



PROFIT ENHANCEMENT GROUP (PEG) FOR OWNERS OF ARCHIVE STORAGE AND MANAGEMENT COMPANIES

Management Growth Institute (MGI) brings together eight to ten company CEOs to create an Archive Profit Enhancement Group (PEG). A PEG meets to investigate, collaborate, discover and recommend ways for companies to improve their profits.

Becoming a PEG Member

MGI creates PEGs with archive CEOs whose businesses do not compete. MGI interviews potential members and places each CEO in an appropriate group. A member provides background information about the company through the application process.

Meetings

Each PEG, led by an MGI director, meets at a different member's business location two times a year. The host member chooses a hotel near his facility to accommodate the other members and provide off-site facilities for the group. Then, the host assembles a packet of information to introduce the company. The MGI PEG Director reviews the packet, assigns members to teams, guides the group through the two day visit, and reviews the critique recommendations after the meeting.

Sample Schedule

Thursday afternoon: The group reviews the host's packet. The director presents the PEG critique process. The group visits a local restaurant for an informal dinner.

Friday during the day: The group arrives at the host's facility in time to watch the start of the day's work. The day continues with the PEG members gathering information about the company. The group reassembles at the hotel before dinner without the host to start sifting through the information they have gathered.

Friday dinner: The host joins the group. After dinner members who have previously been critiqued report on their progress. After these reports, the host leaves and the group continues to formulate recommendations. The MGI director guides the process to ensure the quality of the recommendations.

Saturday morning: The host joins the group and the members present the recommendations they have developed. The MGI director provides a written version of the recommendations after the meeting.

The Magic of Group Dynamics

During a PEG meeting much of the learning takes place as the members prepare the critique. Nine owners have spent a vigorous day interviewing employees, investigating the far corners of warehouses, trying to make sense of the systems and procedures, and watching the business in action. They have all formed opinions of what the PEG should tell the host the next morning. Experience in their own businesses influences these opinions. As members initially present their findings around the conference table, no surprise, they differ.

The magic comes as each member hears others report. Arguments occur. Members present additional information and perspectives change. As the group reaches agreement on the smaller issues, it then revisits the tougher issues and gains new perspectives. Slowly solutions fall into place. The host benefits from the perspectives of those nine peers and the MGI director when he receives the critique recommendations.

A PEG Member Story

Dan looked forward to his third critique. He had implemented many of the PEG's recommendations from his previous two critiques and was prepared for the next level of growth in his company. He had already: resolved a lack of strong managers, improved quality, and initiated a major software installation. His employees were also ready. Several of them had participated in the previous critiques.

When Dan arrived for his critique on Saturday morning, he brought his top-level managers with him. They all listened and took notes as the PEG members presented their recommendations. The surprise for Dan was recognizing how critical the lack of profit was to his growth plans for the business. Some of Dan's employees had brought the lack of profit to his and the PEG members' attention by complaining about their lack of bonuses. The PEG members reviewed financial statements and pinpointed specific areas that caused this declining profit. The PEG recommendations addressed these areas and emphasized the ultimate negative effect the profit decline would have on his ability to maintain the strong employees he had hired, and to build the new warehouse he had planned.

Benefits to Members of PEGs

- Two meetings per year
- A trusted core of advisors in the other PEG members
- Ongoing access to new ideas, techniques and perspectives
- Phone consultation with the PEG director throughout the year
- Measurement tools specific to the archive business to assess business performance.



PROFIT ENHANCEMENT GROUP APPLICATION

Archive Storage and Management

Date _____

Name _____ Title _____

Company _____

Address _____ City/State/Zip _____

Phone _____ Fax _____

Email _____ Web site _____

Revenue (last full year) _____ Number of employees _____

Number of locations _____ Software _____

Products _____ Markets _____

Competitors _____

Signature _____

Program Responsibilities:

Confidentiality: PEG members sign a confidentiality agreement at the first meeting. This agreement allows members to build trust in the group, a vital ingredient for a PEG.

Attendance: Consistent attendance builds a strong group, essential comparison measures and the ability to address future hurdles.

Program Cost:

The annual dues of \$3300 cover two meetings, seminars at meetings, materials prepared and distributed for meetings, and telephone consultation. Members pay their own travel costs and shared expenses for the meetings. Shared expenses include: director's travel, meeting room and equipment rental, and meals. MGI bills all members for shared expenses after each meeting.

Include a \$1000 deposit with this application and send to:

Management Growth Institute
27 Chelmsford Road
Rochester, NY 14618

Upon placement in a group, MGI bills for the remaining dues.

For questions: call – 585-461-1353, or email – kbalbertini@managementgrowth.com