketing Strategy is composed of your target market (the demographic, geographic and psychographic make-up of your ideal client), your 3 Uniques™ (the three things that set you apart from the competition), your Proven Process (the high-level roadmap of what a client can expect when working with you) and a Guarantee (a promise that will lower objections to working with your company). We use the Keep It Simple, Silly (KISS principle) with your marketing strategy, which enhances your ability to communicate it clearly to your team members.

My clients love the Marketing Strategy because it is simple enough to share with all team members. One team member said, “Now I understand our target market completely and what we are all about!” As EOS Implementers say, “Less is more.” Remember that your people will not remember what you tell them until they’ve heard it seven times, so it is best to communicate simply and clearly.




16. **Core Focus™:** Your Core Focus defines what you are as a company to help you avoid “shiny stuff” and keep you focused on the areas where your business excels. It comes from the intersection of knowing “why” your company exists and “what” you do in the world.<sup>16</sup>

The Core Focus is composed of two parts – your Purpose/Cause/Passion and Niche. In other contexts, Purpose/Cause/Passion could be called a vision or purpose statement. This is the “why” of your company’s existence; what difference does it make in the world. The Niche answers the question What do you do? Together, they form the Core Focus of your one-page business plan. When used as a guiding light, Core Focus can keep you tending to the right things and not chasing shiny objects or chasing squirrels in your business.

Before implementing EOS, one of my clients had started a complimentary business thinking that it would help them grow revenues more quickly. When we completed the exercise to create their Core Focus, a brave soul in the Leadership Team spoke up and asked, “Is our side business really a part of our Core Focus?” After heated discussion that revealed that the side business was really draining the company’s financial and energetic resources, the Leadership Team decided to close the extra business. Core Focus helps you keep your eye on what’s most important to the company.

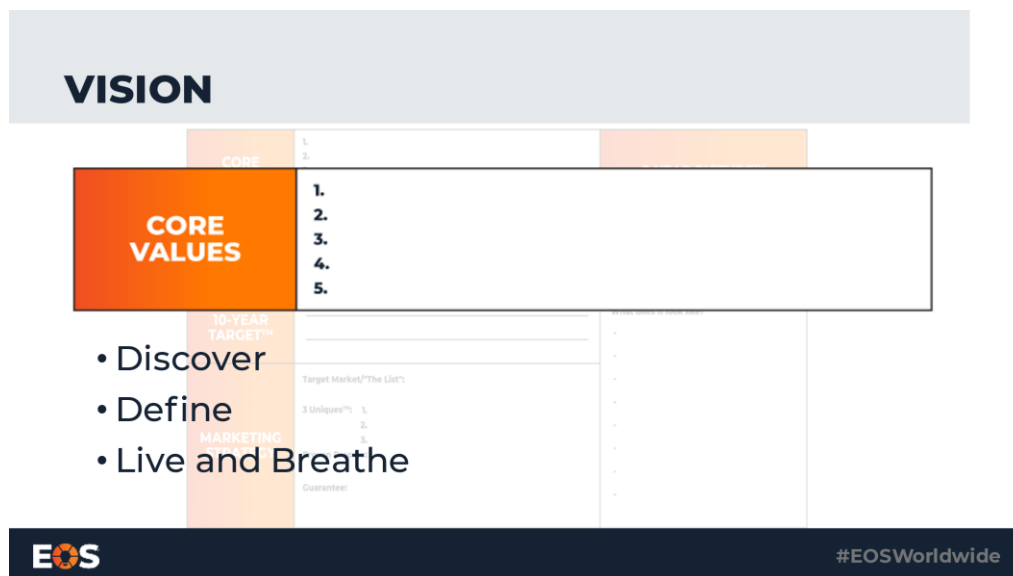
VISION	
CORE	1. 2.
CORE FOCUS™	<b>Purpose/Cause/Passion:</b>
	<b>Our Niche:</b>
10-YEAR TARGET™	
MARKETING STRATEGY	Target Market("The List")
	3 Uniques™: 1. 2. 3.
	Proven Process:
	Guarantee:

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17. **Core Values:** A timeless set of guiding principles that define your culture and the behaviors you expect from one another. They help you determine who fits your culture and who doesn't, and they help you attract like-minded people to your team.<sup>17</sup>

Following the Keep It Simple, Silly or the KISS principle, we recommend that you limit the number of Core Values to seven or less; otherwise, people can't remember them. Some examples of value words are teamwork, excellence, customer-centric, innovative, transparent, competitive, profitable, etc. Many of my clients include a description of the concept, then list behaviors that uphold the values and the behaviors that detract from them. Once established, use your Core Values to hire, fire, review, reward and recognize your people. You can use the People Analyzer as shown below to communicate values compliance to your people.

In my book on company culture called [\*\*Happy Mondays: Create a Company Culture in which People are Excited to Go to Work!\*\*](#), I put purpose and values at the center of the model I created. (In all humility, I created a good model for creating a great company culture, but the EOS model is better because it embeds accountability and discipline into your business.) Values are the bedrock of a good company culture but so often, they are not lived out daily. EOS provides several tools like the People Analyzer and others to help you reinforce the values and ensure that everyone is living by them.



# THE PEOPLE ANALYZER™

NAME	Humbly confident	Grow or die	Help first	Do the right thing	Do what you say			
Maria Rodriguez	+	+	+	+	+			
Jalen Taylor	-	+/-	-	-	+/-			
Amina Muhammed	+/-	+/-	+	+/-	+			
THE BAR	+	+/-	+	+/-	+			



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18. **10-Year Target™**: A long-range, energizing goal for the organization, from five years to 30 years out.<sup>18</sup>


This is your Big, Hairy, Audacious Goal (BHAG) that Jim Collins describes in his book [\*Good to Great\*](#), so it needs to be striking. For example, my EOS Implementer company's 10-Year Target is to help 100 clients over the next 10 years implement EOS and make a small positive dent in the world. This target is meant as a communication vehicle to your people to describe where you are going in the long term. It helps to focus their attention on the goal. You choose what timeframe you would like to target depending on your circumstances – some of my clients use 7 years, some use 30 years.

Go ahead, make this an audacious goal! One of my clients surprised me by adopting a very aggressive revenue goal for their 10-year goal. At the time I thought it was an impossible goal, but I came to see the wisdom in setting a big, hairy audacious goal. It focuses everyone in the company on which actions they can take to achieve it.

## VISION

CORE	1. 2.	
<b>10-YEAR TARGET™</b>	<div></div> <div></div>	
10-YEAR TARGET™		What does it look like?
COMPETING STRATEGY	Target Market/"The List"	-
	1.	-
	2.	-
	3.	-
Proven Process:		-
Guarantee:		-

- What do you want from your business?
- 5-30 years out
- #1 Goal



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19. **3-Year Picture™**: A definition of what your company will look like, feel like, and be like in three years. The 3-Year Picture creates a powerful image of the future and helps everyone work toward the same vision.<sup>19</sup>

Have you ever created a Vision Board or Treasure Map? It's a poster board on which you glue pictures (usually cut from a magazine) of your goals and dreams for the year. The EOS 3-Year Picture is like a vision board in that it describes, in words only, what it's going to look like, feel like, sound like, be like to work in this company in three short years. And here's the cool thing: when you visualize your 3-year picture in great detail and ensure that everyone can see it together, you increase the chances that you'll make those dreams a reality. It's the power of our visual brain. If our minds can see it, we can create it!

This is my favorite exercise on the Vision section of the Vision/Traction Organizer (V/TO) because we can start to see more clearly into the near future and imagine what it's going to be like at this company in a mere three years. Several of my clients are amazed at the clarity this brings them and their ability to achieve it. It's like looking into a crystal ball and seeing the future!

VISION	
CORE VALUES	1. 2. 3. 4. 5.
CORE FOCUS™	Purpose/Cause/Passion: Our Niche:
10-YEAR TARGET™	
MARKETING STRATEGY	Target Market/"The List": 3 Uniques™: 1. 2. 3. Proven Process: Guarantee:
3-YEAR PICTURE™	
Future Date: Revenue: Profit: Measurables: What does it look like? - - - - - -	

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20. **1-Year Plan:** Defines your objectives for the year by identifying and crystallizing your revenue target, profit target, and measurables, along with your top three to seven goals for the year.<sup>20</sup>

1-Year Plan is the first section of the Traction portion of the V/TO, bringing your lofty goals from the Vision section down to earth to real-life execution. Notice that, like the 3-Year Picture, we start with Date, Revenue, Profit and Measurables and add the three to seven goals that the company wishes to achieve in the next year. Limiting yourselves to under seven goals is imperative to keeping the whole company focused and accountable to an achievable set of goals. If everything is important, nothing is important! I've worked with large companies who limit themselves to three major goals each year, such as customer service, sales growth, and employee growth, to make the cascading of goals down through the departments and individuals easy. I don't necessarily recommend that for smaller businesses, but it's a radical way to focus the company on exactly what's important for a year.

In working with clients on their 1-year Plan, I ask them to consider the big four areas of a company's focus: their finances, their customers, their internal processes, and their people. These areas come from the concept of a Balanced Scorecard, which helps companies consider more than just their financial results as indicators of success. Which of these four areas do you need to focus on this year to advance towards the 3-year Picture? This helps a leadership team cover all the bases.

**TRACTION**

**1-YEAR PLAN**

Future Date:  
Revenue:  
Profit:  
Measurables:  
Goals for the Year:

1.  
2.  
3.  
4.  
5.  
6.  
7.

**BLOCKS**

**ISSUES LIST**

1.  
2.  
3.  
4.  
5.  
6.  
7.  
8.  
9.  
10.

**Prioritize**

- Identify
- Discuss
- Solve

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21. **SMART:** Stands for Specific, Measurable, Attainable, Realistic, and Timely. Making goals and Rocks SMART is essential for creating crystal-clear communication and for setting the right expectations for you and your team so everyone knows what “done” looks like.<sup>21</sup>

The discipline of creating SMART Rocks is essential to getting good at predicting exactly what you can accomplish in your 90-Day World™. Unless your goals and Rocks are SMART, you and your team will get to the end of the time period and wonder exactly what you intended.

After a while, the teams I work with automatically create SMART goals without my prompting them. They realize that this acronym helps them set goals that make sense.



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22. **IDS™**: Also known as the Issues Solving Track, IDS is the process your team uses to Identify, Discuss, and Solve issues on an ongoing basis.<sup>22</sup>

EOS clients keep an Issues List at multiple levels of their organization, documenting every opportunity, imperfection, problem, or challenge so you don't forget it. Surfacing issues in a company encourages open and honest communication because there are no sacred cows when you are constantly mining for issues to solve as a team. Then we teach you how to Identify, Discuss and Solve the issue, assign an owner for the solution, and track the solution to get it done – for good. While most smart leaders are good at discussing an issue, EOS leaders learn to spend most of their time identifying the root cause of a problem and finding the solution to it. In identifying the cause of an issue, you state it in one complete sentence and decide which of the Six Components™ the issue comes from. If the team isn't convinced the sentence describes the root of the problem, then the team digs deeper. If the root cause cannot be determined in the meeting, you set a To-Do item to research the issue and return to the next Level 10 Meeting with more data so it can be solved.

My clients really reap the benefit of the Issues Solving Track when they create Issues Lists at three levels of the organization: 1) in the Vision/Tracking Organizer, where the Issues List is a repository of ideas, challenges and problems that need to be addressed in the future, 2) at the Leadership Team's Level 10 meeting level, where short term issues are stored and 3) at the departmental level, where issues pertaining to the functional team are kept. I like to call the Issues List the database of ideas, problems, and challenges that you need to remember. Brilliant!

### ISSUES SOLVING TRACK



The diagram illustrates the 'Issues Solving Track' process. It features three steps: 'Identify', 'Discuss', and 'Solve', each preceded by a bullet point. The 'Identify' step is highlighted with a yellow oval. To the right of the text is a table titled 'ISSUES LIST' with 10 numbered rows. The first three rows contain specific issues, each with a circled number in the right margin: 1. Website Rock off-track (2), 2. Darren U. Right Person (2), 3. Andi S. Right Seat (1). Rows 4 through 10 are empty.

ISSUES LIST	
1. Website Rock off-track	(2)
2. Darren U. Right Person	(2)
3. Andi S. Right Seat	(1)
4. Sales off-track	
5. Anodyne Merger	3
6. Utilization off-track	
7. Western US expansion	
8.	
9.	
10.	



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23. **Level 10 Meeting™:** A weekly meeting with a specific agenda designed to help you stay focused on what’s important, solve issues effectively, and keep your team connected.<sup>23</sup>

The Level 10 Meeting is the heartbeat of EOS because it creates a weekly pulsing or cadence to your company’s life. The agenda of the L10 is always the same, as you can see in the diagram below, and the purpose of the items in orange are simply to report whether an item is “On Track” or “Off Track” (or in the case of To-Do’s, “Done” or “Not Done”). If an item is “Off Track” or “Not Done”, you drop it down to the Issues List to be thoroughly examined during the IDS portion of the meeting. The bulk of the meeting time is spent identifying, discussing, and solving the issues that are on your list. All people in your company should be encouraged to add to the Issues list before and during the meeting.

One Integrator I know noticed that her Leadership Team was not in the practice of adding issues to the Issues List. All the issues were the ones she identified! Wisely, she knew that it wasn’t because of a lack of issues, but that people were timid about bringing them up. So, she asked that everyone bring at least two issues to their next meeting. The timidity was solved, and they now have lots of issues to discuss every week.

## LEVEL 10 MEETING™

- |                                 |            |
|---------------------------------|------------|
| • Good News                     | 5 Minutes  |
| • Scorecard                     | 5 Minutes  |
| • Rock Review                   | 5 Minutes  |
| • Customer & Employee Headlines | 5 Minutes  |
| • To Do List                    | 5 Minutes  |
| <b>Reporting Only</b>           |            |
| • Issues List/IDS               | 60 Minutes |
| • Conclude                      | 5 Minutes  |



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24. **People Analyzer™**: A simple tool that pulls your core values and Accountability Chart together to help your organization identify if they have the right people in the right seats.<sup>24</sup>

The People Analyzer is a simple spreadsheet that lists your people in the rows and your Core Values in the columns. You will rate each person in the company according to how frequently they demonstrate the behaviors associated with each value. The three ratings a person can receive are + (plus sign), meaning they demonstrate the value almost all the time (no one is perfect), a – (minus sign), meaning they hardly ever demonstrate the value, and +/- (plus or minus), meaning sometimes they do demonstrate the value while other times they don't. The Leadership Team creates The Bar, which is the litmus test for living the Core Values and contains a series of +'s and +/-'s that represent the minimum acceptable level for any person.

Once the Leadership Team completes this exercise for all people in the business, each leader communicates the results in one-to-one meetings with their team members, initiating an honest conversation about when the person meets and when the person doesn't meet expectations with their behaviors. For example, Jalen Taylor, below, received a – (minus) rating in “Humbly Confident” and their manager has privately talked to them about the specific behaviors they must demonstrate and which ones they must

stop doing to meet minimum standards at the company.

### THE PEOPLE ANALYZER™

NAME	Humbly confident	Grow or die	Help first	Do the right thing	Do what you say			
<b>Maria Rodriguez</b>	+	+	+	+	+			
<b>Jalen Taylor</b>	–	+/-	–	–	+/-			
<b>Amina Muhammed</b>	+/-	+/-	+	+/-	+			
<b>THE BAR</b>	+	+/-	+	+/-	+			

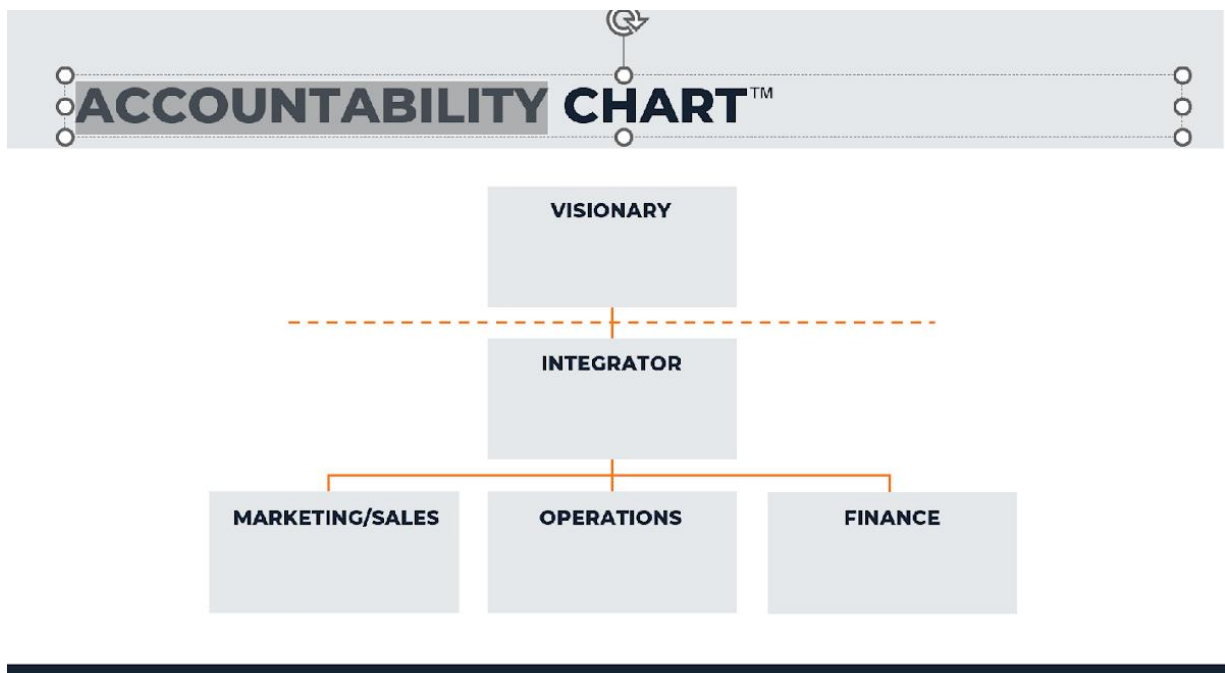


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25. **Visionary:** Often the company founder, a Visionary is a strategic thinker who always sees the big picture and is tuned in to the future of your industry. Visionaries are usually great with big relationships and the culture of the organization.<sup>25</sup>

Notice in the Accountability Chart, below, that the Visionary sits above a dotted line between that function and the Integrator function. This is because these two functions are considered equal but with different roles/responsibilities in the organization. Visionaries and Integrators must meet regularly in a “Same Page” meeting to ensure their cohesiveness and that they are speaking as one voice to the rest of the company.

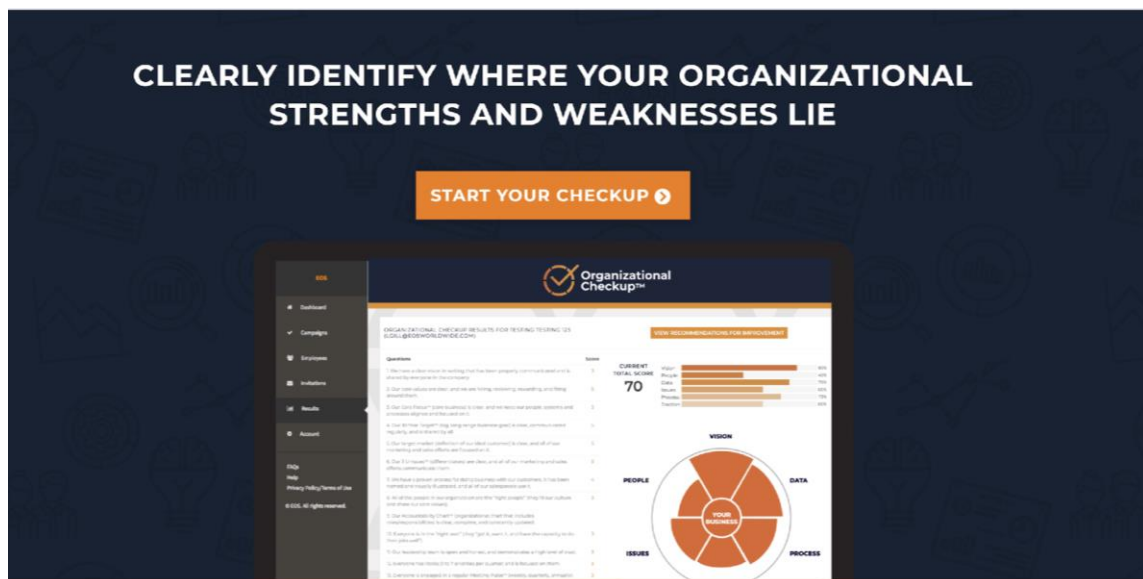
The beauty of identifying both a Visionary and Integrator for your company is the freedom it provides to those individuals, and the clarity it brings to the company. Most Visionaries do not enjoy having to manage the daily business of the company and chafe against the discipline needed to fill the role of Integrator. Once freed of that, a Visionary has the freedom to do what they do best: bringing the big ideas, working with the major customers, and tending the company’s culture. Many of my clients have sighed in relief once they are fully empowered in their Visionary role.



26. **Organizational Checkup®**: A 20-question survey that helps measure a company's strength in the Six Key Components.<sup>26</sup>

You can access the Organizational Checkup at <https://organizationalcheckup.com/get-started/> where you'll find two options: 1) an Individual Account, which is good for a getting a quick picture of how your business stacks up against the EOS practices, and 2) a Company Account, where you can invite many people from your company to rate the 20 questions. The Company Account allows you to see a composite rating across all your team members, ensuring that the Leadership Team is gathering multiple perspectives on the company's health. I recommend doing this before you get started implementing EOS - with the understanding that you don't know what you don't know about each of the 20 elements. Then, use the Company Account to get a pulse on your business every year thereafter.

The Organizational Checklist is also a great way for someone new to EOS to get a taste of what it can do for your company. Take it now to get started with the EOS concepts!



## About Kristin Robertson



Kristin Robertson is an EOS Implementer, executive coach and leadership development trainer who helps leaders get everything they want from their businesses. As an EOS (Entrepreneurial Operating System) Implementer, she brings decades of experience training, consulting, and coaching leaders at over 236 companies both large and small. She recognizes that EOS is the best way to instill discipline and accountability in a smaller company, therefore enabling it to grow exponentially. EOS allows her to fulfill her calling to change the world by helping leaders build positive, productive, and performance-enhancing businesses.



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Gino Wickman.