



by Betsi Bixby  
President, Meridian  
Associates, Inc.

## Financial Capital Move Over, Human Capital Is the New King!

In 1991, when I started Meridian, financial capital and cash flow were king. Or at least I thought so coming from the banking world. If I could get family businesses to understand the cash and capital drivers, I could make serious, measurable improvements. And while that competency is admirable and still necessary, the world has changed.

Financial capital is now taking a back seat to something far more important — human capital. Your family business is now thriving (or not) based on the talent, intellect and drive of your people. The new game-changer is the quality of people you attract to your team and how meaningful they see themselves in your organization, which determines how long they stay. Patrick Lenconi, of *The Five Dysfunctions of a Team* fame, said in his latest book that humble, hungry and smart employees are the biggest drivers of your success.

So, I'd like to challenge you to complete this assessment and then take action based on your results.

**Step One:** List your current key leadership positions, including your own.

**Step Two:** Rate yourself first and then the person in each key position on a scale of 1 to 5 (1=worst, 5=best) in each of these criteria: talent, hunger, smarts and humbleness.

**Step Three:** List future key critical positions based on future growth your company may currently be missing.

**Step Four:** Identify all gaps. These can be deficiencies in you, your team and/or unfilled positions.

I'm going to venture a wild guess that if you are like most leaders, then you were harder on yourself than the

rest of your team. That means you are humble! But you may even be mentally flogging yourself for your own lack of talent, hunger and drive at this point in your career, or whatever. Do not despair!

While you may not have the talent of Warren Buffet or my co-author Richard Branson, or the drive of Jeff Bezos or Steve Jobs, you can still continually grow your leadership, hire amazing people, take your company to the next level, and even create legacy and significance with your modest family business. In order to do that, you'll need:

**Step Five:** Make a human capital game plan.

So, what exactly is a human capital game plan? Is that creating your future organizational chart? Well, partially. What it really does is set out a structured, methodical, practical plan to raise the competence and confidence level of everyone in your business, starting with yourself, then attracting, developing and keeping new-to-you amazing, awesome, talented people.

What super companies are discovering is those people may look different than you ever imagined and may behave differently than you ever behaved. What they will all have in common is talent, hunger, smarts and humbleness. When you revisit and complete this same assessment 12 months from now, my hope is you see far higher scores.

So, let's start with you. It's time to get serious about your personal leadership by growing yourself first. You are always being watched by your team. Whether you like it or not, you are modeling leadership for them every day. John C. Maxwell, named the world's

number-one leadership expert for years by *Inc.* magazine and others, and my personal mentor, has books (over 100!) to jumpstart you. My two personal favorites are the classic *The 21 Irrefutable Laws of Leadership* and *The Five Levels of Leadership*.

Next, engage a competent executive coach. Your coach will provide an extra layer of accountability no matter how responsible you already are, but more importantly, over time will reveal your own blindspots that, by pure definition, you cannot see without a coach. There is no greater joy in my life than when a CEO gets an ah-ha moment during a coaching session with me that creates breakthrough thinking and different behaviors and actions than ever before. It gives me a high that lasts all day.

Stretch your idea of what is possible by getting out to live events and workshops, even if you are naturally an introvert like I am. Rubbing elbows with fellow business owners who can inspire you, pour into you and challenge you is priceless. I remember, several years ago, sitting next to a 30-something kid who was empire-building. He wasn't all that gifted, had no endowment fund, and yet he was growing his company massively quicker than I was at the time. He inspired me and opened up my possibility thinking for Meridian.

While you are working on yourself, you'll also work on your team. Do you have a strong purpose, vision and mission along with agreed upon core values? Do you need to revisit these to ensure all are understandable and super

*Continues to page 32*

# PMAA SMALL BUSINESS COMMITTEE

## EXECUTIVE CLUB

The following individuals have contributed \$1,000 or more to PMAA's Small Business Committee, January 1-February 28, 2017

### KENTUCKY

John Clark (\$1,000)

### MISSOURI

Rachel Andreasson (\$1,000)

## CHAIRMAN'S CLUB

The following individuals have contributed \$500 or more to PMAA's Small Business Committee, January 1-February 28, 2017:

### ALABAMA

Jonathon Bolle (\$600)  
Robert Brasher (\$550)  
Keith Chambers (\$620)  
Bart Fletcher (\$750)  
Amanda Hill (\$575)  
Karen Kisor (\$565)  
Robert Norris (\$500)

Christiania Wilkins (\$790)  
Pam Young (\$970)

### CONNECTICUT

David Foster (\$535)

### MICHIGAN

Daniel Pohl (\$500)

### MISSOURI

Steve Ayers (\$500)  
Ronald Bachman (\$500)  
Newell Baker Jr. (\$500)  
Wayne Baker (\$500)  
Grant Eble (\$500)  
Bradford Goette (\$500)  
Thomas Kolb (\$500)

Gary Litzsinger (\$500)  
James Maurer (\$500)  
Donald McNutt (\$500)  
James McNutt (\$500)  
Ryan McNutt (\$500)  
Lynn Wallis (\$500)  
Jeff Wood (\$500)

## CENTURY CLUB

The following individuals have contributed \$250 or more to PMAA's Small Business Committee, January 1-February 28, 2017:

### ALABAMA

Daniel Bowers (\$250)  
Barry Maxwell (\$425)  
Rick Norton (\$250)  
Jim Parr (\$325)  
Guy Spencer III (\$345)

### MICHIGAN

Larry Galgoci (\$250)  
Robert Hohn (\$400)  
David Knapp (\$250)  
William McCarthy (\$250)

### MISSOURI

Mark Abel (\$250)  
Robert Baker (\$250)  
John Blanton (\$250)

David Braddock (\$250)  
Scott Frazier (\$300)  
Anthony Gier (\$250)  
James Greer (\$250)  
Ron Leone (\$250)  
David Mangeldorf (\$250)  
Stewart McIntyre (\$250)  
David Milligan (\$250)  
Joe Naegler (\$350)  
Janice Patterson (\$350)

Marvin Roderman (\$250)  
Laura Younghouse (\$250)

### PENNSYLVANIA

Quincy Longacre (\$250)

### UTAH

Todd Christensen (\$250)

*"Money Matters," continued from page 18*

compelling? Is learning in your values? Offer development opportunities to your team, all the while remembering an elephant will never act like a tiger. As the leader, one of your key roles is making sure you have good matchups in talent and skills to each role.

No matter how busy your schedule, how many companies you run, carve out one-on-one time for 15 to 30 minutes per week with each of your direct reports to check in on his or her life, progress and development plan. Putting your emphasis on human capital means people matter, and you show them that by your time allocation.

Finally, as you grow yourself and your team, it's highly likely you will realize you need stronger talent. When you see a gap, go for the gusto. Don't hire mediocrity. Go for the most talented, smartest, hungriest but also most humble person you can find. Notice if you only hire the first three without humility,

what you get is an egomaniacal jerk, who may soar in the beginning but then is eventually hated by you and your team. Don't compromise on humble — or talent, or smarts, or hunger. Insist on the full package.

You can do this. Make this be the year you intentionally grow yourself, grow your team, grow your business and move your focus from financial capital to human capital, where people are your most worthwhile investment, starting with yourself. You and they are worth it! **P**

*Since 1991, Meridian has provided insight and services to over 3,400 petroleum marketers, growing and expanding their market share, while increasing their cash flow and profits. Being the leading petro valuation provider in the nation, Meridian is also trusted for buy-sell transactions. To find out what Meridian can do for you, visit [www.askmeridian.com](http://www.askmeridian.com) or call us 800.728.9005 for immediate assistance.*