



## Group Therapy

Forget the consultants. For real insight on your business, share with your peers.

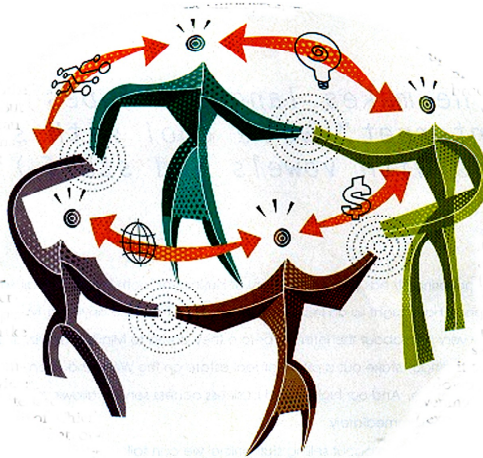
BY KEVIN KELLY

FOR THE PAST 18 MONTHS, it just hasn't stopped. We've faced a union drive, launched a \$5 million capital-spending program, lost a major account, examined two acquisition candidates, and delved into succession planning for my father's retirement. Meanwhile, the competitive landscape around us has shifted. Bigger and bigger companies are a niche we had all to ourselves not long ago.

More than once I felt like just screaming, "Help!" But to whom? Consultants can solve specific problems (sometimes), but at \$200 an hour, a small company like ours can't afford one for hand-holding. So too often I've found myself huddled over our sales plan or our capital investment program wondering who can offer the perspective I need to make good decision.

Now, I've found an unexpected source of advice: other business owners. Late last year, I joined the **ALLIANCE OF CHIEF EXECUTIVES**, a local company that organizes something akin to support groups for business owners and CEOs. Once a month the group I'm assigned to spends a half a day poring over specific business problems confronting individual members. For instance, at one session the group's 14 members helped me figure out how to build a sales organization. Members are also committed to lending a hand outside of our monthly meetings. Several e-mailed useful suggestions that helped us defeat the union organizing drive last March. Best of all, this self-help model costs only \$1,500 a quarter - what I'd pay a consultant for a day.

That's partly what the **ALLIANCE** has given back to me: perspective. My group's executives, who run companies ranging from a Net startup to a law firm to a car-parts manufacturer, have helped me see that the chaos engulfing our business is just plain business these days. We're all battling for market share, struggling to hang on to the best employees, and having to invest money



to keep up. My world seems a little less haphazard and frightening knowing this.

But if that were all I got from the **ALLIANCE**, I'd probably go to one or two meetings and leave. Instead, it has become an important factor in helping me solve problems. For instance, over the past year we've tried to boost sales to make up for business lost when a major account unexpectedly walked. My group urged me to establish a formal sales plan that held our salespeople accountable for their sales projections. Members spent two hours at one meeting explaining how they go about planning, and why they find it valuable. One member even spent four hours alone with me walking me through his sales plan.

The upshot? We have our first

formal sales plan. It spells out the amount of business we expect to do at key accounts and the strategy for working with those customers. It also sets up timelines for our salespeople to meet their projections - or face the consequences, including the possibility of losing the account and the commissions to someone else. The new approach seems to be paying off; Sales are up 20% over the last three months.

But I don't learn only from my own problems. At every meeting we spend up to three hours dissecting another member's business in open, often brutally frank dialogue. These conversations always leave me with practical nuggets to apply to my own business. For example, one time a member bemoaned the performance of a newly hired executive. But under questioning it became clear that he hadn't adequately trained the man for his new position, nor given him a sense of what performance objectives he had to meet. I was facing the same situation - and I realized it was for the same reason. I sat down with my executive that evening and let him know what goals I expected him to attain. His performance quickly improved.

Fortunately, you don't have to live in the San Francisco Bay Area to take advantage of this kind of experience. Executive groups like the Alliance are springing up all over the country, the most widespread being one called the Executive Committee. So if you're like most of us running a small business - in need of advice, but not willing to pay the price most consultants charge for it - you may find your best resource is your peers.

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