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BUSINESS MANAGEMENT NEWSLETTER

October 2009

Donald’s Quote of the Month

“Now is the time to be visualizing an extraordinary result for your business in 2010. How will you improve the customer experience, your efficiency, employee engagement and the bottom line?”

Just drifting into next year without a well thought out Business Plan is sheer folly”.

...Donald Cooper

“Greetings” and welcome. This month’s format is a little different...fewer actual articles and more short business tips and observations from my recent work across the world. Many of them will be helpful and some of them are just plain weird. Total time to read this month’s Newsletter will be about 7 minutes. Time well spent.

1. Use two of our most powerful business tools to help you create an extraordinary Business Plan for 2010:

(Time to read this section is about 60 seconds)

If you want 2010 to be better than 2009, now is the time to be visualizing an extraordinary result for next year. How will you improve the customer experience, your efficiency, employee engagement and the bottom line? Just drifting into next year without a well thought out Business Plan is sheer folly.

Over the years, I’ve developed a series of simple tools and templates to help clients rethink, refocus and re-energize their business. Two of these will be especially helpful to you in creating your 2010 Business Plan.

1) Our first business “tool” will show you exactly what parts of the business need your most urgent attention...and where the biggest opportunities are for improvement. This “tool” is our one-page **Key Challenge Audit Sheet** that will take less than five minutes to complete. The beginning of wisdom is the recognition of reality and this is an excellent reality check.

Download the free **Key Challenge Audit Sheet** now by **clicking here**...and be sure to complete it honestly. If you don’t, you’re only fooling yourself. While you’re at it, print off extra copies and have your key staff and some of your front line people complete the Audit Sheet and return it to you. Check to see if there’s general agreement on exactly what key business challenges you face. It’s unlikely that you can grow and improve the business if you can’t even agree on what needs to be done.



2) The second “tool” that you can download now, for no cost, is my important article on “**What a business Vision is, what it isn’t, why your business needs one...and how to create it on one piece of paper.**”

Let me start by telling you that your Vision is **not** some sign in the lobby that says something like this.

It took me seven years of thought and study to figure out what a business Vision really needed to be...and how to create it on one piece of paper.

I’ll show you how to create this clear Vision for your business that will give you focus, momentum and a huge edge over your competition. This is transformational stuff...and it’s do-able.

To download this important “tool”, including detailed examples and a simple fill-in-the-blanks template, simply **click here** now.

So, will you download these two “tools” and start working on your 2010 Business Plan now? Or, will you just bump along, day by day, and hope for the best? If “Plan B” is your strategy, prepare to be disappointed.

Our Vision Statement

1. We love our customers.
2. We honour the diversity of our staff.
3. God is a nice person.
4. The Planet’s a great place to hang around.
5. We’ll work hard and have fun.

... *The Management*

2. Talk about “being there” for your customers...how could you be this extraordinary?

(Time to read this article is about 60 seconds)

Much of my work is about helping clients to be “extraordinary”...but one business that I’ve worked with recently is already way ahead of me in the “extraordinary” department. These folks are in the auto parts distribution business, which means that most of their customers are independent auto repair shops.

Here are two “extraordinary” things that they do that could inspire you to think way outside the box when it comes to delivering amazing customer service.

Extraordinary thing #1: Independent garage owners almost never get to take a vacation. They typically have themselves and 2 or 3 mechanics working in the business and there’s no one to run the shop if the boss is away. The result...no vacation and probably a very unhappy wife and kids.

So, here’s the extraordinary thing that my client, the auto parts distributor, does for his most loyal and most important customers. They arrange to have one of their Territory Sales Managers step in and run the customer’s auto repair shop and supervise the mechanics for a week, so that the shop owner can go on vacation.

At the end of the week the “fill-in boss” writes a brief report offering suggestions as to how the operation might be improved...and all of this is done at no charge to the shop owner.

Do you think that this creates a little customer loyalty?

Extraordinary thing #2: Because independent auto repair shop owners are typically not Harvard Business School grads, they generally aren’t experts in creating a Business Plan and, therefore, they have trouble getting a line of credit at the bank. This means that they have to lean on their suppliers for extended credit and are always stressed about cash flow.

Recognizing this challenge for their customers, my client, the auto parts distributor, helps garage owners create a first-class Business Plan and actually goes to the bank with them to help arrange a line of credit. The garage



owner is delighted and less stressed and, with a line of credit, can pay the parts supplier more quickly. Now that's "win-win" customer service.

This is amazing stuff. If there was a Nobel Prize for customer service, these guys would get it. So, what amazing things could you do that would blow your customers away, create incredible loyalty, make you "famous"...and grow your bottom line?

Put another way, what could you do that would make doing business with you so easy, so stress-free, so different from dealing with your competitors that choosing you and sticking with you would be a "no-brainer"?

3. Bits and Pieces...quick thoughts to get you thinking and make you smile:

(Time to read this section is about 4 minutes)

Item #1: Are you forgetting the little details that could trip you up? Toyota has just announced the largest automotive recall in the history of the world. They're recalling 3.8 million vehicles in North America alone, not because there's anything wrong with the engines, or the brakes, or the air bags, or the tires. It's the floor mats that might be a problem.

There's a possibility that, under some remote circumstances, the driver's side floor mat could slide under the accelerator pedal causing the car to speed forward uncontrollably. In fact, exactly that problem happened in California, killing a family of four.

So, pay attention to the small stuff. People are counting on you.

Item #2: Here's a tip on how to achieve world-class operating efficiency. We all need to keep getting better at what we do...mediocrity is no longer an option. Many of my clients have asked if I knew of anyone who helps businesses to get and stay more efficient. So, I've been on the lookout for just such a consulting company for some time....and now, I believe, I've found one.

High Performance Solutions Inc. in Kitchener, Ontario, specializes in helping manufacturers, distributors, banks and a wide range of other businesses to develop world-class operating efficiency...and they don't charge an arm and a leg to do it. They're experts in the field of "Lean Manufacturing" ...but they now apply those same proven principles to many other types of business.

A few years ago I was told by one client that after three generations in business they thought that they knew all there was to know about building prefab, factory made homes. But after bringing in an expert on "Lean Manufacturing", they quickly discovered that they knew a lot less than they thought they did...and they were amazed at how much outside, expert eyes could help them.

If you'd like to look into this, they go-to guy to call is Scott Smith, MBA, the President of HPS Inc. at 519-893-6260. Or email him at ssmith@hpsinc.ca.

They work throughout Canada and the USA. If you're one of our many overseas readers, look for a Lean Manufacturing expert in your area and chat with them. If they're good, they know stuff that will give you a big competitive edge.

Item #3: Marketing Strategy #1...stop pissing customers off. One of the simplest way to grow your business is to stop doing those things that annoy the heck out of your customers.

For example, when I'm watching TV, I don't mind the commercials. I wish that more of them made sense or were memorable...but I get it that these sponsors are putting out major bucks so that I can watch TV shows for free.



What ticks me off though is paying \$12.⁵⁰ to see a movie and having to endure 10 minutes of product commercials before I get to see what I paid good money for. But what really, really pisses me off is paying \$2200 for an airline ticket and then having to sit through 10 minutes of commercials before I get to watch the in-flight movie. That one drives me nuts and, of course, the “fast forward” feature doesn’t work while the ads are playing. I feel trapped, manipulated and taken advantage of...and that’s no way to build customer loyalty.

So, what might you be doing that’s ticking folks off...and when will you stop it?

Item #4: Does your company name help explain what you do, is it just neutrally boring...or is it a big fat lie? Regular readers will know that I’m a big fan of company or product names that actually help you market yourself.

I love names like Speedy Muffler King, Miracle-Gro or the 10 Minute Manicure. They tell us what the business does and something about how they do it better or differently. Great names create clarity and grab target customers.

We came across a store in Vegas last week that sells extraordinary hats for men and women. The name of the store... **Hattitude**. Now that’s clever. Then, in Red Deer, Alberta, I drove past a business called “**Lost Sock**”. What the heck do they do? Well, it turns out that it’s a laundromat. OK, now I get it. Laundry...lost sock...very funny.

What isn’t funny and what really wrecks your brand is when your name is a big fat lie. On my recent trip to Alberta, Discount Car Rental was \$275 more than Enterprise for a two-day car rental on identical vehicles. So much for brand integrity. If your name is Discount Car Rental, either be the cheapest...or change your name.

Do your company or product names create clarity and grab your target customers...or do they confuse customers, or create an expectation that you simply don’t deliver?

Item #5: U.K. Government Minister breaks her own law. Patricia Scotland, British Member of Parliament and the UK’s Attorney-General, which means that she’s the country’s chief law enforcement officer, has been fined £5000 for employing an illegal immigrant as her housekeeper. The opposition has demanded her resignation.

Item #6: More legal stupidity, closer to home. A “big rig” truck driver was pulled over by an Ontario Provincial Police officer last week and charged with smoking in the workplace. The “workplace” in this case was the cab of his own truck, occupied only by the driver.

By the way, the truck cab also contains sleeping quarters so, technically, it could also be said to be the driver’s place of residence at the time...but I digress.

Now, I’m a pretty adamant non-smoker, but there’s one thing that ticks me off more than smoking and that’s stupidity. The guy’s all alone in the cab of his truck and he’s hurting no one but himself. Charging him with smoking in the workplace is just plain stupid.

Item #7: Do you involve your staff in important decisions? A travel agent in Winnipeg needed to move the business to another location. He met with his team to get their thoughts on the type of location that would be best for all concerned, including, of course, their customers.

He then scoped out four possible locations, created a one-page evaluation sheet, made a copy for each employee, rented a mini-bus for the group to tour all four locations and gave them the opportunity to evaluate each one. Now that’s team involvement. How would you have handled it?



Item #8: I bet you didn't know this. Just about everyone has enjoyed or at least heard of Godiva chocolates. They're world famous with almost 500 shops in over 80 countries. But who owns this famous company? The answer is fascinating.

Godiva chocolates were first made in Belgium by founder Joseph Draps in 1926. The business was sold to the Campbell Soup Company in 1973 and they, in turn, sold it in 2007, for \$850 million, to Ulker, a Turkish biscuit maker based in the small city of Kayseri, Turkey. So now you know. I have no idea what you'll do with this information...but now you know.



Item #9: Don't mess up your brand. The most valuable asset that most companies have is their brand and the reputation built around that. Once you've let that fall into disrepair, you're pretty well cooked.

GM is producing some excellent vehicles these days but, while the vehicles are great, their brands are broken. Over the years, they devalued their key brands by producing mediocre vehicles and then marketing them with endless rebates and "deals" that basically confirmed that the vehicles were not worth the price being asked for them.

Now, it's going to take them years of rebuilding to get those brands to have the trust and respect that they once had.

I was in a Coach leather-goods store a few weeks ago and from what I saw, they're in the process of messing up their brand, just like the car guys did. Coach has become known for beautifully made, classic handbags, constructed of fine soft leather, without all the metal trim and clutter that other "names" are known for....and for doing that at an "up-market" but still reasonable price.

Coach seemed to know who they were and who their customers were. But what I saw shocked me. Their Fall line looked like someone at head office was on drugs. The bags were awful. They were "unCoach" and, according to the store manager, "Not selling."

Sure, if your target customers are evolving, evolve with them...but don't shock them and, for sure don't make them throw up.

Item #10: The times they are a changing. It is estimated by people who study these things for a living that most of the young people graduating from school this year will have 19 different jobs or careers before they retire.

Item #11: Profitability is a game of inches. Very often, small improvements or changes can have a dramatic impact on your bottom line. The owner of a small independent Pizzeria invested \$40 on plastic bins and 3 sizes of Ziploc bags and created a simple portion control system for cheese that improved her bottom line by 24%.

In 2009 Marriott hotels will save \$2 million just by switching to bacon strips of uneven lengths.

So, how can you save big money in your business by doing a few little things better, smarter...or differently?

Item #12: How could you add more value to your customers' lives? World-leader Husky Injection makes injection molding equipment and sells it around the world. But, they don't stop there. They add incredible value that increases their revenue and ensures that they get the order.

How do they do it? Husky also provides complete factory planning services including design and layout, new construction project management and, if the customer prefers, a complete turnkey operation, including of course, the injection molding machines. Brilliant.



Item #13: If Government people can think and act like entrepreneurs...what's stopping you? One of my favourite places to speak in the whole world is Alberta, Canada. People there are “get on with it” entrepreneurs and even the Government of Alberta folks that I've worked with in developing Management Boot Camps are committed and entrepreneurial in a way that I've not seen anywhere else, with the possible exception of Singapore.

Much of my recent work in Alberta has been with their Department of Agriculture and Rural Development. They offer more real, professional assistance to their Agri-Food industry, from growers to processors, than I've seen anywhere. They are capable, passionate and results-driven and their courses on Livestock and Crop Improvement, Agri-Biz and Product Development, Lean Manufacturing, Energy Management, and a host of other key topics, are first rate and low cost.

We have lots of readers in Alberta, many of them in Agri-Biz. I urge you to be in touch with the Ag and Rural Development people who are so committed to your success. Start with Jim Cooper (no relation) at 780-679-5176. Jim will direct and coach you on how to connect with the right programs and the right people.

Another excellent contact on the Alberta Ag and Rural Development Team is Jim Rose. Jim can be reached at 403-697-3137. Both of these gentlemen are sharp, keen and committed.

4. Six powerful tips to improve your team's performance in any business:

(Time to read this section is about 40 seconds)

My friend Kevin Graff is one of North America's top retail speakers and coaches. If you're in retail you should definitely subscribe to his Monthly Newsletter. There's no charge. Just email him at kevin@graffretail.com and tell him that Cooper says you should sign up.

Whether you're a retailer or not, Kevin's **6 tips, shown below, will help you to improve your team's performance:**

1. Give your staff the ongoing training they need to be successful. In several surveys, as many as 80% of employees state that they have not been given the training they need to do the job they've been given. They're being set up for failure...and it's not their fault.
2. Give them opportunities to earn more, or get additional recognition.
3. Spend more time talking with and coaching them. It's tough to feel engaged in the business when you feel isolated from your boss. People don't work for companies...they work for people.
4. Truly involve your team in your business, and share results regularly. Good people want to know how the business is doing and that they make a difference.
5. Set clear expectations about performance and behaviour...and never let anyone forget about those expectations.
6. Raise the bar on performance and applaud as they jump over it! You are both the coach and the head cheerleader.

How would you rate your performance, right now, in each of these 6 key areas of leadership? And what will you do, starting right now, to use these tips to lead more effectively?

And, if you're a retailer, don't forget to email Kevin right now to sign up for his Newsletter. This guy knows his stuff. His email address again is kevin@graffretail.com.



5. Our quick Quiz of the Month:

(Time to read this section is about 30 seconds)

"Thanks" to all of you who answered our September Quiz, which was, "With sales of over \$100 billion, what is the world's largest food company?"

The answer: Nestle is the world's largest food company. Kraft is the largest in America...but globally, Nestle takes the #1 spot. "Congratulations" to Bill Stanzeleit of DuPont Performance Coatings. For his prize, Bill has chosen our DVD on **"The simple truth about effective business leadership"**.

This month's Quiz Question: I love geography so this month we have another geographic quiz question...and the answer will amaze you. **Which state in the United States has the longest shoreline?**

Send your guess to Sharen, our wonderful Director of Marketing, at sharen@donaldcooper.com with the subject line "October 2009 NL Quiz". Each correct answer received will go into the 'pot' and one winner will be randomly selected before our next Newsletter mailing. The winner will receive his or her choice of any of our excellent DVD Seminars.

6. That's it for this month:

Thanks for all of your great feedback and suggestions. We especially love to hear of your successes using our insights. Don't forget to visit our Free Articles section on our website for lots more valuable articles on how to sell more, manage smarter, grow your bottom line...and have a life.

Also, let us know what you'd like to hear more about...or less about. And, do send us your stories and examples of great, horrible or just plain bizarre business practices that you find in your travels.

Kindest regards,

A handwritten signature in black ink that reads "Donald". The signature is stylized with a large, sweeping underline that extends to the left and then curves back under the name.

Donald Cooper, MBA
Certified Speaking Professional

For more information on how Donald Cooper can help you redefine and reinvent your business to create, deliver and communicate compelling, customer-owning Value, or to book Donald, contact **Sharen Skene**, Director of Marketing at [1-416-252-3704](tel:1-416-252-3704) or by email at sharen@donaldcooper.com in Toronto Canada.

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