

Case Study

This monthly feature shows how business experts have helped entrepreneurs address specific issues that face small businesses.

Business owner puts in rituals, gains efficiency

By Janet Rorholm

Roger Vorhies, president of Schaus-Vorhies Cos. in Fairfield, said his business was doing well, but he knew it could be better so he turned to a business coach to help him.

"I knew we lacked some structure in certain areas of the company," Vorhies said.

The company's chief financial officer had given Vorhies a copy of the book "Mastering the Rockefeller Habits" by Verne Harnish, calling it "required reading," Vorhies said. The book focuses on the foundational business strategies behind John D. Rockefeller's success. Rockefeller founded Standard Oil Co. in 1870 and became a billionaire and philanthropist.

"The book really spoke to me," Vorhies said. "It talks a lot about getting pulled into the business rather than stepping out of it and working on it. I wasn't able to work on some larger, more important issues as a result."

So Vorhies sought the help of business coach Doug Wick, owner of Positioning Systems in Cedar Rapids, who is well versed in the Rockefeller habits, to help him put some of these strategies in place.

"I couldn't get my arms around the whole topic. I realized I needed some help," Vorhies said.

One of the habits that Schaus-Vorhies put in place was "rhythms," daily, weekly, monthly or quarterly meetings that focus on specific goals. But adding more meetings was not what employees wanted to hear.

"We saw a little bit of resistance and eye rolling, but I told them they'd see the benefits eventually," Vorhies said.

Vorhies said there are days when the meet-

ings are "bland," but he's convinced that the nine- to 15-minute meetings offer some good communication a couple of times a week. He said employees are asked to develop three goals each quarter and at the meetings they talk about how they are going and where they need help.

"This leads to accountability with the group. You're sort of embarrassed if you haven't made any progress 10 days in a row," Vorhies said.

Wick said these rhythms or "huddles" help make sure everyone is on the same page.

The Rockefeller habits are all about developing routines and rituals that help get things done. Some people don't get things done unless they have these meetings because of the accountability associated with them, Wick said.

Because the huddles are meant to focus on strategic goals, it also gives employees a purpose, he said. So many times managers take it for granted that employees know what's expected of them, Wick said. That's often because managers don't just manage people. They often



Business partners Gus Schaus, left, and Roger Vorhies of Schaus-Vorhies Cos., in Fairfield stand in front of one of its projects, an office expansion project at Cambridge Investment Research Inc. in Fairfield. Mark Tade photo/EdgeBusiness

are doing tactical stuff themselves, so their attention is divided.

Vorhies admitted that making sure employees had goals was a new concept that's made everyone more productive.

"If you have people working in your office that don't have goals, that's a problem," Vorhies said.

Vorhies also developed a one-page strategic plan for the business that defined the company's core values and purpose. He said it wasn't easy.

"That's where Doug really helps. He calls (the core values) a tool so ingrained in the company DNA that no one can talk you out of it," he said.

Wick said these core values are often what business owners are willing to sacrifice their business over. Establishing these values makes it easier to manage employees because it helps define what they should and shouldn't be doing.

"The essence of any great business ... is to have these core values that stay with the company," Wick said.

Vorhies said he and his business partner Gus Schaus had to look deep inside themselves to figure what their ideas were in starting the company and where they saw the company going in three to five years.

The company's core values now include safety first, honesty and integrity, respect for people, nurturing personal growth, reliability

and conservation.

"Those core values won't change if you've nailed them," Vorhies said.

The strategic plan, however, does change as goals are met.

Vorhies said the company's strategic plan has helped employees set their own goals.

"You get a guideline and you shouldn't have to ask anybody, 'What should I be doing next,' because these all guide you to a common goal," Vorhies said.

He said he and Schaus are working on creating their brand promise.

Vorhies said the Rockefeller habits also have helped put metrics and dashboards in place that have made them much more efficient. Vorhies said the company established a bonus plan to reward employees meeting those goals as a result.

"What we have found is that employees who are involved in the business or are engaged perform 40 percent greater than the average employee would," Wick said.

Vorhies said the company started working on the Rockefeller habits two years ago and are still working to apply them, but he said the company has made real progress.

"It's increased our cash flow. I see enough progress that I wouldn't change course," he said.

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