DESIGN YOUR BUSINESS TO RUN ITSELF

CLOCK WORK

MIKE MICHALOWICZ

Author of *PROFIT FIRST* and *THE PUMPKIN PLAN*

"I was constantly spinning my wheels coming up with more ways to convert sales and hit our quarterly goals. Thanks to *Clockwork*'s ACDC bottleneck framework, I realized I was converting people just fine, but what I did have was a prospect problem! Using *Clockwork* principles, I created a system to track how many people were coming through my doors and where they were coming from, which empowered me to make the right decisions on what to focus on each week. As soon as I started focusing on bringing more people into our business, we nearly tripled the number of prospects!"

—CARLEE MARHEFKA,
CEO, Eat The 80

"As a business owner, I often overcomplicate things, so the frameworks in *Clockwork* helped me clearly identify where I was getting in my own way and what aspects of my business I needed to outsource to grow (and still get to sleep at night). Doing this alone has made a massive difference in what can be accomplished with the same or even less time working on my business."

—TARA HUNKIN ARYANTO,
CEO, My Child Will Thrive

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For Jake Michalowicz. Wuz up, my brah?

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INTRODUCTION

"It's two a.m. and I am writing you out of desperation."

That is the opening line from an email I received from Celeste,* an entrepreneur who reached out to me for help. Over the last eight years, I've received countless emails from readers and from people who have heard my message about eradicating entrepreneurial poverty in my books, my speeches, an article, or on a video or podcast. I respond to all of them and save quite a few, and this is the one that lit a fire under me to finish this book.

The email continued: "I own a preschool. We make no money. I haven't taken a salary since we started. I'm racking up debt. And tonight, I am broken. Not just financially, but in my soul. I am convinced an immediate termination of my life would be the fastest resolution to my predicament."

Reading that email, I felt as if my heart dropped to my stom-

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* Name changed.

ach. I was concerned—no, terrified—for Celeste's life. At the same time, I recognized her vulnerability.

"Please understand, I am not sending you a suicide note," Celeste went on, "and I am not at risk for such stupidity at the moment. That decision would just leave the burden to my family. But if I was single, I would be gone. You see, I have double pneumonia right now. I can't afford someone to clean our preschool, and for the last four hours, I have been scrubbing the floors and cleaning the walls. I am exhausted. I am crying, and stop only because I am too exhausted to cry. I am starving for sleep. I am so ill, yet I can't sleep because my worry keeps me up. The only thing I have left to give my business is my time and that is now depleted, too."

My heart broke for Celeste. I'd been in a similar state of mind a few times in my life as an entrepreneur, and I knew countless others who had been lower than low, desperate for a solution. The last lines of the email will stay with me forever:

"What has become of my dream? I am trapped. I am exhausted. I can't work more than I already do. Or maybe I can. Maybe my work is the slow suicide I am thinking of."

What has become of my dream? Does that question ring true for you? It did for me when I read the email. We work, and work, and work, and work, and before we know it, the business idea we once proudly shared with our friends, the plan we outlined on a whiteboard, the vision we shared with our first employees, all seems like a dim memory of an unobtainable goal.

Normally, I would ask permission to share an email from a reader, but I'm not sure how to reach Celeste, and I'm hoping that maybe she will read this and get in touch. I responded to her email multiple times, but I never heard back, and I didn't have any luck tracking her down. I still think of her today, and share her story as a cautionary tale.

Celeste, if you're reading this, please email me again. I will help you. If you'd rather not contact me, then please know this: It's not you that is holding your business back. It's surely your systems—and those systems can be fixed.

Perhaps you can relate to Celeste; perhaps (I hope) you're in a less dire situation, managing to keep up the grind week after week and keep the wheels of your business turning. Whatever the case, chances are you don't ever feel like you can ease up, or spend *less* time and effort on your business. Why is that?

Most entrepreneurs I know do everything. Even when we bring on help, we spend just as much time, if not more, telling the staff *how* to do all the things that we are supposed to no longer worry about. We put out fires. We stay up late. We put out more fires. We work weekends and holidays, flake on commitments to family, and bail on nights out with friends. We put out even more fires. We push on, we push harder, we don't get enough sleep.

But here's the irony: Even when things are going well with our business, we are still exhausted. We have to work even harder when things are good, because "who knows how long this will last?" And the growth opportunities we know we should grab by the horns, the visionary work that is crucial to explosive growth, the stuff we *love* to do, is set aside day after day until that notepad with all of our ideas is lost under a sea of papers and to-do lists, never to be found again.

We're blowing it. We're all blowing it.

"Work harder" is the mantra of both the growing and the collapsing business. Work harder is the mantra of every entrepreneur, every business owner, every A-player employee, and every person just struggling to keep up. Our perverted pride about working longer, faster, and harder than everyone else in our industry has taken over. Instead of running one marathon, we are trying to sprint ten. Unless something changes, those of us who

buy into this way of life are headed for a breakdown. And maybe double pneumonia to boot.

Maybe you can relate. If you can, I want you to know you are not the only one who is going through this. You are not the only entrepreneur who feels they must work harder, who is exhausted and wondering how long they can sustain this level of work. You're not the only business owner who wonders why all your improvements haven't improved your bottom line, or garnered you more clients, or helped you retain employees, or simply given you back just a little bit of your precious time. You're not the only person who is reading this book because you feel stuck, and you're desperate for answers . . . and a nap. According to an article on 20SomethingFinance.com, the United States is the "most overworked developed nation in the world" (G. E. Miller, January 2, 2018). And here's the irony: Americans are 400 percent more productive than we were in 1950. And yet, as employees, we work more hours and get less time off than employees in most countries. As entrepreneurs and business owners, our workload is even greater. As for time off? We don't take any.

I started writing this book when I asked myself a key question: Could my business achieve the size, profitability, and impact I envisioned without me doing all (or any) of the work? This question triggered my half-decade quest for answers—for me, and for the business owners and entrepreneurs I serve. *For you.*

If you're unfamiliar with my previous books, or if you've yet to hear me speak, I want you to know that my mission in life is to *eradicate entrepreneurial poverty.* I am committed to never again letting an entrepreneur live with lack: Lack of money. Lack of time. Lack of life. In my book *Profit First,* I sought to defeat one of the monsters that drives most entrepreneurs to despair: the lack of money. In this book, I'm going to help you slay an even bigger monster: the lack of time.

Whatever answers you are looking for, in this book you'll find real, actionable business efficiency strategies that have worked for countless entrepreneurs, numerous business owners, and for me, too.

The goal is not to find more hours in your day. That is the brute force approach to business operations, and even when you pull it off, you'll just fill that time with more work, anyway. The goal is organizational efficiency. In this book you'll learn how to make simple but powerful shifts in your mind-set and day-to-day operations that will make your business run on automatic. I'm talking predictable outcomes, my overworked friend. I'm talking real, sustained growth. I'm talking a thriving workplace culture. I'm talking freedom to focus on what you do best, and what you *love* to do. And that, compadre, is the only way to build a truly successful business—by freeing ourselves to do the work we do best and the work we love most.

We are also going to free you from the grind. We are going to relieve you from the constant pull on your time, your body, your mind . . . *and* your bank account. Yes, it is possible to feel at ease about your business. Yes, it is possible to regain the optimism you felt when you first started your company. Yes, it is possible to scale your business without killing yourself or sacrificing your own happiness.

You need to stop doing everything. You need to streamline your business so it can run itself. I'm talking about your business running like a well-oiled machine, run by a highly efficient team that is aligned with your objectives and values. A business that runs, well, like clockwork.

The process you will discover in this book is ridiculously simple. You will not find shortcuts, tricks, or hacks to packing more in. Instead, you will discover how to get the work done that matters most, avoid the stuff that doesn't, and have the wisdom to

know the difference. (Yeah, I borrowed a little bit from the Serenity Prayer. Serenity may seem like an impossible goal for most overworked visionaries like you. Heck, you'd probably settle for sanity at this point. But by following the seven steps I outline in this book, serenity is definitely back on the table, baby!)

Life is about impact, not hours. On my deathbed, I will be asking myself if I fulfilled my life's purpose, if I grew as an individual, if I truly served you and others, and if I deeply and actively loved my family and friends. If I may be so bold, I think you will be asking the same.

It's time to join the elite Clockwork Club. Seriously, make your stance and join us, first at our website, Clockwork.life,* and then at the beach one day soon. It's time to get back to what you love— in your life, in your work, and in your business. It's time to implement strategies with ease and joy. It's time to bring balance back to your life. This book will help you do all of that.

That is my wholehearted promise to you.

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* To make it super easy for you to get all the free resources for this book, I created a site called Clockwork.life. Everything you need for this book, including a Clockwork Quick Start Guide, is there. Additionally, if you want professional help from a noncorporate consultant, a get-your-hands-dirty expert, I have a small business that does just that at RunLikeClockwork.com. Note that Clockwork.life is not a .com, but a .life, because the Clockwork Club is a lifestyle. And RunLikeClockwork.com is a .com, because it is all about our company serving your company.

CLOCKWORK

WHY YOUR BUSINESS IS (STILL) STUCK

A s is traditional for many people born and bred in the Garden State, every summer my wife and I pack up the kids and meet my sister and her family for a week of fun at the Jersey shore. Up until a few years ago, our summer trip went something like this: Everyone would spend the day at the beach and then the adults would start happy hour around four p.m., talk a big game about hanging out until the sun rises, and then promptly fall asleep by seven p.m.

Except I hardly ever made it to happy hour or spent much time at the beach. I was working. Always. When I wasn't focused on completing a project, or in a meeting, I was trying to sneak "a few minutes" to check emails. When I did make it outside to join everyone, I was so distracted by thoughts of work that I wasn't really there. This caused me stress and annoyed the heck out of my family.

Every year, I tried to break the "workcation" habit. I had the same plan: I would get all of my work done in advance so that

"*this* time," I could finally enjoy my vacation and be fully present with my family. Then, I thought, I would return from vacation with no work to do, or at least very little, and easily get back up to speed. But my plan never worked out. Often, it was just the opposite of what I planned.

The last time I tried to prove that I really could work this vacation plan was a total disaster. A problem with a client came up the afternoon of the day before we were to leave. I can't even remember what the problem was, but, at the time, I thought it was important enough to work on the solution well into the night. Then I stayed up even later to finish the work I had to do before the client crisis.

It was nearly dawn before I made it back home from work. I slept for three hours, then headed to Long Beach Island. (If you aren't from New Jersey, I want you to know that LBI is the real Jersey shore, *not* the boozefest of a show that lays claim to it.) Before I went to the beach, I decided to check my email to "make sure everything was okay." It wasn't. The rest of my day was spent making calls and sending emails. Even when I made it to the beach the next day, my mind was on the business and my body was dying for sleep. Yet again, I wasn't really there. My family's vacation was compromised, too, because my tension spread like smoke in a bar. One person can really stink up the place and ruin everyone else's fun.

My wife was frustrated with my workaholic ways, and so, one afternoon, she sent me for a walk on the beach—without my phone. As I looked at the beachfront houses, I thought, "The people who vacation at those mega-mansions have it all figured out." They had financial freedom. They could take vacations and not worry about work. They could enjoy themselves and come back to a business ticking along, still growing, still making money. That's what I wanted.

But as I looked closer, I saw person after person sitting on their decks frantically plugging away on their laptops. I even saw people on the beach, with laptops perched precariously on their knees, scared of sand getting in the keyboard while they tried to shield their screens from the glare of the sun. The people I assumed had it all together weren't any different from me. They were all working on vacation. *What the f*?

At this point in my life, I had built and sold one multimillion-dollar business to private equity and another one to a Fortune 500 company, written two business books, and spent a good part of my year speaking to thousands of entrepreneurs about how to grow their companies quickly and organically. Sounds like I was living the dream, right? You would think that I had retired my workaholic badge for good. But stressing out about work on yet another vacation proved I hadn't. I wasn't even close. And it was clear: I was definitely not alone. Neither are you.

THE SOLUTION IS NOT THE SOLUTION

I thought the cure for my workaholism was better productivity. If I could just do more, faster, I could find more time for my family, for my health, for fun, and to *get back to doing the work I really loved*. The work that fed my soul.

I was wrong.

In an effort to be more productive, I tried it all: Focus apps, the Pomodoro method, working in blocks. Starting my day at four a.m. Ending my day at four a.m. Lists on yellow notepads. Lists on my phone. Lists of just five things. Lists of everything. Back to lists on yellow notepads. The "Don't Break the Chain" method, which quickly led me to the "Chain Myself to My Desk" method. No matter what hack or technique I tried, no matter

how productive I became, I still slipped into bed at night long after I should have, and woke up the next morning way earlier than I should have, with a to-do list that seemed to have magically grown overnight. Maybe I did things faster, but I surely didn't work fewer hours. If anything, I worked more. Maybe I was making progress on many small projects, but many more new projects were filling up my plate. And my time was still not my own. All my years of studying productivity had given me nothing but more work. It was an epic fail.

If you haven't tried some of the productivity strategies I rattled off like bad failed diet plans, I'm sure you have your *own* list. An entire industry is built around the desire to do more, faster. Podcasts, articles, and books; mastermind groups and coaches; productivity challenges, calendars, journals, and software. We buy into the next productivity solution someone recommends because we're desperate. Desperate to grow our companies by getting more done faster, and managing all our work without losing our minds.

Some productivity experts are getting out of the "time hacks" game. As I was doing the research for this book, I befriended former productivity maven Chris Winfield. He had just completed one of his fabled retreats where he teaches twenty or so business leaders and professionals how to do more things in less time.

We met for coffee in New York City near Lincoln Center so he could teach me what it really took to be productive. I was ready to finally discover the productivity secret that would release me from my stress-ridden life. I arrived forty-five minutes early. I couldn't wait to find the ultimate hack. Chris arrived exactly on time, to the minute—typical of a productivity expert.

After we made the obligatory "this coffee is really good" comments, Chris looked me right in the eye and said, "Productivity is shit."

"Wha . . . ?!" I said, nearly spitting out my deliciously balanced Fazenda Santa Ines coffee. I can become a bit of a coffee snob (or, my preferred title, a "beanologist") when I have forty-five minutes to kill before a meeting.

"It's shit, bro. I have been teaching productivity for years and everyone I have taught is actually working more, including me."

I said, "I don't get it. Why is that?"

"Because productivity leaves everything on your plate. Productivity allows you to do more, faster. The pivotal word being 'you.' *You* can do more, therefore *you* in fact do more, and *you* do it all. Even when you say you are outsourcing the work, you really aren't, because you can't outsource the decisions. You are giving one task to someone else, but they come back at you with one million questions. You actually need to work even more, when you try to not do the work."

Chris continued. "I'm telling you, Mike. Productivity is hurting a lot of people. I'm done dying from it, and I'm done preaching about it, too. I am leaving the industry so that I can start working less, begin making more, and live life."

Mind. Blown.

It turns out that productivity doesn't get you out of the doing; it just gets you doing more. I had started my clockwork quest by seeking the wrong holy grail!

REVISITING PARKINSON'S LAW

You and I both know extremely productive people who work sixteen hours a day. You and I absolutely know the "I do best when I cram" people. Maybe it's you. Once upon a time, it surely was me.

It took me about fifteen years to figure this one out. I actually wore the productivity master's badge of honor—the workaholic

badge. I was a proud member. I was the fastest task-ticker-offer in the land. (What? It's a thing.)

In my book *Profit First*, I applied Parkinson's Law—"our consumption of a resource expands to meet its supply"—to profit. Just as we use all time we have allocated for a project to finish it, we also spend the money we have, which is why most entrepreneurs rarely earn as much as their employees, much less turn a profit. The more money we have to spend, the more we spend. The more time we have, the more of it we spend working. You get the idea.

The fix to this behavior is ridonkulously simple: limit the resource and you limit your utilization of it. For example, when, after you collect revenue, you allocate profit first and hide it away (in a remote bank account), you have less money to spend. So guess what? You spend less. When you don't readily have access to all the cash flowing through your business, you are forced to find ways to run your business with less.

And now that we're talking about time, Parkinson's Law is even more relevant. Whatever time you give yourself to work, you will use. Nights, weekends, vacations—if you think you need it, you'll work right through your time off. This is the root cause of the failure of productivity. The goal of productivity is to get as much done as quickly as possible. The problem is, because you've prioritized a seemingly endless amount of time to running your business, you'll continuously find a way to fill up the time. The more productive you are, the more you can take on. The more you take on, the more productive you have to be. Do you see how productivity is a trap?

If you're like me and most entrepreneurs I meet, you use the time you saved to do more work—just as Chris said. And not the work that feeds your soul. Not the work that could truly make a difference for your business. No, you do the next urgent thing.

You put out the fires, and then you do the next tasks that will be the next fires, until you're interrupted by some other even more urgent thing that pops up. You keep working your ass off and feeling as though the more progress you make, the more work you have.

It was only after I met Chris Winfield that it dawned on me: Yes, productivity is important; we all need to make the best use of our time. To be unproductive is like sinning against the business gods. (Plus, sittin' around eating Cheetos and watching Thigh-Master infomercials all day isn't going to move anyone's business forward.) But in time, I came to understand the real holy grail is organizational efficiency. Productivity gets you in the ballpark. Organizational efficiency gets you hitting home runs.

Organizational efficiency is when all the gears of your business mesh together in harmony. It is the ultimate in leverage, because you design your company's resources to work in concert, maximizing their output. Organizational efficiency is where you are accessing the best talents of your team (even a team of one) to do the most important work. It is about managing resources so that the important work gets done, instead of always rushing to do what's most urgent. It is not about working harder. It is all about working smarter.

For far too many of us, twenty years of business ownership is celebrated by realizing that we survived twenty years of a continuous near-death experience. But it doesn't have to be that way. You are not alone. There are millions of people just like you. I was one of them, and I'm here with you. In fact, I'm still progressing further and further on this stuff, even as I write this. I still have to remind myself to work smarter, not harder; it's so easy to fall back into believing there's a magic productivity hack that will save the day. Whatever choices you made to get you to this day, it's okay. It got you here. You're in the park. Now, put down that

frankfurter and sauerkraut, and step on the field, crackerjack. You are about to hit the entrepreneurial homer of a lifetime. You can take a selfie right now, pointing to the stars, because you and your business are about to launch. Take your time and make a great pose. I'll wait.

So what's the fix? We change the system around us so that we don't need to change (we really can't change much anyway) and set up the system so that it will channel our natural tendencies to achieve the outcomes we want.

Part of the Clockwork solution is to actually restrict time, to use Parkinson's Law to our advantage. But that alone won't get us off the hamster wheel. When we give ourselves less time, we also need to figure out *where* to focus the remaining time. It's not about doing more with less. It's about doing less with less to achieve more. You need to do the right tasks with *your* restricted time and have other people do the right tasks with *their* restricted time.

In other words, a business that runs like clockwork is about selective efficiency, not mass productivity.

PLAYING IT SAFE

My first business coach, Frank Minutolo,* saw me through three startups and two acquisitions, including one sale to a Fortune 500. Frank brought the Japanese company Konica to the United States, and grew it from a startup to $100 million. After he exited, he pursued his life's calling: coaching a handpicked group of young(ish) entrepreneurs. I was one of the lucky thirty or so who could call him their adviser.

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* I still see Frank on occasion, even though he is long retired now. The man can't resist a lunch on me, and I can't resist learning from him.

I'll forever be indebted to Frank for his no-nonsense, sage advice. I based my book *The Pumpkin Plan* on the simple strategy to rapid organic growth that he taught me. It started with our first face-to-face meeting. He had spent four hours with our team evaluating every aspect of our businesses, and then we had a one-on-one immediately after.

Frank looks a little like Regis Philbin and sounds a little like the Godfather. "Mike," he told me, "you need to get smarter about growing your business. You don't want to put in all this effort, endure all this stress, only to end up with nothing to show for it. Your retirement will be spent in a rusty lawn chair with one nut hanging out of your shorts, while you regret your life of toil." One nut? What the hell? That description was the weirdest thing I'd ever heard. It is just something that once you picture it, it can't be unseen.

It turns out that vividly descriptive visions of your client in a decrepit state, peppered with some flagrant genitalia references, is a shockingly effective sales strategy. I hired Frank that day, and he subsequently ensured that I avoided that nasty future by helping me rapidly grow and sell two companies. But it was only after ten years of working together that I finally got what he was trying to tell me. Fear can be a massive catalyst for change.

One afternoon, I took Frank out to lunch at Fuddruckers and finally asked him why he would share such a bizarre story on the very first day I met him. Frank chuckled one of those old-guy chuckles where laughter turns into a minor fit of choking.

"The point of that story," Frank explained, "is that the roadblock is you. The problem is the draw of the familiar. Entrepreneurs aren't that different from any other human, in that when something is familiar, it becomes comfortable. Entrepreneurs—you included, Mike—work like animals. And while you say you 'hate it' or 'won't do it anymore,' the truth is, you are familiar

with it. And when you are familiar with something, as ugly as it is, it is easiest to keep doing it. Doing what's familiar will land you in that rusty lawn chair, with a nut hanging out of your shorts.

"My goal is to make you more fearful of doing what's safe and familiar, than taking the leap to the promising new. I wanted you to be terrified of the path you were on. I used your fear of where you were comfortably headed to move you to the new uncomfortable place you needed to go."

As painful as it can be to be stuck in the grind, our belief that we need to "work more" and "work harder" becomes familiar. Despite our exhaustion, the situation is comfortable, so the same problems yield the same solutions. Working long hours does not require us to step out of our comfort zone, or learn something new, or let go of our ego-driven need to micromanage.

Entrepreneurs have become way too comfortable with the hardship, so they keep doing the things that keep them in that state. If you want to make your business the most efficient it can be, you must stop doing what you are doing, which is getting in your own way. You doing the work, or inserting yourself in other people's work, may be all you know to this point. It may be very comfortable by now. Stop doing it.

THE SURVIVAL TRAP

If you've read my previous books, you have probably heard about the Survival Trap. I have talked about the Survival Trap for a long time now. And, still, I'm going to return to the Survival Trap because, unfortunately, this is the state most of us entrepreneurs end up in, and very few of us ever escape from.

The Survival Trap is what I call that never-ending cycle of reacting to whatever comes up in your business—be it a problem

or an opportunity—in order to move on. It's a trap because as we respond to what is urgent rather than what is important, we get the satisfaction of fixing a problem. The adrenaline rush of saving something—the account, the order, the pitch, the entire damn day—makes us feel as though we are making progress in our business, but really, we are stuck in a reactionary cycle. We jump all about, fixing this, saving that. As a result, our business careens to the right, then to the left. Then we throw it in reverse, and jam it forward. Our business is a web of misdirection, and over the years it becomes a knotted mess—all because we were just trying to survive.

The Survival Trap is all about getting through today at the utter disregard for tomorrow. It's about doing what is familiar, as Frank warned. We feel good that we survived the day. But then, at some distant point in the future, we wake up and realize that years and years of work didn't move us forward one iota, that merely trying to survive is a trap that results in a long, drawn-out drowning of our business and our willpower.

Sadly, you will discover that living in the Survival Trap leads to a very trashy day-to-day life of quick highs, deep lows, and doing anything to make a buck. Quite frankly, it is not the life of the coveted entrepreneur; it is the life, shrouded in shame, of the entreprewhore. I too was one. I was addicted to doing whatever anyone wanted at whatever price they offered. I prostituted my business to survive just one more day, and then I continued that behavior as I expanded into multiple disastrous businesses.

Ten years ago, I cleaned up my act, and got out for good. I started by taking my profit first, as I shared in *Profit First.* Then, by focusing on my Top Clients, my business grew fast and organically. Today, I am in the final stages of reclaiming my life because I have designed my business to run on automatic. You are about to do the same.

In *Profit First* I wrote a little section that was the seed of this book: "Sustained profitability depends on efficiency. You can't become efficient in crisis. In crisis, we justify making money at any cost, right now, even if it means skipping taxes or selling our souls. In crises, the Survival Trap becomes our modus operandi—until our survival strategies create a new, more devastating crisis that scares us straight or, more commonly, scares us right out of business."

Was Celeste, the preschool owner I mentioned in the introduction, caught in the Survival Trap? Most definitely. She was experiencing the extreme version of the trap. You may be comfortable in your trap. Maybe it's manageable. Maybe you take pride in managing it. But what does that matter if you're still in the trap?

The Survival Trap is what's keeping you from driving toward your vision, or meeting short- or long-term goals. In some sense, we know this. We feel guilty about that five-year plan we haven't looked at in seven years. We see other businesses launching new initiatives or products in alignment with trends, and we wonder how they found the time to predict and respond to the changes in our industry. (They must have superpowers, right?) We know we're behind in terms of making the best use of innovations in technology and workplace culture. And we know that in order to take our business to the next level, we need to get back to our visionary roots—the ideas and plans and *heart* we had when we first started our business.

It's hard to escape the Survival Trap because your business constantly pulls you back into keeping it afloat. But I'm going to show you how to escape it for good by designing your business to run itself and freeing yourself to do only what you want, when you want. So let's get busy getting *unbusy*, why don't we?

THE SEVEN STEPS OF CLOCKWORK

In the next seven chapters, we'll cover the steps you'll need to take to make your business run like clockwork. One step may take longer than another, and you may find yourself having to go back and improve one of the steps from time to time. This process may take you two days or two months, but if you follow the steps, you'll get there.

For a business to grow and serve its client base, it needs to get things done. This is the Doing part of a business. The business must also orchestrate its efforts so that all the people and systems are moving the business forward in a complementary fashion. This is the Design of a business. As people on your team work together, their communications will consist of making Decisions and Delegating work that must be accomplished. How you allocate your business's time between the Doing, Deciding, Delegating, and Designing functions is called your 4D Mix, and getting it in the right proportions is crucial to helping your business run itself.

Most micro-enterprises and small businesses spend too much time Doing. Imagine that solopreneur who is running around like a chicken without a head doing everything, or that small business where everyone—including the boss—is working crazy hours with no time allocated for planning. The goal of clockworking your business is to move you toward Designing it to run itself while other people or resources take care of the Doing part. To make this happen, we need to start with you and get clarity about how much time you spend Doing, and to do *that* we need to analyze your 4D Mix and that of your company.

As is true with any problem or opportunity in life, if you want to improve things, you need to know your baseline. Once we know that, we take deliberate and direct steps to get your com-

pany (and you) where you want it to be. The optimal 4D Mix is when the business spends 80 percent of its time Doing, 2 percent of the time making Decisions for others, 8 percent of the time Delegating outcomes, and 10 percent of the time being Designed for greater efficiency, better results, and less cost in the process. Regardless of whether you have one employee, one thousand, or somewhere in between, the optimal 4D Mix stays the same.

Here are the seven steps to make your business run itself:

1. **Analyze the 4D Mix—Set the benchmark levels for the blend of Doing, Deciding, Delegating, and Designing at which your business is currently operating.** A clockwork business balances getting work done, managing resources, and constant improvement. In the first phase of making your company run itself, we will do a simple time analysis to see how much is being spent in each of the four categories. And once we know, then you can adjust your company to the optimal 4D Mix.

2. **Declare the Corporate Queen Bee Role—Identify the core function in your business that is the biggest determinant of your company's success.** Within every company there exists a single function that is the most significant determinant of the company's health. It is where the uniqueness of your offering meets the best talents of you and/or your staff. It is what you declare the company's success will hinge on. I call it the Queen Bee Role, or QBR. When this function is at full throttle, the business thrives, and when it is slowed or stopped, the entire business suffers. Every business has a QBR. You must identify and declare your company's QBR, and as you improve its performance your entire business's performance will elevate.

The QBR is the "thrive factor" for your business, and you must decide what you want it to be.

3. **Protect and Serve the Queen Bee Role—Empower your team to ensure the biggest determinant of your company's success is guarded and fulfilled.** The QBR is such a critical role to your business that every employee, even if they are not the ones serving the QBR, needs to know what it is and how to protect and serve it. In a highly efficient business, the QBR is always the priority and systems are in place so that the people and resources who serve it are not taken away from it. Only when the QBR is humming along, can all people in the business do their own most important work (this is called their Primary Job).

4. **Capture Systems—Document or record the systems you already have in place so your team can do the work the way you want them to.** Even though it may not seem that you have systems, you do. In fact, every business at every stage has all the systems it needs. Those systems simply need to be captured, trashed, transferred, and/or trimmed. Every entrepreneur and employee has a way of executing various tasks, but often they are undocumented and non-transferable. Using a simple evaluation and capture method you will impart that information to your team or freelancers with ease. Hint: You will *not* be creating a manual. Both the creation and consumption of manuals is inefficient and therefore has no room in a clockwork business.

5. **Balance the Team—Adjust roles and shift resources to maximize the efficiency and quality of the company's offering.** Businesses are like organisms; they grow and contract and change. To perform optimally you must match the inherent strength traits of employees to the jobs that

need them most. Instead of a traditional top-down orga-
nization chart, an optimized company is more like a web.
You never restrict employees to one job function. In-
stead, an efficient organization identifies the natural-
strength traits of the employee and matches them to the
tasks that benefit the most from those traits.

6. **Make the Commitment—Devote your process to serve a specific consumer need in a specific way.** The biggest cause of busi-
ness inefficiency is variability. The more services you pro-
vide to a wider mix of customers, the more variability you
have, and the harder it becomes to provide extraordinary
and consistent services. In this step, you will identify the
best type of customer to serve, and determine the fewest
products/services that will serve them at the highest level.

7. **Become a Clockwork Business—Free the business from depen-
dency on you, and free yourself from dependency on the busi-
ness.** A clockwork business is a business that delivers
consistent results, including growth goals, without your
active involvement. As you are less available for the busi-
ness, it will naturally become designed to run without
you. In this step, you will learn how to create a business
"dashboard" that enables you to stay on top of your busi-
ness, even if you're not there.

That's it. Seven steps. In that order. You will discover and exe-
cute these seven steps throughout the rest of the book. As you go
through this process, you will feel frustrated, or stuck, and want
to give up. Don't freak out; those are just signs that you are get-
ting comfortable with the uncomfortable new stuff I am teaching
you. Again, don't freak out, and don't you dare ever stop. And as
a result, you will experience a business that runs on automatic,
just like clockwork.

SEVEN STAGES OF CLOCKWORK

STAGE	CORE CONCEPT	KEY ACTION
1	**THE 4D MIX** The four types of work are Doing, Deciding, Delegating, and Designing	Conduct a time analysis and categorize the type of work
2	**THE QBR** The core function you decide to hinge your company's success on	Declare your company's QBR and identify who is serving it
3	**PROTECT AND SERVE THE QBR** The core function of your business is always the priority	Educate your team on the QBR and empower them to guard and/or fulfill the QBR
4	**CAPTURE SYSTEMS** You already have all the systems created for your business	Use the trash, transfer, or trim method to free time for Design work, QBR work, and Primary Job work
5	**BALANCE THE TEAM** An optimized organization chart is a web-like structure	Match the strongest traits of team members to the tasks that most need those traits
6	**THE COMMITMENT** Your business strength comes first, then you target the customer who will benefit most from it	Identify, focus, and cater to the consumers who will most benefit from your unique offering
7	**BUSINESS ON AUTOMATIC** Doing makes you work for the business, Designing makes the business work for you	Take the four-week vacation

FIGURE 1

Time is everything. Every. Single. Thing. Time is the only thing in the universe (until someone invents a time machine) that is not renewable. Either you use it wisely, or you don't. Time will still tick, tick, tick away no matter how you spend it. I suspect even right now, you may have made a few nervous looks at the clock, as time races by, hoping you can cram in this book (and your

work) faster. Am I right? Even just a little bit? If you are experiencing that, I want you to know it's not your fault; it's Parkinson's Law. And I want you to know you are actually in a good position. Better said, you are in a salvageable position. Your business likely has demand and you are delivering on it (although not efficiently). What we are going to do is make a few simple tweaks to make your business run like a well-oiled machine and, in the process, give you back that ever-precious time that seems to move, more slowly and comfortably.

I want to be clear that this book is *not* about doing more with the time you have. It's about your business doing more with the time *it* has, and about giving you freedom to do other things with your time. It's about getting your life back while you grow the business of your dreams. That can happen. Actually, it *does* happen, all the time, for other businesses. Our job, today, is to do it for yours. But for this to work, you need to be all in on this with me. Are you ready? Good. Let's get to work.

Scratch that. Let's get to *less* work.

CLOCKWORK IN ACTION

Your primary focus is to design the flow of work through your company so that other people and other things can get the work done. Commit to putting your company's output first and your productivity second. How do you do this? Simple . . . you will find better answers when you ask better questions. Stop asking "*How* do I get more done?" and start asking, "*What* are the most important things to get done?" and "*Who* will get this work done?"

At the end of each following chapter, I'll share action steps you can accomplish quickly—usually in thirty minutes or less—and still experience big progress. For this first chapter, I only have

one action step for you, but it is perhaps the most important. It will force an immediate adjustment in how you view your role in moving your business forward. The step? I want you to commit . . . to me.

Send me an email at Mike@OperationVacation.me with a subject line that reads: "My Clockwork Commitment." That way, I can easily spot it among the other emails I get. Then, in the body of the email, please write something like:

"Starting today, I commit to designing my business to run itself." Include any other information you think is relevant, such as why you won't stand for the old way of running your business anymore or what this means to you and your family.

Why email me? Because, if you're like me, when you commit to someone else, your follow-through skyrockets. Remember, I personally respond to all emails from readers (albeit super slowly at times). I look forward to receiving yours.

P.S. Make note of that unique domain for my email, OperationVacation.me. I know it might not make sense at the moment, but it is me who gets it. And soon enough, very soon in fact, you will learn what Operation Vacation is all about.

STEP ONE: ANALYZE YOUR COMPANY'S TIME

The first time Scott and Elise Grice visited me in my New Jersey office, we talked about laundry for a solid twenty minutes. Yes, you read that right. Laundry. Specifically, how they do three weeks' worth of laundry—for both of them—in an hour and ten minutes . . . while running errands. I've never given more than a passing thought to laundry, and yet, as Scott and Elise explained how they streamlined it, I was riveted. Seriously, they are systems *ninjas.*

As our conversation progressed, I learned why systems are so important to Scott and Elise. Founders of Hey, Sweet Pea, a branding team originally based in Austin, Texas, the couple has taught and developed brands for more than 1,400 creative entrepreneurs (think photographers, writers, stylists, graphic designers). Two years into their business, they were handling thirty to forty custom branding clients at a time. To give you a sense of how successful they were, other companies in their industry typically handled four to five custom branding clients at a time. They were rocking it—until life intervened.

In 2013, Elise contracted West Nile virus, which landed her in the hospital, and it quickly escalated to bacterial meningitis. Over the next two months, she spent six weeks in the hospital and two more completely immobilized at home or in an ambulance going back to the hospital. Because of her illness, every time Elise so much as looked at a screen—her phone, her tablet, her laptop— she experienced shooting pains in her head. Too exhausted to even type on a keyboard, Elise couldn't work at all. She had to call it quits, and that meant she and Scott would also have to quit their business, because when Elise "The Coach" Grice couldn't work, the business team couldn't run any "plays."

"We had a team of nine contractors producing work, but Elise was the creative director, and we couldn't send anything to the clients until she approved it," Scott explained. "Since she couldn't look at a screen to approve work, everything backed up. The business came to a grinding halt and we couldn't invoice anyone."

Two months after she contracted the disease, Scott and Elise found themselves sitting on her hospital bed, surrounded by medical bills, wondering what they would do if she never got better. "We were both crying. I said to Elise, 'If you don't fully recover, we can't run this business. You are the only one who has the ability to approve this stuff, no one else, including me, can.' We were making payroll out of our savings account. I was terrified for my wife and I was terrified for our business. I had no idea what we were going to do."

Their business was entirely dependent on Elise, and in just two months without her, the wildly successful company was in wildly dire straits. It took only *two months.* This is what we business owners fear the most—that if we step away from our businesses, if we check out, even for a few days, our businesses will suffer or die. I know I've felt this countless times, and used this fear as a justifiable reason to work, work, work, and then work some more. I

suspect you have, too. (Here's a little secret: The work is never done.)

We'll return to the Grices and find out whether their business survived in a few pages, but if you fear what will happen to your businesses if you take a break—or are forced to take a break—it's a big sign, as in flashing-neon-billboard big, that your business needs to be designed to run itself. If you had systems in place to keep your business running with or without you, you wouldn't worry about taking time off. I think you know that, because you're reading this book. What you may not realize is that getting your business to run without you begins *with* you, and how you view your role in your company. We first must move you from Doing to Designing.

As I said in the previous chapter, productivity is a trap because, ultimately, the work is still being done by you. Most of us are used to doing whatever it takes to keep our businesses afloat—and the operative word here is "doing." In the early days, we have no choice but to take on every role in our hopeful startups. There is even that cheesy phraseology that circulates with us entrepreneurs, "I'm the CEO, the CBW, and everything in between." I'm sure you have heard that one. You know, the chief executive officer, the chief bottle washer, and everything in between. Cute. But not a way to grow an efficient business.

Entrepreneurs are natural DIYers—HGTV has nothing on us. Shoot, we should have our own channel! We do everything as we build an early stage business, because we *must* do everything. We can't afford to hire others, and we still have the time to do everything. We aren't usually that good at most of it (even though we convince ourselves we are), but we get the stuff done well enough. While it makes sense that we have to take on many different roles when we first get our business off the ground, keeping it up is not healthy and not sustainable. Finally, we

make that first hire, and even with the added financial pressure,* we feel some relief since we couldn't keep up the insane pace of doing everything. But the sprint-like pace in fact does not go away. Even when we hire people to help us—employees or subcontractors—we often still end up "doing" a ton of work—scratch that, *more* work—because we, like Elise in her branding business, are the linchpins.

Designing a business that runs itself is doable. In fact, it is very doable. To pull it off, you have to shift away from *Doing* and focus more and more of your time on *Designing* the flow of your business.

THE FOUR DS OF RUNNING A CLOCKWORK BUSINESS

There are four phases of activity that you engage in as an entrepreneur. These are "the four Ds"—Doing, Deciding, Delegating, and Designing. Although you are engaged in all four of these phases to varying degrees during the course of your business's evolution (you spent some time Designing your business before you launched it), and while your business will always have a mix of all four Ds, our goal is to get you, the entrepreneur, Doing less and Designing more.

Shifting from Doing to Designing is not a "Monday morning makeover" kind of shift. It's not a switch you flip; it's a throttle.

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* The financial dilemma of hiring people is very difficult for small business owners. When you hire an employee, you might have to cut your own compensation, which is already sparse. So we delay hiring until we can afford the employee, but never get there. We are stuck between a rock and a hard place. Work even harder, which you can't. Or hire someone, whom you can't afford. There is a solution, though, which I explain in *Profit First*. I made a video explaining exactly how to address this situation successfully. It is available on the Clockwork.life page.

You build toward this. You become more and more of a designer over time, and there is no finish line.

1. **Doing:** This is the phase when you do everything yourself. You know it well and you do it well (enough). When you're a solopreneur, doing everything yourself is a necessity. This is where almost every startup starts, and where most of them get stuck, permanently. Of the twenty-eight million small businesses in the United States, more than twenty-two million don't have a single employee.* In other words, the owner is doing everything.

2. **Deciding:** In this phase, you assign tasks to other people. Whether they are full- or part-time employees, or freelancers, or contractors, they are really only task rabbits. They try to do the one task you gave them and then come back to you to ask questions, get your approval, have you solve problems, and help them come up with ideas. If there is any unexpected anomaly to the task at hand, the person comes back to you for your decision. When they finish a task, they either sit idle or ask you, "What should I do now?"

   Most entrepreneurs confuse Deciding with Delegating. If you assign a task to someone else but need to answer questions to get the task done, you are not Delegating—you are Deciding. Business owners who have two or three employees can get stuck spending most of their time in this phase. Your employees do the work, but because you make every decision for them, you're never able to grow beyond two or three employees. Work becomes a constant and distracting stream of

* www.forbes.com/sites/jasonnazar/2013/09/09/16-surprising-statistics-about-small-businesses/

questions from employees. It eventually gets so bad that you throw your hands up in frustration and make the decision to "go back to how it was before" and do all the work yourself. You get rid of your help, go solo for a while (because it is easier to just do work than to decide for everyone else), only to soon enough get overwhelmed with the work and then hire again, and return to getting frustrated with the Deciding phase. You flip-flop back and forth for the life of the business between doing the work and deciding for the few employees, over and over again.

3. **Delegating:** In this phase, you're able to assign the task to an employee as well as empower them to make decisions about executing that task. The person is fully accountable for the completion of the task. They are on their own. As you spend more of your time in the Delegating phase, you will start to feel some relief from your workload, but only if you delegate in the right way. Initially, you *must* reward your employees' ownership of a task—*not* the outcome—because the goal is to shift the responsibility for decision making from you to them. If they are punished for wrong decisions, you will only be training them to come back to you for decisions. You, too, have made wrong decisions in the past; that's how you grew. They will make wrong decisions, and that is how they will grow. The Delegating phase can be extremely difficult for entrepreneurs, because we can do everything perfectly (in our mind) and get frustrated when they don't. You must get past this perfection mind-set if you ever want your business to successfully run itself.

4. **Designing:** This is when you work on the ever-evolving vision for your company and the flow of the business to

support that vision. The business runs the day-to-day on its own. Shoot, you could even take a four-week vacation without the business missing a beat. (Put a pin in that.) When you are in this mode, you will not only be free from the daily grind, but you will also experience the most joy in your work. Your job is elevated to managing the business by numbers and fixing the flow of business when things aren't the way they are supposed to be. This is when you are no longer needed to do the work; you are now overseeing the work (to the degree you want to) and doing only the work you want to. This is the good life, my brothers and sisters.

DOING IS GETTING YOU NOWHERE

I can read your mind. I know, it's a little creepy. But you are my kindred spirit BFF, and I am sure I know what you're thinking right now: "I can't stop doing the work. I'm the only person who really knows how to do the X, Y, and Z around here. My staff is great and all, but they can only do their stuff. When it comes to the stuff I do, no one else can even come close. I am that committed. I am that good. I am the only one who will ever be able to do what I do. And when the sheeyat hits the fan, it's all me, baby. All me!"

Am I close? I think I am. It's not hard to read your mind, because I suspect you and I are not that different. It took me years to stop believing my own hype, and, truthfully, I still struggle with the urge to "just do everything myself." In my more than twenty years as an entrepreneur, "doing everything" was something I expected of myself. I was a "serious" entrepreneur. I did "whatever it took" to grow my business. And because I succeeded, I

attributed much of that success to my "tireless" work ethic. Even when I had a staff of nearly thirty employees, I still burned the midnight oil, doing much of the work and overseeing the rest of it because "no one can ever do the stuff only I can do." I just wished that my employees would "step up" and "act like an owner." But they didn't. They just bothered me with an endless stream of questions. Notice all of the quotation marks in this paragraph? That's because most of my perceptions were, like I said, hype—total BS.

Again, as a business leader, your time is best spent *Designing* the work, not *Doing* the work. What do I mean by "Designing the work"? Let's use a football analogy. (Go Hokies!) It's the story of the team owner, the coach, and the players. The players are empowered to make split-second decisions in the field of play, the coach creates the game plan and calls the plays, and the team owner designs the team. The owner lays out the vision for the franchise, picks the coach(es) to manage the team, and then watches from afar as the team puts the game plan into action. For the outsider, it may be a bit confusing. It just looks like a rich old guy eating mini-wieners in the glassed-in suite. But there is much more going on than you can see. The owner is always optimizing every element of the franchise: the team, the sponsor deals, the seat sales and the up-sells, the marketing, the budget, etc.

As a designer, you think several steps ahead. You are strategic. You measure opportunities and risk. Is every move you make the right one? Of course not. But you measure the outcomes of your moves and make adjustments accordingly on your subsequent moves. And to be your company's designer you must get off the field and up in the suite. Just avoid those mini-wieners. Nothing good ever comes from those things.

Every entrepreneur starts out as a doer, because doing things is what we're good at. The problem arises when you get stuck in

that phase, and all the Doing keeps you from your bigger vision of building a business. You're already familiar with Design work. It's what you loved when you first started—creating a vision for your company and considering the big, bold strategic moves you could make. So this is also the work that you have the firsthand knowledge to do effectively—direct the flow of the business. When you are spending most of your work time in Design mode, your company achieves absolute efficiency and scalability potential. As designer, you are giving your company your best—your genius, the genius that started it all. You are also removed from the day-to-day operations so that your business can run without you, which means it can also *grow* without you. Your purpose is to design the flow of your business, point it in the direction of growth, and then make strategic decisions to fix, change, and/or improve things when the flow is not right.

Even when we appreciate the value of Design work, most of us still devote too many hours to Doing. This doesn't just apply to the solopreneur who hasn't delegated anything yet, but also for leaders of teams of five, or fifty, or five hundred. Owners, managers, and C-suite teams can get trapped in the Doing just as much as any solopreneur.

A 2009 study by the Max Planck Institute for Biological Cybernetics in Tübingen, Germany, confirmed that people trying to find their way through a forest or a desert devoid of landmarks (and without the sun as a beacon) tend to walk in circles. People walked in circles as tight as sixty-six feet while thinking they were walking perfectly straight. That is like putting a blindfold on and trying to walk across a football field, the short way, one sideline to the other, and never making it across.

Researchers concluded that in the absence of clear markers of distance and direction, we make a continuous stream of micro adjustments to what we think is straight, but those adjustments

are biased to one side more than the other. Our constantly changing sense of what is straight keeps us walking in a loop. We circle and circle, ultimately perishing, when we could have easily gotten out of the weeds by just walking straight.

You can overcome this tendency if you have a distinct landmark to move toward, and if you are lucky enough to be equipped with a compass or GPS. The distinct and distant landmark allows us to constantly recalibrate our direction and stay straight. Even when an obstacle presents itself, we can avoid it, move around it, or run from it, and then again spot our landmark and use it to correct our course.

Why am I telling you this? Because a business that doesn't devote time to determine where it wants to go, seek ways to get there, and identify the landmarks that will offer the most direct route is destined to spin in circles for eternity. The struggle to escape the Survival Trap is constant. The business owner and team toil away, month after month, year after year, hoping to move forward, but in the absence of a clear sense of direction, they are surprised and frustrated when they keep circling back to the same spot.

By becoming a designer of your business, your role is to define what your company is marching toward, identify the landmarks that signify progress, equip yourself and your team with the tools (for example, a dashboard that acts likes a business's GPS), and establish strategies to make the path safer, easier, faster, and more efficient (like building a bridge across a river).

A business can only experience extraordinary progress with extraordinary design. And you can only do that if you devote time to this most important endeavor. Time to establish what your company's Big Beautiful Audacious Noble Goal is. Time to think about the impact you are intending to have on your clients. Time to figure out the right strategy to achieve that impact. And time

to determine what metrics you will use to measure the progress of your company and your team. This is your company's destination and your vision for it.

The worst part about walking in circles? We don't believe we are doing it even when we see proof. In the study by the German research group, participants were dropped in the middle of a German forest and another group in the Sahara Desert. With GPS tracking devices attached to them, they were given simple instructions: walk straight for a few hours. When the sun or moon was visible, people stayed on a somewhat direct course. But on a cloudy day or a night with no moonlight, people reverted to their looping pattern immediately. Worse yet, the terrain caused even more complications with direction, creating a channeling effect. People can't walk straight without a landmark, and when complications present themselves, they often put people in a whole new direction yet again.

Trying to build a business by just Doing and without Designing is like walking through a dense forest while blindfolded. It is inevitable you will walk in circles and be thrown into another course if you come across a substantial obstacle. Navigating the terrain of growing an organization needs a designer who looks beyond the constant stream of challenges and opportunities immediately in front of them and instead charts a path to success. And that designer is you. Yes, even if you've lost touch with the vision you once had, even if you feel you haven't seen your creativity in the last decade, and even if you wonder if you truly have what it takes to navigate your ship to new, prosperous shores—you are the best person for the "design" job. You can do it.

THE DELEGATION COMPLICATION

When you first want to scale your business, the Deciding phase comes quickly. The process is easy—hire people and tell them what to do. Getting them to do the work without your input? Not so easy. And we bring this problem on ourselves. Every time my staff had a question and came back to me for a decision, it made sense. They were new employees and they needed to learn the right way to do things—my way. So I gave them the answers they needed and sent them on their way to do the work. Plus, every time they had a question that only I could answer, it pumped my ego and fulfilled my need to feel important. I'm just being real with you here. And you need to be real with yourself, too: knowing what others don't is an ego boost.

I thought the need to answer everyone's questions would be short lived. They were learning the tools of the trade, and I expected the questions to slow down. But, oddly enough, they increased. The problem that I didn't realize, until it was too late, was that I was teaching them to always get the answers from me. All they ever mastered was the BuTSOOM system that I taught them. You know, the Bug the Shit Out of Me system.

I bet you have taught your team the BuTSOOM system, too. And I will bet you are all too familiar with how it goes down. It starts with the "better than sliced bread" moment. You bring on virtual help, or a part- or full-timer. On the first day, the only person more excited and anxious than that employee is you. Within days you're thinking, "This new hire, she is taking so much work off my hands. Why didn't I do this sooner? She is 'better than sliced bread.'"

The newbie has tons of questions, but that is to be expected. In fact, that is what you want: a learner. But a few weeks later, this person still has tons of questions. She's asking questions she should know the answer to by now. What is going on? Then, in

a few more weeks or months, that new "bread" is now a total distraction. The questions never stop. You are pulled from your own work constantly to serve her. That is when you realize this bread is that lamely made, gluten-free kind. You know, it is about as flexible as concrete and has the rich flavor of cardboard. That is when you start to think, "It's just easier to do all the work myself."

When you give your employees all the answers, you block their learning. I suspect that when you first learned to drive a car, you only figured it out, for real, by driving the car. Yeah, you went through that six-hour, in-classroom driver's-ed course where you were told the gas pedal is on the right and the brake is on the left. But even with those instructions, when it actually came to driving the car, chances are you overaccelerated or hit the brake too hard. I bet that as you learned to steer a car, you went a little too tight and crushed a cone or two.

The learning—the true learning—is in the doing. You must experience it for it to become ingrained in you. Our employees must experience the decision making for it to become ingrained in *them.* The irony, of course, is when you hire someone to do the work, you specifically are doing it so you can reduce your work. But if you allow yourself to make all the decisions for them, your work increases, and their growth stops in its tracks.

Having to oversee my staff didn't reduce my hours. I actually worked more, because I was constantly pulled away from the work I should have been doing to make a decision for someone else. Then, when I got back to my work, I would have to sync up again, which as you know all too well, takes time. The distraction of being the decider made *me* super inefficient. Employees would put their work on hold as they waited their turn to ask me a question. They literally *stopped* taking action until I gave them direction. My work stopped and so did theirs! Trying to do my job and

supervise my staff was like trying to type a letter *and* handwrite instructions at the same time. Try it. You can't do it.*

This experience led me to believe I had to get more work off my plate, so I would hire another person. And another. And another. Until I was making decisions for an entire team and trying to do my work at night, on weekends, at the crack o' dawn. As a result, the company became more inefficient, because all of those people were waiting for me to make decisions. Instead of capturing and utilizing the most powerful resource I had—their brains—we were all dependent on mine. As an added bonus, all those salaries drained my bank accounts.

I decided to get back to what worked—me and me alone. I fired everyone to get back to getting *my* stuff done. I thought that would be easier. I had romanticized notions of being the lone wolf entrepreneur who "Gets Shit Done." I was delusional; it was as if I forgot what it was like to do every job. The cycle started all over again. Flipping between Doing and Deciding is more common than you think. That's why most businesses don't ever get past one or two employees.

Answering their questions made my work wait, and doing my work made my employees wait for my answers. According to Daniel S. Vacanti, author of *Actionable Agile Metrics for Predictability: An Introduction*, more than 85 percent of a project's life span is spent in queue, waiting for something or someone. While waiting time is inefficient, it's also exhausting. If we can reduce waiting time, we can improve growth—and gain sanity.

Many businesses with fewer than three employees get stuck playing the waiting game, and in the back-and-forth between the doing and deciding phases. Business owners start with "I need to

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* If you want to try to prove me wrong, please send me a video of you typing and writing at the same time. I would love to see it.

do it all" and move to "I need to hire people to do it." Then, when they discover their workload hasn't lightened up, and they are more stressed and strapped for cash than ever, they end up thinking, "Everyone is a moron, and I will fire them all and just do it myself," which eventually leads them back to "Oh, God, I can't keep doing this, I need to hire people desperately," and back around to "Is everyone on this planet an idiot?"

No, your people are not idiots. Far from it. They just need *you* to stop Doing and Deciding and start Delegating not just the deeds, but the decisions. For real.

I was chatting with Scott Oldford, founder of INFINITUS Marketing & Technology, when he said, "The biggest problem is that no one has taught entrepreneurs the mind-set of delegating. It's not that they don't know they need to delegate. They just need to get into the mind-set of letting go. Then, when they are committed to it, they need to do it the right way."

Scott explained that the delegating is a process. "First, you assign a task. Then you assign the responsibility. Then you ask them to own the results. Finally, you ask them to own the outcome, which is repeated results over time."

What could you accomplish if your staff was not focused on completing tasks, but on delivering outcomes for your company? That's a game-changer, right? We'll cover this in more detail in chapter four, but for now, let me just get your buy-in on the delegating concept. Ask yourself: Would my life be easier if my employees were empowered to make decisions, and I felt confident that they would routinely make decisions that would sustain and grow my business? Would my life be easier if my employees acted like owners?

It's a no-brainer, right? The only answer is, "Damn straight, Mike! My life would be an endless string of awesomeness, bee-yotch!"

When *your* desired outcome is also *their* desired outcome, you are better able to let go and let your team *do their jobs*. And it will

be okay. It will be more than okay. You're going to be a delegating machine. You'll be the Oprah Winfrey of delegators: "You get a project! And you get a project! And *you* get a project!"

If you're going to save your Saturdays and your soul and scale your business, being acutely aware of what phase of the four Ds you are in is essential. Will you ever stop Doing entirely? Maybe not—but you will do a fraction of the work you do now, and you will transition to doing only the work you love.

Think for a moment about Jeff Bezos, the mastermind behind Amazon. On Thursday, July 27, 2017, the news broke that Jeff Bezos had unseated Bill Gates as the wealthiest person in the world. It was a momentary topping, as the stock market played back in favor of Bill Gates by the end of the day and Gates once again was the richest person on the planet.* Pick either entrepreneur. Gates and Bezos have both focused their energies on the Design phase from the get-go. But even today they do a little bit of the doing. You can bet your bottom dollar, when a major partnership is negotiated, Bill Gates participates in the deal. And when Amazon rolls out another game-changing product, not only does the design team test the prototypes, Bezos does a little test run himself. The Doing phase will never disappear fully for an entrepreneur; it will simply take up the least amount of time.

Deciding every little thing—you can kick that phase to the curb. You won't stop Deciding entirely; you will just move from making minor decisions to making only the most critical decisions as the people to whom you delegate become more comfortable making

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* Within days of the announcement of Jeff Bezos momentarily being the world's richest man, with a cumulative wealth of more than $90 billion, Bill Browder, the CEO of Hermitage Capital Management, announced that Russian president Vladimir Putin was in fact the world's richest man, with estimated assets in excess of $200 billion. Gates and Bezos are duking it out at the $90 billion mark, and then this Russian monster of money walks into the ring and knocks everyone out. It sounds like *Rocky IV* to me. However, in this book I will not be using Putin as an example of how to run a business.

decisions on their own. As for Delegating, because your business will evolve and change, you'll have to dedicate some time for Delegating. You will delegate until you hire a delegator, whose Primary Job is to continually empower the team to make on-the-field decisions and protect you while you do the Design work. Reminder: This is not a switch from one phase to another; it is a throttle. The goal is for you to spend *most* of your work time controlling the flow of work and designing your company's future. If you want your business to run like clockwork, as Gates and Bezos have done, you must concentrate the majority of your effort into being a designer.

THE 4DS—TARGET PERCENTAGES

If you want to improve your body or your business or anything for that matter, you need to know what you intend to accomplish *and* where you are today. Setting a goal of losing one hundred pounds is not a good idea if you only weigh one fifty. Clarity comes from knowing your ideal target *and* where you are starting. That is what we are going to do for your business in this step.
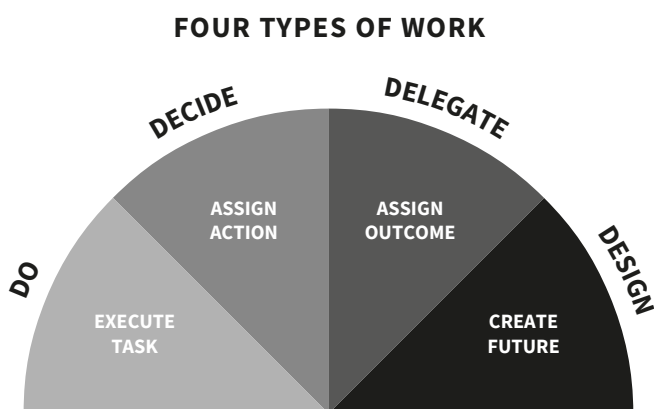
FOUR TYPES OF WORK

FIGURE 2

There are four ways in which people who work for a business serve that business. Every person in an organization is either Doing the work, Deciding for others about the work, Delegating the work to others, or Designing the work. As mentioned earlier, collectively I call this the 4Ds.

The 4Ds are being executed within your business and every other organization on this planet. This is true if your business is a company of one, one hundred thousand, or any number in between. And this is true for every single person at your company. From an intern to an executive board member, from the nice folks in C-suite to the sweet folks with feet on the street, everyone is working the 4Ds.

Each person in your organization is doing their own blend of the 4Ds, although you may not (yet) be deliberately directing it. Some people may be Doing work constantly. Another person may be Deciding what other people should be doing while Doing the work of ten people, and with the few seconds left trying to Design a forward-looking strategy. Sound familiar?

Collectively, the 4D work of each person combines to form a 4D Mix for your business. If the business is just you, the solopreneur, your own 4D Mix *is* the company's 4D Mix. If the company is multiple employees, the aggregation of each employee's 4Ds is the *company's* 4D Mix.

The ideal mix for a company is 80 percent (Doing), 2 percent (Deciding), 8 percent (Delegating), and 10 percent (Designing). (See figure 3 on page 38.) Why does a business need to dedicate so much time for Doing? Because businesses need to do things that customers want, and that creates value in the marketplace; that's how businesses make profit. The other 20 percent of that ideal company mix is spread over managing and guiding the business. For you to design your company to run itself, you need to master the mix. Simply put, you need to know what your com-

pany's 4D Mix is as compared to the optimal 4D Mix, and then use the Clockwork system to continually optimize your business.

Critically Important and Helpful Shortcut: Analyzing for the optimal ratio can be arduous and time consuming. Since business is dynamic, it is very difficult (perhaps impossible) to constantly nail down that ratio. So the one thing you should focus on, above all else, is the big piece, and that is the 80 percent of Doing time. Is your company spending most of its time serving clients (that is the 80 percent Doing), but not all of it? If you are at 95 percent Doing, you can tell instantly that there is not enough Designing or other work going on because there is only 5 percent of company time left for the other three Ds. If the Doing is at 60 percent, that also tells you that you're in trouble, since your business isn't spending enough time getting things done. So if you simply track the Doing and target 80 percent, the other three Ds will often come into alignment. Focus on spending as much of the remaining 20 percent on Designing, and the Delegating and Deciding will often just fall into place, as long as you
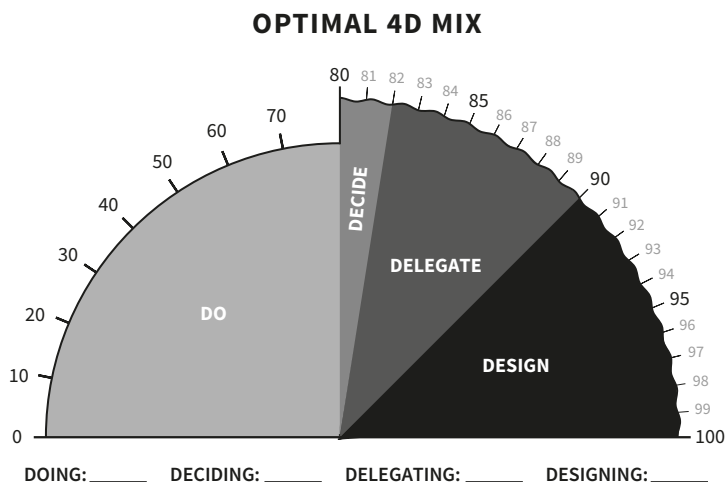
OPTIMAL 4D MIX

DOING: _____   DECIDING: _____   DELEGATING: _____   DESIGNING: _____

FIGURE 3 (Note: This graph is not drawn with balanced increments to make the chart easier to read.)

commit to empowering your employees to take ownership of their work.

Now that you know what the optimal mix is, let's figure out where your business is right now. We ultimately need to evaluate how all the people in your organization are utilizing their time, but since you are the one reading this book and quite possibly serving the QBR (more on that later), we need to analyze your mix first. And if you are a one-person business, then *you* are the business. No matter how many employees you have, it is important you understand this process and what it reveals about *your own* 4D Mix. This process will help you understand how to evaluate your company's 4D Mix.

Review the last five days you worked. If you maintain a calendar or task tracker, this may be relatively easy to do. To the best of your ability, write down each task you did and action you took for the five days we are evaluating.

1. On a piece of paper create six columns, titled Date, Activity, Start, Finish, Total Time, and Work Type (I also created a chart you can download at Clockwork.life). This is your Time Analysis Worksheet.

TIME ANALYSIS WORKSHEET

DATE	ACTIVITY	START	FINISH	TOTAL TIME	WORK TYPE
					DO | DECIDE | DELEGATE | DESIGN
					DO | DECIDE | DELEGATE | DESIGN
					DO | DECIDE | DELEGATE | DESIGN
					DO | DECIDE | DELEGATE | DESIGN
					DO | DECIDE | DELEGATE | DESIGN
					DO | DECIDE | DELEGATE | DESIGN
TOTAL TIME	DOING: _____	DECIDING: _____	DELEGATING: _____	DESIGNING: _____	

FIGURE 4

2. Fill out the form by writing down each work task or action you took during each of the five days. To make the process as easy as possible, do your best to recall one complete day at a time, and then repeat this for each of the five days.

3. In the Date column, write the day of the activity.

4. In the Activity column, write a few words that describe the task or action you took.

5. In the Start and Finish columns, write the times you started and finished the task. (This is only necessary when you do an Active Time Analysis. Since you are doing this one from recollection, skip the Start and Finish columns, and simply fill in the Total Time you spent on the task.)

6. As the final step, categorize the task as a Doing, Deciding, Delegating, or Designing activity. Or if you are using the form you downloaded from Clockwork.life, simply circle the appropriate activity category.

7. If you don't have good calendar records and are struggling to remember your last five days of work (welcome to the life of an entrepreneur), just complete the Time Analysis Worksheet as you go through the next five days. As you dig deeper into the Clockwork system yourself, and roll it out to your employees and colleagues, an Active Time Analysis is the most accurate approach. In this process, you will track the actions you take as you take them, ensuring you don't miss a thing.

THE ACTIVE ANALYSIS

Hang on—I'm about to throw a bunch of numbers at you. Like Dorothy in *The Wizard of Oz,* you may not want to walk through

the woods to get to the Emerald City. For her, it was scary. For you, it may seem tedious or overwhelming. Percentages, percentages, percentages, oh my! I realize you might not be a business geek like me, who gets turned on by allocation exercises and analysis. But stick it out for me, would ya? You need this information to get where you're going. (Which, incidentally, I hope is the great land of Oz, not the dust bowl of Depression-era Kansas. Why *did* Dorothy want to go back, anyway?)

1. Get a fresh Time Analysis Worksheet as described in step 1 above.
2. As you go through the day, write down the date and the activity you are working on, along with the time you started it. Then get to work on that activity. The moment you shift to different work, any work—including a distracting question from a colleague, answering an urgent email, or heading out to lunch—quickly jot down the finish time for the current task (even if it is not finished . . . it is just finished for the moment). Then write down the new activity (e.g., answering your colleague's question) and when you start it. Then, once that activity is complete, fill out the time you finish it. Then do the same for the next task. Repeat for the entire day.
3. When the day's work is done, make sure all the date fields are completed. A line from top to bottom is adequate and effective (this is a book on efficiency, after all). Then look at each task for the day and mark the type of work it is on the sheet: Doing, Deciding, Delegating, or Designing. Only choose one for each task. If you are unsure, choose the lowest of the levels you are considering (Doing being lowest and Designing being highest). I know this is laborious, but it is only five days of your life,

it is very revealing (you may be surprised by the gap between your perception and reality), and it is a critical step in getting your business to run on automatic. You need clarity on where you are right here, right now, so that we can quickly move you to where you need to be.

4. Once the Time Analysis Worksheet is completed for all five days, add up the total time you spent Doing. Then add up the total time for Deciding. Then Delegating. And, finally, do it for Designing. Put the totals on the bottom of the form, and keep the form for future analysis.

5. With the totals for each of the 4Ds, create a gauge graphic (or fill out the one I created for you below or download one at Clockwork.life) that shows your 4D Mix. Calculate the percentages by dividing the total of each D into the sum of all 4Ds. For example, if you spent forty-five hours Doing, fourteen hours Deciding, one hour Delegating, and zero hours Designing, the total of the 4Ds (45+14+1+0) equals sixty hours. To get your Do-
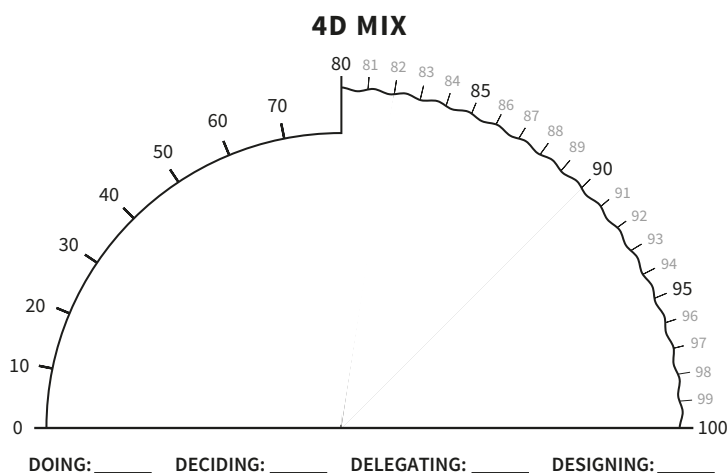
4D MIX

DOING: _____ DECIDING: _____ DELEGATING: _____ DESIGNING: _____

FIGURE 5

ing percentage, divide forty-five hours by sixty hours to get 0.75, meaning 75 percent. Continuing the example, Deciding is 23 percent, Delegating is 2 percent (both with rounding), and Designing is 0 percent. With the percentages calculated, fill in each D category at the bottom of the graph.

6. As the final step in the analysis, fill in the "pie wedges" for each D to represent the proper percentages in the graph (the 4D Mix). The wedges will show the distribution of your work types (the 4Ds). You can also download this on the resources page at Clockwork.life.

While each work type is necessary, many businesses are unbalanced. We will look at the entire business later, but for now let's start by just looking at where you stand. And again, if you are a solopreneur or have a small business of five employees or fewer, either you *are* the business or you are a major part of the business. What do you notice? What are your realizations?

Many solopreneurs fall into the trap of having 95 percent or more of their time allocated to Doing. They are living in a time-for-money trap—the Survival Trap—where the only way to grow is by Doing more, but you can't, because there is no time.

I've also seen solopreneurs trap themselves in a Design-heavy 4D Mix. Putting 40 percent of your time in Designing (which is way more than the optimal 10 percent) may indicate you are a dreamer, but it surely means you aren't spending enough time Doing the work to turn those dreams into reality.

Warning! Since we analyzed only five days of your life, you may have analyzed a week where, for example, you were doing a quarterly tacking plan. I detail the tacking strategy in my book *The Toilet Paper Entrepreneur*, but the core essence is simple: tacking is a quarterly protocol where you observe the market around you

and the influence it may have on your overarching goals, and then adjust your business strategy to realign with your Big Beautiful Audacious Noble Goal.

If you do your time analysis during a tacking (i.e., planning) period, your analysis is not representative of your typical allocation of time. Here is the deal: you can and should trust yourself. You know what your typical workweek is like, because it is the workweek that you live. So you have permission to go back to step 1 and write down what you think is a typical week.

The optimal 4D Mix, of course, works for multi-employee companies. For example, if you have two employees (you being one of them), the average of both your individual 4D Mixes constitutes your company mix. So, if your 4D is 50 percent Doing, 0 percent Deciding, 0 percent Delegating, and 50 percent Designing, and the other employee's is 80 percent Doing, 20 percent Deciding, 0 percent Delegating, and 0 percent Designing, it is the average of each category that gets you your business mix.

(Note: I realize you may work seventy hours a week and your employee forty hours a week, and therefore more emphasis should be put on your percentages. But that level of detail does not do much at all to impact the results, so let's not get that nitty-gritty. Plus, our goal is to reduce your time from seventy hours and get it way down. Remember?)

In this example, the company's mix is 65 percent Doing (the average of 50 percent and 80 percent), 10 percent Deciding (average of 0 percent and 20 percent), 0 percent Delegating (average of 0 percent and 0 percent), and 25 percent Designing (average of 50 percent and 0 percent). So this business is 65/10/0/25. Compare that with the optimal 4D Mix of 80/2/8/10, and we can see we need to ramp up the Doing (getting things done) and reduce the Deciding for others (perhaps we outsourced to virtual help, and they need way too much direc-

tion). There is no Delegation going on, and we want about 8 percent of the time spent on empowering others to drive outcomes. Twenty-five percent of the time between these two people is spent on the Designing (vision and future thinking) of the business, which is too much (it should be around 10 percent).

If you have a large company with dozens, hundreds, or thousands of employees, you can still do this exercise for everyone. But do it in groups by department and responsibilities. For example, say you have two hundred employees, and your accounting department has ten people. Have each person in the accounting department do a 4D Mix analysis. Then average out across the department. Now you will have the 4D for your accounting department. Do the same for other departments and then create charts for each department. Add up the department 4D Mixes to see what your company 4D Mix is.

START WITH 1 PERCENT

I realize the shift I'm asking you to work toward can seem overwhelming, especially if, at the moment, you can't imagine how you'd free up *any* time to focus on Designing your business. This is why, as you begin this process, I'm asking you to set aside just 1 percent of your work time for Designing. If you work forty hours a week, that's twenty-four minutes a week, rounded up to a half hour. If working sixty hours a week is closer to your reality, that can be rounded to just one hour of Design time. You don't even have to block off an entire hour (or whatever your 1 percent equivalent is) for Design work; you can break up the time.

With even 1 percent Design time, you can focus on optimizing your 4D Mix and other strategies to help you streamline your business. You know what else you'll be able to do? You'll finally be able

to pick up that folder of "someday" ideas you keep in the drawer and figure out if you still want to pursue them. The articles about industry trends and new technologies you've been meaning to read, the video trainings you've paid for and haven't yet watched—you can use your 1 percent time to finally get around to doing that important research. Even with just thirty minutes a week, you'll have time to do one of the most important analyses of your business: ask what is working and find ways to do more of it, and ask what is not working and find ways to do less of that.

Once you get in the habit of setting aside the time, you'll become more comfortable taking the time—and making good use of that time. You'll start to see changes in your attitude toward your business, and changes *in* your business as you begin to implement some of the ideas and strategies you came up with during Design time. And once you get used to taking Design time as a matter of course, you'll want more of it.

YES, YOU CAN MAKE ANY BUSINESS RUN JUST LIKE CLOCKWORK

If you're a creative entrepreneur, or an entrepreneur with a special skill set on which your business depends, how do you shift from Doing to Designing? I get this question from time to time. It's important to remember that Doing, Deciding, and even Delegating maintain your business. Designing *elevates* your business. And even if you are in an industry as specialized and independent as painting, you can be the designer of the business. Don't believe me? I'll let Peter explain.

Seventeenth-century German artist Sir Peter Lely was certainly not the first artist to systematize his art, but he was arguably the first to make his company run like a well-oiled cuckoo clock. (See

what I did there?) Lely painted in the Baroque style that was popular at the time. After he moved to London, he quickly became the most sought-after portrait artist and then the "Principal Painter" for the royal family. He was best known for a series of ten portraits of ladies of the court—the "Windsor Beauties"—that hung in Windsor Castle.

His work in high demand, Lely opened a workshop and trained other painters to help him complete his paintings. This fella didn't just have a few assistants; he had a massive operation that allowed him to do what he was known for, what he did best: paint faces, leaving the rest of the portrait to his assistants. When customers wanted some of that "Windsor Beauty" magic, it was all about the face. But if Lely painted every portrait in its entirety, including the subject's attire and surroundings, he would be spending the majority of his time working outside his zone of genius, i.e., capturing faces. If he stayed in the Doing, Designing, and Delegating phases exclusively, the only way he could scale was to work harder and longer.

So, jumping right into the Designing phase (while never fully abandoning the other phase), Lely sketched a variety of poses and numbered them. He often used the same dress design and the same props. After he finished a subject's face, his lead artist would assign someone on the team of artists to use a template for the numbered pose required and paint the rest of the painting. Cleary, Lely was the Godfather of paint by numbers.

Business boomed because he delivered on the one thing his clients wanted most: Lely's interpretation of their face. The rest— the setting, the color of the dress, the props used—didn't matter much. And because he was able to focus his Doing solely on painting faces and Delegate the rest, he was able to turn out thousands of paintings over his lifetime while his contemporaries were lucky to turn out a hundred.

The next time you dare to say "my business can't be stream-lined" or "I need to do all the work," take a pause. You are lying to yourself. Your business can run on its own. If an old-school painter can do it, you surely can, too.

For the longest time, I struggled with the idea that, in my business, others could do the core work or, from my lips to God's ears, *all* the work. My enemy was my ego. I believed I was the smartest person in the room—at least when it came to my business. But it all changed when my friend Mike Agugliaro told me about a simple change he and his partner made. Mike and his business partner, Rob Zadotti, grew a plumbing business from the days of the two of them racing around in a beat-up truck to a $30 million home-service business. How did Mike make the shift from Doing to Designing a world-class business (which was ac-quired in the summer of 2017 for, as Rob put it, "a sick amount of cash on the barrelhead")? They did it by changing the ques-tion they asked. They no longer asked, "How do I get the plumb-ing work done?" Instead, they asked, "*Who* will get the plumbing work done?" That simple change of question started to bring the answers that made them business designers. For you to become your business's designer, you can no longer ask "how," but "who." That one question, "*Who* will get the work done?" will open your eyes to a business that will cruise right to the design phase.

I can't tell you how many times entrepreneurs say to me, "My business is too unique. It can't be systematized." Sorry to break it to those people, but they're not that special. Yes, they have a few things that are special to them, but 90 percent of their business is the same as everyone else's. So is mine. So is yours.

Few businesses in the world are that unique. And when they truly are unique (and successful doing it), everyone else copies them. Say goodbye to the uniqueness. Now don't get your undies

in a bunch. Your mom was right, you are special and different and all that. I'm just saying the business fundamentals stay constant for all businesses. Since you're reading this book, I'm going to assume that you are at least willing to put your ego aside and attempt to run your business using the Clockwork system.

The best part is, streamlining your business doesn't take a ridiculous amount of work to build a bunch of new systems. In fact, it is ridiculously *easy* when you realize that *you already have all the systems.* The goal is to simply extract them from where they are already documented—in your head. You'll learn how to do that in chapter five. And when we do that, you will be free to do what you do best. Whatever work you do, it can be broken down into steps and delegated to someone else.

And if you don't want to give up too much of the Doing because that's what you love? Then by all means, do what you love. Your business should make you happy. The point is, you *can* delegate more than you realize. Even if your business is a work of art.

OPERATION VACATION

At the start of the chapter, I told you the first part of Scott and Elise Grice's story. Elise spent a total of six weeks in the hospital, totally unable to work on her business. Most of us cannot imagine taking six hours off from business, let alone six weeks. It's not just entrepreneurs. Employees are taking less and less vacation time. A 2017 study[*] showed that of US employees who are eligible to take paid time off, only about 50 percent of them actually do it.

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* Harris poll on behalf of *Glassdoor*: Amy Elisa Jackson, "We Just Can't Unplug: 2 in 3 Employees Report Working While on Vacation," May 24, 2017. www.glassdoor .com/blog/vacation-realities-2017/.

And, no surprise, two out of three US employees who *do* take vacation time end up working for at least part of their vacation. It's not just an entrepreneurs' issue—it's part of our work culture.

But what if you were forced to take the time off?

In our conversation that day, Elise said, "We're thankful for my stay in the hospital because it was a turning point for us. That day when everything seemed hopeless, we decided to wipe the slate clean and ask different questions. Instead of asking ourselves 'How are we going to get through this?' we asked the question 'If we could be paid to do anything in the world, what would we want to do?' We were at rock bottom, and that actually freed us up to *ask* that question."

I can relate to rock-bottom freedom all too well. I am sure you have heard the popular question about discovering your passion and purpose: "If you had all the money in the world, what work would you do?" It is a great question, but it has bias built into it. It suggests that whatever you choose does not need to offer sustainability. You could say, "I would watch *Curb Your Enthusiasm* reruns morning to night," and since you have a continuous stream of cash, your Larry David binge would be a fine choice. The goal of course is to find an activity that satisfies you and is not trumped by the need to make money.

I have discovered a second, rarely asked question that is equally important, and works in concert with the first: "If you had no money at all, what work would you want to do to support yourself?" When the answer to both questions is the same, you have found your direction. That is how I found my life's passion of being an author. I had fantasized about being an author "one day" when I asked myself the "if I had all the money in the world" question, but I never pulled the trigger. When I nearly bankrupted myself (and my family), I was forced to ask the question "What do I want to do, now that I have no money?" The answer

was the same. I wanted to be the most prolific small-business author of this century. Same answer and my path was clear.

While only time will determine whether I achieve my Big Beautiful Audacious Noble Goal—being the most prolific small-business author—the journey has been the closest to experiencing heaven on earth. I love what I do. Elise and Scott loved branding, and they wanted to scale their business, but they couldn't pull that off with their established business model. And they wanted something different, something more.

Elise said, "Before I got sick, I had been slipping Scott little 'I quit' Post-it notes, mostly because my role in the business was very confrontational. I routinely had to tell our clients they were wrong about their branding, and I didn't want to do that anymore. I really just wanted to get paid to go to coffee with people."

Scott's answer was rooted in his passion for business systems: "I wanted people to experience freedom in their personal lives because of their business."

When Elise started to get better, they scaled back their team, finished their client work, paid off their hospital debt, and began building a business with a new model that would allow them personal satisfaction and freedom. They shifted their business model to focus on delivering training and content to groups rather than to individual clients. They no longer managed client projects; through online classes, they began advising their former clients, new students, and followers how to manage their own projects. Though they weren't aware of the term at the time, they successfully balanced their company's 4D Mix. Within seven weeks, they had created a streamlined business that educated their existing clientele—and a new, growing client base—about branding and business systemization through online courses.

Today, Elise and Scott run their business from a twenty-eight-foot camper van. They regularly take four- and six-week vacations

from their business, vacations where they are completely out of the day-to-day operations. And what happens to their business when they're away? It grows and grows.

"Last summer, we both took three months off from our business and traveled through Europe together," Elise said. "We completely checked out. No social media. We didn't write a newsletter. Didn't answer one email. We built our business so that, if we wanted to take a break, our business would still grow. We streamlined the entire process. And when we came back from Europe, we had more business and more revenue than we had before we left."

Elise and Scott did something critical to bring operational efficiency: they stopped doing what they didn't like doing. They didn't just delegate it; they restructured their entire business so they no longer did things that they didn't like to do and only did the things they liked. Then they sought out ways to do what they wanted with the flexibility they wanted. Where you stand in your business is a direct result of your thoughts about what you need to do to be where you are. If you believe you need to work your ass off to grow, you will prove yourself right. If you believe you can make your business scale with little effort, you will prove yourself. But it only happens if you believe it can happen. And the only way to come to believe it can happen is to start asking empowering questions. Just like Scott did. Just like Elise did.

In my own quest to develop a simple way to make my own business run on automatic, I've met several other people who took sabbaticals from their business only to come back to a more successful business than when they left it—including one person who left for two entire years! I'll share more of those stories with you throughout the book. Hearing their stories made me realize that taking a long vacation was the best test for a streamlined business, and committing to *taking* that vacation is the best incentive to streamline your business in preparation for that vacation.

Then I had an epiphany: Committing to a four-week vacation—the length of most business cycles—is the perfect incentive to streamline your business. During a four-week period most businesses will pay bills, market to prospects, sell to clients, manage payroll, do the accounting, take care of administrative tasks, maintain technology, deliver services, ship products, etc. If we know we're going to be away for four weeks without access to our business, we'll do whatever it takes to get it ready for our absence. If we don't commit to the vacation, we'll take our own sweet time getting through the streamlining steps, and since we're humans, we'll probably stop before it offers us any lasting relief. The ego is strong, and the grind is all-consuming. And the draw of the all-too-familiar grind, painful as it is, is the easier choice to make, simply because it is familiar. Without the forced goal, we may never do this.

With this book, I'm launching Operation Vacation. You and I and everyone, we're all in this together, and we can support one another in taking the steps we need to take to grow our businesses *and* get our lives back. *My challenge to you is to commit to taking a four-week vacation sometime in the next eighteen months.* And when I say commit, I mean book that vacation. And to make sure you never back out of it, tell your kids, tell your mom, write it in your diary. Or, make the boldest declaration of all: post it on Facebook so the world will be up your butt if you don't do it. No matter what, make sure you email me your commitment (I'll tell you how in a second). Maybe we will end up on vacation at the same time in the same place. We can throw back a margarita while your business grows in your absence.

In chapter ten, I give you a detailed, step-by-step timeline that will help you get your business ready for your four-week vacation. If you're a rebel, or a nonbeliever, and you have already decided *not* to take a four-week vacation at some point in the next couple

of years, please read the chapter anyway. The timeline provides a framework for clockworking your business using seven steps.

Let me clarify that I am not suggesting that you can *only* take a four-week vacation. For some people, four weeks may seem too short. Or, if you're thinking about having a baby, you may want to take three to six months off, or more, and you may not have a clue how you're going to pull that off while keeping your business alive. That's why we are going to *plan* to take a four-week vacation, so we can get your business running itself. Once that happens, you can take as much or as little time off as you want or need to do. Imagine that—you may not have to put off major life decisions in order to keep your business running and growing!

As I am writing this book, I too have committed to taking my very first continuous monthlong vacation in December 2018. To be exact, the trip will start on December 7 and end on January 7. I started the plan for the monthlong sabbatical eighteen months prior, and have already run multiple one-week tests away from my business to prove that it is ready. And throughout these eighteen months, I have been thinking about my business in a whole new way. Knowing this trip is coming, I am focused on removing myself from all critical roles. I'm working toward the optimal 4D Mix. Would I have done that without forcing the issue? No, I think not. And I don't think you would have, either.

As my extraordinary business coach, Barry Kaplan of Shift 180, says, "Sometimes the only way out of the weeds, Mike, is to simply get out of the weeds."

That's it. Stop spending all the time contemplating how to get out of the weeds. What if things don't go as planned? What if the business collapses? What if? What if? Just get out of the weeds and then measure the results. Book that vacation now! Get outta Dodge (which ironically is known for its voluminous amounts of weeds). The moment you are solid on your trip, your mind will

shift and you can get to work on moving yourself to the Designing phase of your business.

⚙ CLOCKWORK IN ACTION

1. It's time for you to get some Design time. In *Profit First*, I implored readers to commit to setting aside a minimum of 1 percent of their revenue for profit. Even if they didn't follow any of the other steps in the book, I knew that the action of taking 1 percent profit would accomplish two things: They would discover how easy it was to set aside that money, and they would learn to live without it. For this action step, I'd like you to set aside 1 percent of your work time to focus on Designing your business. Just 1 percent. No matter how big your to-do list or how demanding your customers and staff, your business can survive you taking a tiny amount of time each week to do the work that will help your business move forward.

2. Block out this time, every week, for the next eighteen months on your calendar. As you move along, you will be expanding the amount of Design time, but for now, you and I just need to ensure that 1 percent is protected for a long time.

3. Just as you need to take your profit first in your business, you need to allocate this 1 percent of time first in your week. Don't wait for the end of the week to do the design work. Instead, allocate the time right at the beginning. By working on the vision at the start of the week, the rest of the week will naturally support that vision, therefore getting you to it faster. Run the time analysis on yourself for the next five business days, and determine your 4D Mix.

Now that you have read the first two chapters of Clockwork, you are ready to master the process!

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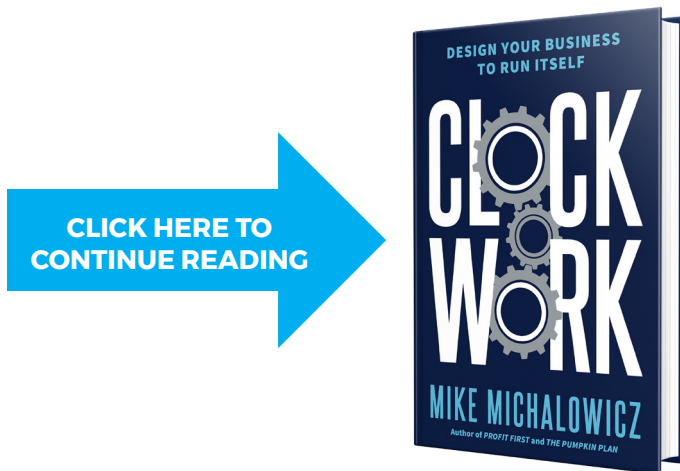
If you're like most entrepreneurs, you started your business so you could be your own boss, make the money you deserve, and live life on your own terms. In reality, you're bogged down in the daily grind, constantly putting out fires, answering an endless stream of questions, and continually hunting for cash.

Now, Mike Michalowicz, the author of *Profit First* and other small-business bestsellers, offers a straightforward step-by-step path out of this dilemma. In *Clockwork*, he draws on more than six years of research and real life examples to explain his simple approach to making your business ultra-efficient.

Among other powerful strategies, you will discover how to:

- **Make your employees act like owners:** Free yourself from micromanaging by using a simple technique to empower your people to make smart decisions without you.

- **Pinpoint your business's most important function:** Unleash incredible efficiency by identifying and focusing everyone on the one function that is most crucial to your business.

- **Know what to fix next:** Most entrepreneurs try to fix every inefficiency at once and end up fixing nothing. Use the "weakest link in the chain" method to find the one fix that will add the most value now.

Whether you have a staff of one, one hundred, or somewhere in between, whether you're a new entrepreneur or have been overworked and overstressed for years, *Clockwork* is your path to finally making your business work for you.

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