KHORUS

How I Use Khorus to **Run My Company**

JOEL TRAMMELL, CEO, KHORUS SOFTWARE

INTRODUCTION

Software Built for the CEO

Take a second to imagine a modern finance department that operates without accounting software.

How could such a department sort, analyze, and present its data? How could it make accurate projections? My guess is: it couldn't. That finance department would be a mess.

Fortunately, finance leaders *do* have sophisticated software at their fingertips. The same goes for every other functional leader in your company, from marketing (HubSpot) and sales (Salesforce.com) to HR (Bamboo) and engineering (JIRA).

Do you notice anyone missing? That's right: **the CEO**. As a longtime CEO myself, it's always shocked me that arguably the most critical role in the organization had no software dedicated to it. We CEOs are responsible for so much—but what do we have to do it? Emails? Spreadsheets? Calendars?

I founded Khorus to give CEOs the kind of system I always wanted as a chief executive. In this guide, I'll show you exactly how I use it in my own current company, and how it benefits all of us.

If you'd like to get started using Khorus in your own business, please reach out. I think you'll be pleasantly surprised by the clarity a CEO system can give you as you run your company.

—**Joel Trammell**,
founder and CEO, Khorus

Contents

1. I document company strategy.

ONGOING

Strategy creation is one of the fundamental responsibilities of the CEO. If you don't have a clear strategy documented and communicated to your workforce, your company will experience conflict, waste, and duplicated effort.

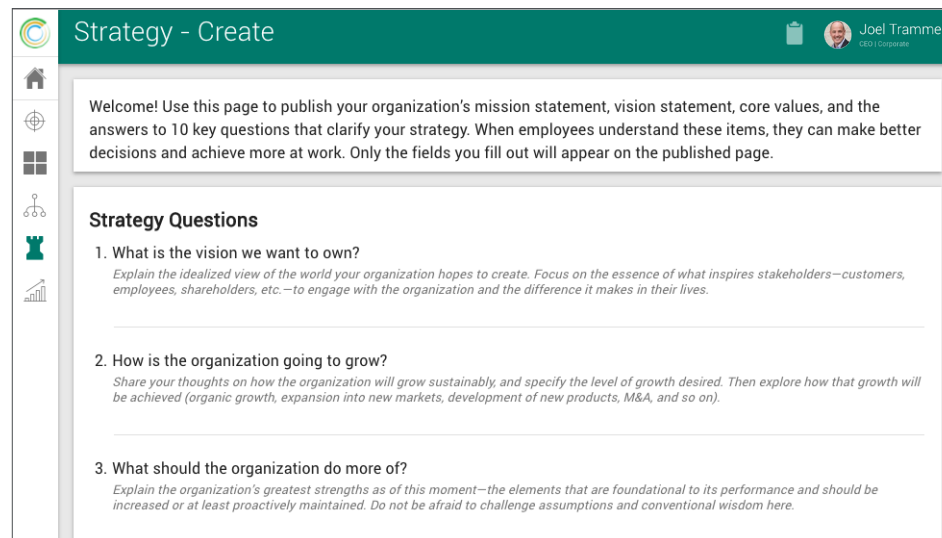In Khorus, I use the strategy feature to document our strategy and ensure everyone has access.

- **10 strategy questions.** The strategic-planning feature prompts the CEO to answer ten key questions that define company strategy. I filled these out, got input from my execs, and then published so the whole team could see the strategy.

- **Mission, vision, values.** I also loaded in our mission statement, vision statement, and core values. Once published, anyone in our company can access this with a single click.
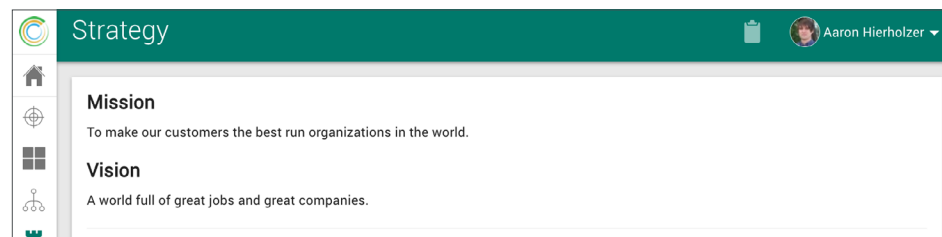
95%

of a company's employees are unaware of, or do not understand, its strategy.[1]

—KAPLAN AND NORTON

Answer the 10 strategy questions . . .

Strategy - Create
Joel Trammell · CEO | Corporate

Welcome! Use this page to publish your organization's mission statement, vision statement, core values, and the answers to 10 key questions that clarify your strategy. When employees understand these items, they can make better decisions and achieve more at work. Only the fields you fill out will appear on the published page.

Strategy Questions

1. What is the vision we want to own?
   Explain the idealized view of the world your organization hopes to create. Focus on the essence of what inspires stakeholders—customers, employees, shareholders, etc.—to engage with the organization and the difference it makes in their lives.

2. How is the organization going to grow?
   Share your thoughts on how the organization will grow sustainably, and specify the level of growth desired. Then explore how that growth will be achieved (organic growth, expansion into new markets, development of new products, M&A, and so on).

3. What should the organization do more of?
   Explain the organization's greatest strengths as of this moment—the elements that are foundational to its performance and should be increased or at least proactively maintained. Do not be afraid to challenge assumptions and conventional wisdom here.

Then add your mission, vision, and values.

Strategy
Aaron Hierholzer ▾

Mission
To make our customers the best run organizations in the world.

Vision
A world full of great jobs and great companies.

2. I set the company goals.

QUARTERLY

Before each quarter begins, I meet with the exec team to set 4–7 specific goals for the next 90 days (based on our long-term strategic plan). Then, I enter them into Khorus.

Each goal gets a title and a measurement, and I can add a description to give more context. The company goals spell out precisely how we'll move closer to our vision of success.

Now **goal alignment** begins. Each executive enters their own goals for the quarter, many of which support my company goals. They easily link up in Khorus.

The process continues, with each manager setting goals for their team and working with direct reports to define specific, achieveable goals for each person.

Once this process is done (usually a couple of weeks) I know that everyone is working on the right things, and my employees understand what's expected of them and why it matters to the business.

Write 4–7 specific goals for the company.
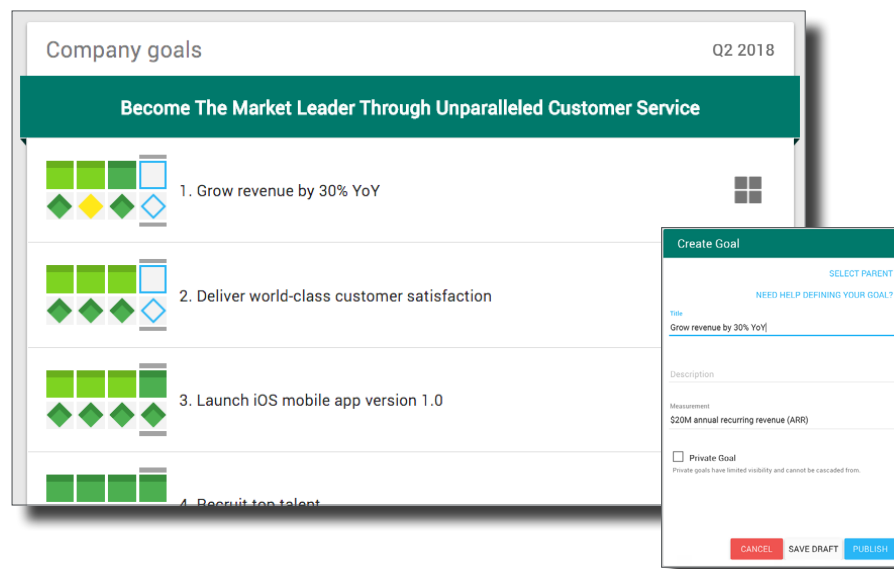
Now the rest of the company can create their own goals.
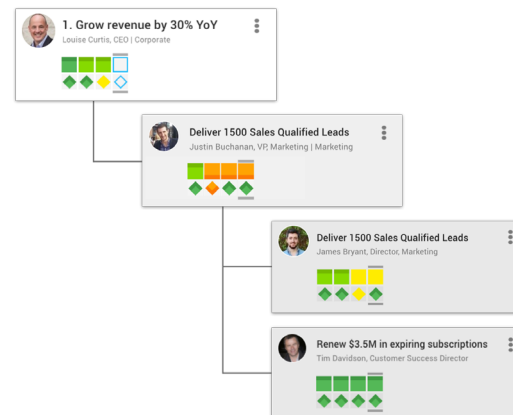
3. I track companywide performance.

WEEKLY

We built this system so CEOs could deliver performance, not just get more data, data, data. When I log in to Khorus, I get exactly the insight I need on how our goals are tracking—instead of irrelevant noise.

At the end of every week, all employees rate their goals in Khorus on two dimensions:

Likelihood: How likely are you to complete this goal on time?

Quality: How do you feel about the quality of work done so far?

Khorus rolls these color-coded updates into the **Performance Dashboard** for every company goal. At a glance, I can see supporting goals under each company goal and zero if employees are raising a red flag.

This intelligence is critical. As a CEO leading teams of knowledge workers, I need each person's specialized insight and foresight. Khorus helps me get this collective wisdom every week.

I usually check the Performance Dashboard for each company goal over the weekend or on Monday morning. Then I'm prepped for our leadership team meeting . . .
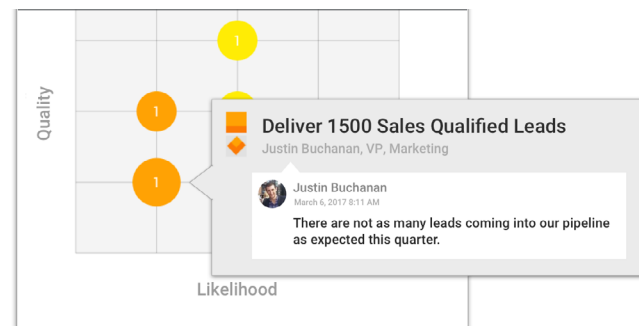
The Performance Dashboard: high-level monitoring for each company goal.
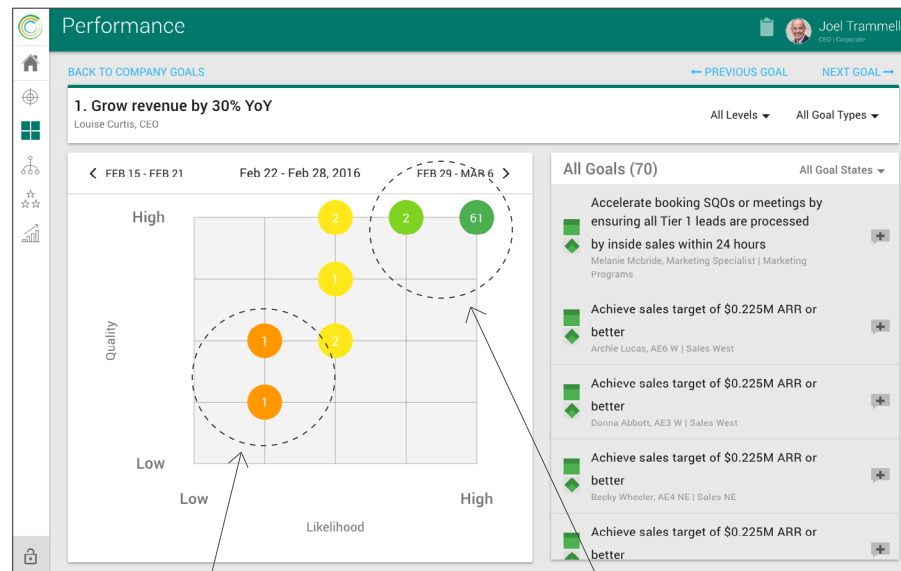
Check in on these supporting goals—they're falling off track.

These supporting goals are are very likely to be achieved

Employees comment to explain when a goal is faltering.

4. I run focused leadership meetings.

WEEKLY

On Monday at 1:00 p.m., our leadership team convenes for a weekly meeting. We have a simple agenda: to review the Performance Dashboard for each company goal and address any new issues.

For healthy goals: If our revenue goal is doing great—most of its supporting goals are rated with high Likelihood and Quality—we can acknowledge that and move on.

For at-risk goals: But, for example, if a goal to secure a strategic partnership is faltering—with many red/orange supporting goals—we can talk about how to get back on track. I might ask our head of business development to help us (a) diagnose why the goal is at risk and (b) what support he needs from me or anyone else to get back on track.

If we make a key decision, I'll record it in the comment section for the goal. I can also create **Action Items** and assign them to any team member, to ensure that everyone is clear on who's responsible for what—and that the tasks are completed.
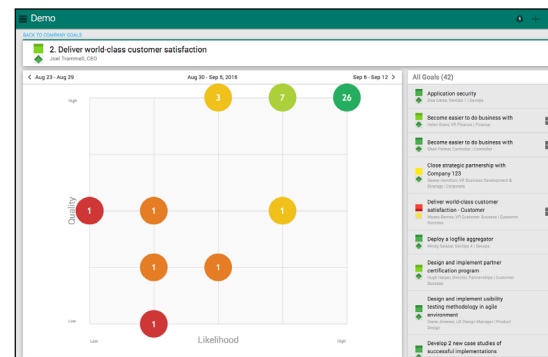
This approach gets rid of long reports and unnecessary data dives and instead drives a future-oriented discussion of our priorities and how we're going to make them happen.

Run through goals at the weekly meeting to spot developing issues.

Healthy company goal
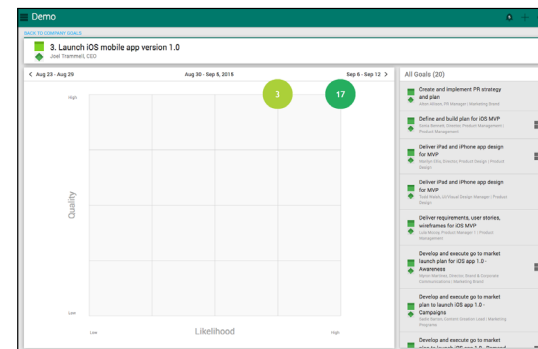
At-risk company goal

Action Item

5. I guide and train managers.

ONGOING

Company performance depends heavily on how effective your managers are. One bad manager can damage their team's morale and performance, and that can quickly spread.

With Khorus implemented, however, I know that my managers are building their competency and have a consistent management system to follow.

I can ensure that each manager has created a clear set of goals for their team and has worked with each report to develop their own goals.

I can also:
- Track performance by team.
- See comments between managers and employees.
- Read employee appraisals to ensure managers are giving relevant feedback and coaching every quarter.

In my organization, this is an important form of training our managers on an ongoing basis.

Managers account for

70%

of variance in employee engagement.[2]

—GALLUP

Look at Khorus to make sure your managers are giving effective feedback to their teams.

Goal Summary

✓ Become easier to do business with
Goal achieved, **Very good quality**

◆ Deliver 1500 Sales Qualified Leads
Goal not achieved, Poor quality

✓ Create unmatched avenues for growth, learning and development
Goal achieved,

✓ Create comp
Goal achieved,

Appraisal—Justin Buchanan, Q1 2016
Appraised by Louise Curtis

Justin continuously exceeds manager expectations in the role of VP of Marketing. He effectively adapts to change, works well under pressure while maintaining a positive attitude, and has exceptional ability to provide detail. Justin goes beyond the call of duty by continually seeking out and following through with additional responsibilities. He is an active listener, manages his time well, and demonstrates exceptional professionalism and conscientiousness about his quality of work.
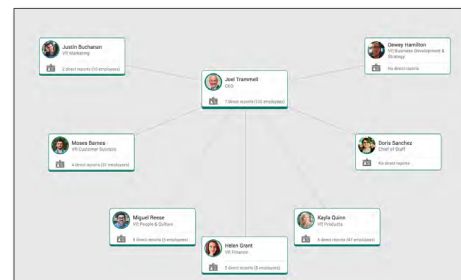
Justin Buchanan   *Louise Curtis*

Justin Buchanan Mar 6, 2016   Louise Curtis Mar 6, 2016

This is very valuable feedback. Thank you for taking the time to coach me through this quarter. I look forward to continuing our great work together.

Use the org chart for easy access to any manager or team.

6. I grow our talent base.

ONGOING

I also use Khorus to make sure we develop our A players and future leaders. Thanks to the Talent Dashboard:

I know who my top performers are.
Employees on the far right of the Talent Dashboard were identified by their manager as having exceptional performance in the previous quarter. If a new employee knocked her goals out of the park, I might congratulate her on a job well done. I'll know, going forward, that she's an asset to the company.

I know who our future leaders are.
Employees along the top of the Talent Dashboard have been identified by managers as key to the company's future. If we expect a lot of growth in one department, or if a key leader is departing, I can check our bench strength and make sure we have strong leaders on hand.

I can quickly see personnel issues.
If an employee moves to the lower left of the dashboard, I can attend to the issue. I might take that person to lunch and find out what's going on. Is this just a blip, or does he need support from me or anyone else? If someone is consistently in the bottom-left quadrant, it's time to seek a new role for them or replace them.

Check the Talent Dashboard to see who your key players are.
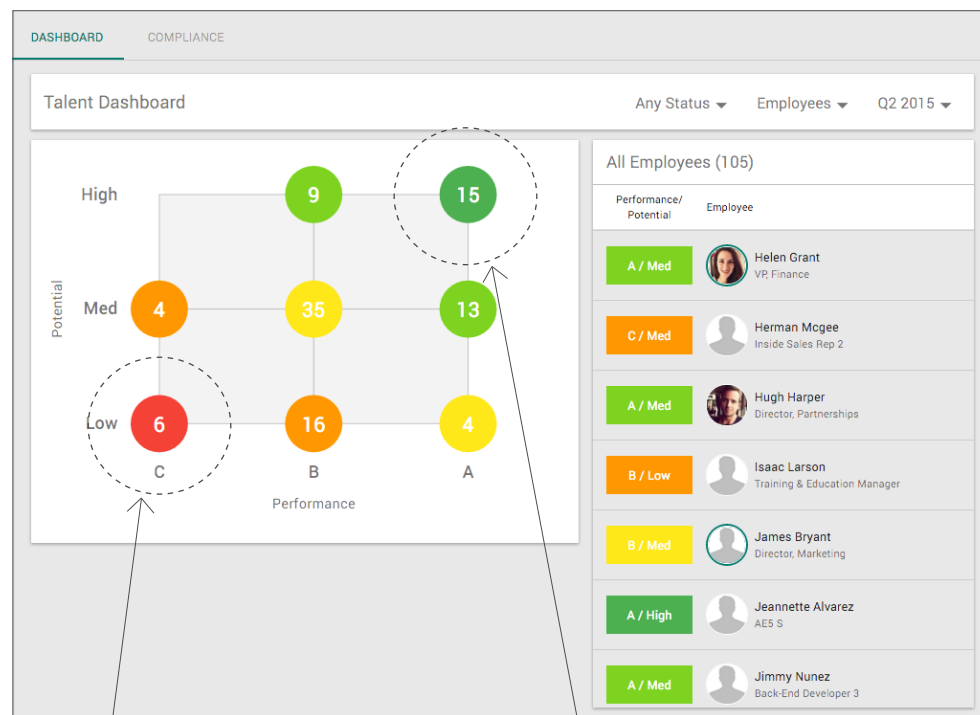
These employees are struggling. They should be moved to different roles or replaced with A or B players.

These employees give you a competitive advantage. They should be nurtured and retained.

7. I close out goals at quarter-end.

QUARTERLY

When the quarter wraps up, marks their goals achieved or not achieved, and indicates the quality of the work done. This process holds us all accountable for what we said we'd do in the quarter.

We've all seen the grand corporate initiative that vanishes after a few weeks. But with Khorus no one in the company can wiggle out of an agreed-upon commitment.

If we hit a goal, we can celebrate. If we missed a goal, we can talk about whether it's still a priority for next quarter, and be intentional about either renewing it or cutting it.

As each quarter passes, we get better at biting off the right amount of work, predicting our out-comes, and responding to new challenges.

DID YOU KNOW?

Across our customer base,

80%

of goals entered into Khorus are achieved by quarter-end.

Finalize each goal as achieved or not achieved, and select a quality.

1. Grow revenue by 30% YoY
Joel Trammell, CEO | Corporate

Grow revenue by 30% YoY to $20M annual recurring revenue (ARR)

Measurement
$20M Annual Recurring Revenue (ARR)

Predictions
Q3: 7/5 7/12 7/19 7/26 8/2 8/9 8/16 8/23 8/30 9/6 9/13 9/20 9/27 9/30

Joel Trammell
Results: Goal achieved, Good quality

Outcome
We hit our revenue number for the quarter. Great work, team.

4 child goals (70 cascading goals) ↓

8. I run focused board meetings.

QUARTERLY

Khorus is a great way to share insight with the board and get their input in the short time I have with them. Before the board meeting, I export our goals from last quarter and drop them in the meeting deck, then use that as the backbone of the agenda.

I like this approach for two reasons:

- **It takes me and my executives exponentially less time to prep for board meetings.** We may still pull in some outside data—financial reports, for example—but our record of goals captures most of what we need to talk about.

- **We don't get bogged down in irrelevant discussion.** We stay focused on the foundational questions: What were we trying to achieve? How did we do? What should next quarter look like?

Need a sample deck to structure your board meeting? **Download a copy here**.

Export goal reports to quickly give the board high-level insight.

2. Deliver world-class customer satisfaction
Joel Trammell, CEO | Corporate

Deliver world-class customer satisfaction

Measurement
Improve NPS score from 35% to 40%

Predictions
Q3: 7/5 7/12 7/19 7/26 8/2 8/9 8/16 8/23 8/30 9/6 9/13 9/20 9/27 9/30

Joel Trammell
Results: Goal not achieved, Good quality

Outcome
We didn't meet the NPS target. However, underlying quality of work, especially on resolving customer issues more quickly, was strong.

4 child goals (43 cascading goals)

What CEOs have to say...

Khorus allows our entire team to **align around one North Star**. Now, we can predict our success in real time and make adjustments during the quarter instead of after the fact.

—JOHN SCRIBANTE, CEO, ORION ENERGY SYSTEMS

"

So many organizations need this. There's a place for Khorus in every organization that has a desire to grow and reach its goals."

—MISTI POTTER, CEO, BOYS AND GIRLS CLUBS OF THE AUSTIN AREA

"

Our culture has changed for the better, We are focused—more efficiently focused—than ever before.

—BILL ANDERSON, CEO, MID OREGON CREDIT UNION

Conclusion

At the end of the day, I feel more equipped to do my job as CEO with Khorus. I feel like I'm running my company—not letting it run me.

If you're interested in using Khorus, please click below to set up a demo with a member of my team. And if you have any questions, feedback, or ideas, reach out to me at **jtram@khorus.com**.

Schedule a demo

@thekhorus   **www.khorus.com**

About Khorus

Khorus Software, based in Austin, Texas, and founded by veteran CEO Joel Trammell, provides software and services that help CEOs run their organizations more effectively.

With Khorus, CEOs can easily manage companywide performance against strategic goals, resulting in alignment, engagement, and predictability.

KHORUS
ALIGN ENGAGE PREDICT

Notes

1. Robert Kaplan and David Norton, "The Office of Strategy Management," *Harvard Business Review*

2. Gallup, "Managers Account for 70% of Variance in Employee Engagement," http://www.gallup.com/businessjournal/182792/managers-account-vari-

ance-employee-engagement.aspx

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