

How to Create Momentum in Any Organization

by Chris Chambless



Momentum, or The Big Mo as it is often called, is a powerful thing. It can create massive growth, incredible sales and a tremendous lift in your recruiting. But how do you create it? Most of the recent books on the subject of momentum treat it as an elusive, almost mythical creature that only a few are privileged to see. Many in our industry now regard it as the exclusive domain of startups and new ventures. But momentum is neither exotic nor proprietary to the next new direct selling venture. Momentum is simply the compound effect of a plan executed over a period of time, and nothing more. It can be achieved by any organization, but it must be created intentionally.

At Ambit Energy, we have achieved tremendous momentum since our launch in 2006, culminating in our recognition by Inc. magazine as the fastest-growing private company in America in 2009. While receiving this honor suddenly raised our level of visibility within the direct selling industry and around the country, it was not a surprise to our management team. Creating momentum at Ambit was and remains our intention.

In 2010, the year after we topped the Inc. 500, we continued our record-breaking customer and consultant growth. And in the first quarter of 2011, we expect to shatter last year's mark for both. This has not happened because Ambit is a startup. We have momentum because we have consistently executed an intentional seven-step plan to create it, and we have remained faithful to that plan for almost five years now. Follow this plan, and you will create momentum in your company, too.

Step One: Define Momentum by Setting and Resetting Key Targets

This sounds so obvious, but many companies fail to specifically define what it is they are trying to create. Or worse, they fail to reset new targets after their initial goals are achieved. Developing the discipline to set and reset targets is crucial. The key to sustained momentum is building on previous

successes by continuing to push for incremental gains over a defined period of time. There is no other way to do it.

In the early days of Ambit, we defined two key metrics we would focus on: a targeted daily average of new customer enrollments and a targeted daily average of new distributor enrollments. Every decision since has been viewed through the lens of whether or not it will move us toward those two goals. Five years later, we continue to establish new targets as they are achieved, but the goals remain the same. This consistency keeps the entire organization focused on what matters most to our business.

Step Two: Align Incentives for Every Distributor with Company Targets

Behavior that is rewarded is repeated. Behavior that is not rewarded is extinguished. Therefore, it is critical that your incentive programs reward your distributors for the behavior that will produce the results you have targeted. Leaders up and down the line must be focused on producing the same results.

Unlike many of our colleagues in the industry, Ambit does not sell a product. We sell electricity and natural gas. And while we love the recession-proof nature of the services we offer, we cannot rely on new or seasonal product introductions to provide new incentives to our channel during the year. We choose instead to align our entire channel with monthly promotions designed to reward everyone when a new distributor achieves stretch targets for customer gathering and personal recruiting in their first 28 days. By default, everyone in a new distributor's upline is focused on their initial success.

Step Three: Include Key Field Leaders in the Planning

Nothing generates teamwork faster than including top field leaders in the planning process, and nothing produces more resentment than leaving them out of the conversation. Create a venue, especially at the beginning of the process, to communicate company goals to your top field leaders and to solicit their feedback for how those goals can be achieved. Whether you use all or any of their ideas is less important than allowing them to be part of the process.

At Ambit, we have a small group we call our Co-Founder Leadership Council. This group meets quarterly with our executive team to discuss our goals and our progress toward them. The insight is invaluable, and it creates an atmosphere of accountability among our top leaders.

Step Four: Eliminate Excuses for Failure

With targets set, an incentive plan developed and buy-in from the top achievers, implementation begins. This is where the plan moves from the idea phase to the reality phase, marked by real-time feedback from your distributors. It is important to evaluate initial feedback to determine what valid, unanticipated obstacles may be blocking progress. A biweekly conference call is a great tool to learn this in real time.

At Ambit, we have a biweekly call with a broader group of our leaders to determine what we can provide to help them execute. In many cases, a new tool or business rule modification can remove an obstacle and, in turn, an excuse for failure.

Step Five: Deliver as Promised

Nothing kills progress faster than poor execution. Whatever programs your company develops to support your plan, deliver them on time and deliver them without errors or glitches. The minute distributors have to refocus their efforts to help the company identify and solve technical failures, momentum drops and confidence fades. Plan ahead, define your business rules thoroughly and budget time to test before rolling out a new tool or system enhancement.

We have an exceptional IT department at Ambit, but we have also developed the discipline of making sure our business rules are clearly defined and our priorities are continually evaluated to ensure that the most important projects are getting the resources they need. Delivering flawless IT support allows our distributors to focus on what they need to do in order to grow their businesses and it produces a culture of confidence that accelerates momentum.

Step Six: Stay Connected Emotionally

Sustaining the efforts of a large sales force over time requires more than monetary incentives. It requires excitement and enthusiasm. Distributors must continually be reassured that the company values their hard work and understands them. Companies must remain emotionally connected to their sales force to create sustained momentum.

At Ambit, our annual incentive programs are always supported by a series of live events, conference calls and other opportunities to recognize individual achievements and to allow company executives to personally connect with our distributors. Seeing them gives us a charge, which in turn charges them up and keeps them motivated to continue.

Step Seven: Hold High Standards

Finally, hold your distributors to high standards of ethical behavior. Do not tolerate misbehavior that can compromise the integrity of your brand and de-motivate distributors who are doing things the right way. A well-designed plan to provide rich, targeted incentives often creates the temptation by some to attempt shortcuts. Tolerating this behavior will produce more of it and in the end will drive out real producers who resent the unfairness.

When we founded Ambit Energy almost five years ago, our first decision was to be the finest, most respected retail energy provider in the country. Even though we have become the fastest-growing private company in America, it was not our goal. We told our founding distributors that we would never sacrifice our integrity for growth. And we've repeated that message consistently since the day of our launch.

As a result, we have attracted outstanding people and created a performance culture that rewards hard work accomplished with high standards. Our plan to create and build momentum continues to work with surprising results. But it could never have happened without the high standards of conduct we expect of ourselves and require of our distributors. This plan will work for your company, too. But skip Step Seven, and your momentum will be short-lived.



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