

BRIEF

Ideal Stakeholders

By Tommy Mains

Introduction

Ideal Stakeholders – those with whom your goals, culture, and values resonate – make all the work of building a great company worthwhile. These stakeholders share in the hope for a future your organization describes as its <u>Compelling Why</u>, a future state so appealing that the people around you will strive to achieve it. Identifying, attracting, and retaining Ideal Stakeholders is essential for any organization to be built to last. Stakeholders are those individuals, groups, or organizations with a vested interest in the outcomes of a business. Great companies excel because they're clear on:

- Why they're in business
- Whom they want to serve
- What they deliver to those they serve

This level of clarity enables great companies to understand which stakeholders are best suited for them and will help them grow from one <u>Stage of</u> <u>Development</u> to the next. We refer to them as a company's **Ideal Stakeholders**.



Context

Stakeholders can be internal (such as team members or the Senior Leadership Team) or external (such as customers, vendors, and strategic partners). We've identified seven groups of stakeholders:

- 1. Senior Leadership Team
- 2. Team Members
- 3. Investors
- 4. Customers
- 5. Vendors
- 6. Strategic Partners
- 7. Community

What Makes a Stakeholder Ideal?

Fundamentally, stakeholders are ideal when they identify with and exemplify your <u>Core</u> <u>Values</u> and <u>culture</u>. Each grouping has additional qualifiers as well. Let's define and examine them.

IDEAL SENIOR LEADERSHIP TEAM

Your Senior Leadership Team (SLT) likely includes the founder(s), visionary, second-incommand, and several department heads. Ideal SLT members embody your Core Values, promote a <u>high-trust environment</u>, and <u>proactively lead and coach</u> other members of the organization.

As the primary decision-makers, the SLT agrees to the company's long-term vision by establishing its Focus Filters:

- Industry and Niche
- Ideal Customer
- Compelling Value Proposition
- Compelling Why
- Core Values
- Goals

To promote a healthy culture and environment, the SLT upholds the company's Core Values and masterfully communicates an aligned <u>vision</u> that makes it clear why their team members' work matters to the present and future of the company.

IDEAL TEAM MEMBERS

Ideal Team Members display your Core Values and have the <u>Competency, Commitment</u>, <u>and Capacity (CCC)</u> to succeed in their Seats – ensuring you have the <u>right people in the</u> <u>right seats</u>.

Recruiting and retaining Ideal Team Members reduces turnover and leads to highperformance teams that accomplish their goals, meet their key performance indicators (KPIs), and are well-suited to flourish in your culture. Ideal Team Members follow your organization's Focus Filters and genuinely enjoy working in your industry.

With Core Values, CCC-matching, and trust guiding your hiring process, narrowing down a list of candidates becomes simpler. After hiring an Ideal Team Member, increase retention by offering advancement opportunities, professional development, and other benefits that show you care about the person beyond their Seat.

IDEAL INVESTORS

Investors are individuals or entities who provide financial resources to your business. They can make or break growing companies. Ideal Investors understand your economic model and see the value you bring to your Ideal Stakeholders. They bring capital and add value through industry expertise, network connections, and sometimes strategic guidance.

Ideal Investors have financial resources to invest in your business, align well with your vision, and consistently display your Core Values. Often, Ideal Investors bring strong networking relationships to the table — such as vendors or prospective customers. Ideal Investors often understand the intended <u>infinite game</u> of your business and are well-tuned to the Stage of Development your business is in.

IDEAL CUSTOMERS

Customers are ideal when they gain the most value from your product or service – making them more likely to remain loyal and generate consistent revenue for the business. Ideal Customers have a specific mix of geographic, demographic, and psychographic characteristics.

It hardly needs to be said that your business can only grow with a customer base that sees value in what you do. Taking control of your growth is easier when you've located where your **Ideal Customers** are (geographics), who they are (demographics), and what motivates them (psychographics).

IDEAL VENDORS

Vendors are other organizations that provide goods or services to your business in a way that is aligned with your company's needs, Core Values, and strategic objectives. These partnerships are ideal when there's strong communication, financial stability, and reliable quantity and quality from the exchange.

Businesses can't do everything and should not reinvent the wheel when simpler, effective possibilities exist through vendors. You may use a vendor as a purchase processor, web host, data analytics provider, sales tool platform, customer relationship management system, and so on. Ensuring these relationships are ideal broadens the coalition that believes in your vision.

Ideal Vendors tend to be reliable (on-time delivery, every time), offer pricing that is wellaligned with the value they offer, maintain open and effective communication, are flexible and adaptable to the rapid changes in your needs, continue to innovate, and have the financial stability to keep their "ideal" status.

IDEAL STRATEGIC PARTNERS

Forging strategic partnerships allows you to collaborate with another organization or brand to provide mutually beneficial value. An Ideal Strategic Partner aligns with and complements your company's skills and resources, upholds their side of the agreement, and uses their strengths to help you achieve a common objective.

Your collaboration with your Strategic Partners links you together. If they have different values or ideals, then the common goal you're trying to achieve may eventually be compromised. Aside from the shared values and complementary strengths and resources, your Strategic Partners share some of your insights on the market. Like with many Ideal Stakeholders, strategic partnerships rely on high-trust relationships.

IDEAL COMMUNITY

As a business, you function through individuals and organizations with common interests. If your company has a local customer base, these stakeholders include the people and businesses within your community. Growing and fostering an Ideal Community brings a human element and purpose to what we do.

An Ideal Community is actively engaged with you and your stakeholders — often through discussion, sharing ideas, and celebrating achievements. People in your Ideal Community

have a common interest that aligns with and supports your business or industry. They may provide you with feedback and insights, and they may also advocate on your behalf.

Core Disciplines of Ideal Stakeholders

1. Ideal Stakeholders should support your vision, embody your Core Values, and align well with your culture. No matter the Stage of your organization's development, non-ideal stakeholders can be distracting, challenging, and even harmful to the growth and health of your company. For example, suppose a member of the SLT is actively working at odds with your vision or sows distrust by acting opposite to your Core Values and culture. In that case, their actions can cause consequences that ripple to their teams and back up to leadership.

2. Forming agreements builds trust with Ideal Stakeholders. We want to foster agreements-based leadership and relationships. An agreement should replace any expectation(s) between parties. For example, instead of a spoken or implied expectation about what it means to be a strategic partner, an explicit agreement should be made between the partner and the organization so that each party understands its responsibilities and has a voice in the process. Without agreements in place, there could be a growing agitation between team members from perceived expectations that weren't fulfilled. Focusing on high-trust relationships helps avoid misunderstandings so we can focus, stay aligned, and thrive.

3. Prioritizing trust is essential in your relationship with Ideal Stakeholders. At Ninety, we place a high value on trust. By promoting transparency and honesty with our stakeholders, we invite them to see and work with the most authentic versions of ourselves. Finding the right people to connect with is easier when we consistently show who we are. One of our guiding principles is to have high-trust relationships with at least 90% of our Ideal Stakeholders.

Hopefully Helpful Hints

Concentrating on Ideal Stakeholders is a powerful, constraints-led process similar to Focus Filters. Applying a limit or constraint to your search for Ideal Stakeholders is not a negative process. Instead, it's a value-adding measure. Just as pursuing a **Rock** that doesn't align with 1-year goals or your vision may squander scarce resources, so would spending time and energy on stakeholders who aren't ideal.

Ideal Stakeholders are in it for the long haul. When people are aligned with a common cause, extraordinary things are possible. Consider Doctors Without Borders. Their organization began with 300 volunteers whose goal was to bring emergency medical aid to anyone in need anywhere in the world. Fifty-two years later, they've grown to over 63,000 volunteers operating in 70 countries. Their mission continues to raise support from stakeholders they've partnered with around the world. Gathering your Ideal Stakeholders to support your vision is necessary for creating a resilient, built-to-last company.

Takeaway

Identifying, cultivating, and maintaining relationships with Ideal Stakeholders is essential for building a **great company**. While it makes sense to prioritize finding Ideal Customers, following the process for the other six key stakeholder groups will set you up for long-term success. As you build toward your Compelling Why — the change you want to see in the world — finding Ideal Stakeholders to help you get there makes the hard work worthwhile.

What's next? Visit the <u>90u Library</u> or <u>try Ninety today</u>.

Tagged with: **Brief**, **People**