



BUSINESS MANAGEMENT NEWSLETTER

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IN THIS ISSUE

1. We all need to work "ON" our business, not just "IN" it...and here's how to do it:p1
2. Apparently America is made up of waitresses and lucky people.....p3
3. Stop trying to be more like the "big guys".p3
4. If you don't listen to your staff, your customers will have to.....p4
5. Bits & Pieces.....p5
6. How to create compelling customer value, a clear direction for the future...and a better bottom line.p6
7. Quiz of the Month.....p8

Donald's Quote of the Month

"If you're not investing some time every week to proactively work "ON" your business, it's unlikely that your business will grow and prosper as it should."

...Donald Cooper

"Greetings" and welcome. This month's Newsletter is a bit late as I've been speaking and flying just about every day this month. Much of this Newsletter was written in a hotel room in Medicine Hat, Alberta.

"Yes" folks, there is a city named Medicine Hat...and it is said to be the sunniest place in Canada. It's also called "The gas city"...but I just had dinner here and I feel fine.

Your valuable September business tips will take about 7 minutes to read. Time well spent.

1. We all need to work "ON" our business, not just "IN" it...and here's how to do it:

(Time to read this article is a little over 2 minutes)

Over my 18 years of working with business owners and managers, I've found that most of us spend the majority of our time working "IN" our business and not enough time working "ON" the business. The result is that no one is proactively running the show.

Why do we not spend more time working "ON" our business? Because most folks get into business, not because they understand or love "business", but because they're good at designing, doing, selling or fixing something. But now they're in the "business" of doing that...and the business part of it isn't so easy or interesting to them.

On the other hand, working "on" our business, that all-important process of proactively visualizing, planning and implementing an extraordinary customer experience, innovative, attention-grabbing marketing and creating a more profitable future, is much more intimidating territory.

The proposition of creating an effective team and empowering them to take action seems more difficult than just doing it all ourselves. Getting comfortable with 'the numbers' and using them to proactively achieve better margins and a healthy bottom line seems like a daunting task...so we retreat to the familiar and work "in" our business. We do the day-to-day stuff that we're comfortable with and know we're good at.



How do we make the switch and become more proactive and effective managers? The first step is to set aside a specific amount of time to work "ON" the business every week. For many of my clients Tuesday morning seems to work best, but you can pick any time that works for you.



Now, that you've set the time aside, exactly what will you work on? This is what I teach in my one-day "Accelerate your business" Management Boot Camps that transform businesses...and business people. The first thing that you'll work on is creating clarity about:

1. Who your target customers are, what life is really like for them and what they really want from you. Think and feel like a customer. When they buy and use what you sell, what are they really trying to do, what do they want or need to know...and how do they want to feel?
2. Next, be clear about the extraordinary customer value and experiences that you will always deliver. Value and experiences that will 'grab' your target customers, clearly differentiate you from your competitors, make you 'famous' ...and grow your bottom line. Then, determine how will you market and promote to stand out, be noticed, be trusted and be preferred. How will you get people to understand all of your value and go out of their way to get it? Finally, how will you make it easy for customers to buy?
3. Next, you need to be clear about what the business must look like in 3 to 5 years to be a profitable and responsible market leader. This will be your business Vision and it will guide every decision you make. How big must you be in 3 to 5 years? How 'good' must you be? How must you be different from what you are today?

Then, you need to be sure that you actually want to become as big and good as you must become. For step-by-step help in creating an extraordinary future for your business, download my free article on this important subject from my website **donaldcooper.com**. Simply click on the "Free Articles" button and go to Section B, Article 9.

4. If you own the business, make sure that it's paying you twice. First, a salary equal to what you could earn working for someone else and, second, a return-on-investment of at least 10%. If your business is not paying you twice, there had better be some very good "other" reason for being in it. By the way, in the real world, your investment in the business is what you could sell it for next month. If you put \$1 million into it but could only sell it for \$600,000, congratulations, you've peed away \$400,000.

If the business isn't paying you twice, what needs to change to fix that? Can it be changed? When will you get started? If you don't understand your numbers, you don't understand your business.

5. The fifth thing that you'll want to be clear about is your people. What kind of team do you need to always deliver your customer commitments and to create your extraordinary future? Hire for the future, not for the past. Hire talent, not bodies. When hiring for key positions, hire 'guides' who have been there before...people who have a track record.

Now, how will you treat, reward and acknowledge those great people so that they want to stay and help you grow the business? Remember, the best people have to work for somebody...it's just that you have to deserve them.



Create pride and commitment by teaching your history, sharing your Vision for the future of the business and by living by a set of values that good people can be proud of. Then, create a career path for the best people on your team who have the ability and desire to grow.

6. What will be your commitment to the community in which you make a living and the planet on which we all journey? How will you be a more environmentally responsible business and how will you give back? Your customers will love you for it...and your staff will be more engaged knowing they they're working for a business that makes a difference.

So this will give you a good start. Create a file for each of the 6 points above. Commit to work on a few of these points every week. Involve your team, get their ideas (they have lots of them), give them projects to do and follow up. You'll soon discover who has the ability and desire to move ahead. Then, celebrate and reward success...and deal with non-performance.

Congratulations, you are well on your way to becoming a world-class, proactive manager.

2. Apparently America is made up of waitresses and lucky people:

(Time to read this section is about 45 seconds)

We're all told from an early age that it's dangerous to discuss religion or politics with folks that you don't know well. But then again, I've never been one to play it safe. So here goes...

When Obama was elected President of our great neighbour to the south, I was both hopeful and optimistic. I still marvel at his ability to communicate...but he lost me completely a few weeks ago when he stated that the government must equalize the circumstances of the "waitress" with those of the "lucky". For a guy who's supposed to be a great communicator, this was just stupid.

The "waitress", in case you didn't get it, is a metaphor for all the downtrodden and underpaid folks in America. The "lucky", apparently, is everyone else...presumably including all members of Congress. So, there are no people in America who are hard-working, innovative, risk-taking entrepreneurs who build businesses, create jobs and keep America from going down the tubes. There are just "waitresses" and lucky people.

It's odd and more than a bit scary that that the President of the United States has such a limited view of his constituents. I have many American clients who are hard-working, innovative, risk-taking entrepreneurs who build businesses, create jobs and keep America from going down the tubes. It's a pity that Mr. Obama doesn't know any of them. By the way, those are the very people that America needs right now to save it from becoming a third-world country...and their President has just written them off as being "lucky". Shame on him.

3. Stop trying to be more like the "big guys":

(Time to read this article is about 60 seconds)

Many of my small-business clients ask me how they can become more like the "big guys". Meanwhile, my large clients keep asking me how they can become more like the small guys in terms of achieving greater customer intimacy, eliminating layers of red tape, responding to opportunities more quickly and engaging staff more effectively.



The big guys struggle to get it right. A very sharp lady recently told me that she had been in a mid-level management position with two of Canada's big banks but that the working environment was so toxic, she left to work for a much smaller business.

Air Canada, another one of the "big guys", ignores their front line staff and ticks off customers. I recently looked up two flights on their website and found just what I was looking for at \$449 each way. Because I wasn't sure how to order tickets on line, I called their special Elite Customer help line, reserved for their most valued customers.

I asked the nice lady if there was an extra charge for ordering tickets over the phone rather than on their website. She assured me that there was not. So, I told her the exact flights and class of ticket that I wanted. I had even picked my preferred seats...the ones that were \$449 on their website. The formerly nice lady informed me that the tickets would be \$1100 each way. Now, that's \$1302 more, round trip, for the exact same seat and the same class of fare.

I reminded her that she had only minutes before assured me that there was no extra charge for booking by phone. "Oh", she said, "I meant that there was no service charge like, you know, \$15 or something ...but the tickets are a lot more expensive over the phone. We're not allowed to offer the prices shown on our website." This is just plain goofy. There's no obvious logic to it and it pisses people off.

Another "big guy" that you don't want to be like is Bell Canada. Last week some telephone marketing person from Ma Bell called us at 6:09 pm, interrupting our dinner. Strike #1. This hapless individual spoke in such heavily accented English that I simply could not understand him on the first 3 tries. Strike #2.

How could a company in the "communications" business be so stupid as to hire folks who can barely speak English to do telephone marketing? It boggles the mind. I'm all for inclusiveness but this makes no sense.

But it gets better...strike #3 was this. The gentleman informed me that "Mr. Cooper, I am happy to tell you that Bell Canada will give you a free cell phone." (now, picture that he actually had to say that 3 times before I had any idea what he was saying). Why was this Strike #3? Because just 2 weeks earlier, I paid Bell Canada big money for a new cell phone...and now a complete stranger is calling me from Bell to offer me a free one. How's that for the right hand not knowing what the left hand is doing?

Can you give me your home number so I call you back and interrupt your dinner?



So, the next time you catch yourself asking how you can be more like the "big guys", be careful what you wish for.

4. If you don't listen to your staff, your customers will have to:

(Time to read this article is about 30 seconds)

While getting my hair cut recently, I was verbally bombarded by the stylist as she went on and on about what a toxic place this was to work and how the boss just won't listen. I hear the same stuff on a regular basis from just about every Air Canada employee that I encounter.



So, here's what I've figured out. If you don't listen to your staff, your customers will have to...and it won't be pretty. When we listen to our staff two wonderful things happen. First, we learn from them...and, second, we honour them. However, when we do not listen to our staff, two things also happen. We do not learn from them and we dishonour them.

So, are you really listening to your team? They know most of what's wrong with the business...and how to fix it. Listening should be a regular every-day event but you can also create special "Idea Fests" a few times a year to get their ideas on what needs fixing and how to fix it. Remember, if you don't listen to your staff, your customers will have to.

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

(Time to read this section is about 90 seconds)

Item #1: The challenge of reinventing ourselves. In September of 1888, George Eastman patented the first roll-film camera and registered the name "Kodak" as a trademark. He spent 8 years developing the film and camera that revolutionized photography and made Kodak one of the world's first global brands.

Ironically, this September, 121 years later Kodak has ceased production of Kodachrome film, due to the success of digital photography. The lesson is that we must all keep reinventing ourselves. We need to be creating "the next"....or we will be wiped out by what's next.

Item #2: So, who can you trust to do the right thing? U.S. drug giant Pfizer has just agreed to pay a whopping \$2.3 billion penalty (yes, that's billion, with a "B") for illegally misbranding the anti-inflammatory arthritis drug Bextra with the intent to defraud or mislead. This is the largest health-care fraud settlement in American history. If we can't trust companies like Pfizer...whom can we trust?

Item #3: Speaking of values & ethics, mega fraudster Enron Corporation, now the very symbol of willful corporate fraud and corruption, had a great-sounding Value Statement with 4 clear values chiseled in marble in their lobby, for all to see. They were...

- Integrity
- Communication
- Respect
- Excellence.



Their 2001 bankruptcy was the largest in US history. They knowingly and intentionally lied about their revenue and profitability. Nine Enron executives were given jail sentences. Jeffrey Skilling, the CEO, got 24 years.

So, what are the "clear values" in your business and do you live by them every day...or are they just chiseled in marble but not in everyone's behavior?

Item #4: Orbitz commits to do the right thing. Internet travel business Orbitz is introducing a "Hotel Price Assurance" guarantee. If another Orbitz customer books the same prepaid hotel for less, they will send you a cash refund ... automatically.

So, what neat, simple thing could you do to make folks more comfortable and confident in doing business with you? How could you let them know that you're on "their" side?



Item #5: How quickly things change. In 2000, the US exported \$29 billion more high tech products than it imported. By 2007 that number had turned into a \$54 billion trade deficit. That's an \$83 billion annual reversal in just seven years.

Item #6: Don't stop marketing during a recession. All the evidence shows that the companies that emerge most quickly from a recession are the ones that kept up their marketing, advertising and promotion during the recession. And yet, the first thing that most companies cut back on in tough times is their marketing, advertising and promotion.

Marine engine rebuilding specialists, K&H Engines Limited in Parry Sound, Ontario, decided to keep focused and proactive by creating a new Dealer Brochure this Spring and sent it out to their entire network. As a result, they've had their best year ever...in a recession.

Item #7: What is your job...really? Here's a great quote for business owners and senior managers from Bill Marvin, The Restaurant Doctor. "Remember, your job is not to run the joint...your job is to teach your staff how to run the joint!"

By the way, **if you're in the restaurant or hospitality business** (and several of our readers are), you should immediately subscribe to Bill Marvin's weekly E-Newsletter. Just go to <http://www.restaurantdoctor.com> to sign up. There's a free version and a low-cost added value version. Don't be cheap...spend \$35 a year to get the good one.

6. Does your business need to create compelling customer value, a clear direction for the future...and a better bottom line?

(Time to read this section is about 30 seconds)

I've just completed four of my "**Accelerate your business**" 1-day Management Boot Camps across Alberta. The response has been spectacular with 95% of the attendees rating the program as a perfect 5 out of 5...or an extraordinary 6 out of 5.

To quote one attendee, ***"This has been by far the most informative, thought-provoking and helpful business seminar we've ever attended. This was exactly the message that my team needed to hear."***

Lots of clients prefer to pay the big bucks to have me deliver one of these transformational programs for their team only...and have it customized for them. I did one of those in Tulsa, Oklahoma just a couple of weeks ago.

For other folks, the \$10,000 price tag for an exclusive program is simply too steep, so they're delighted to partner with a few other non-competing companies to share me and the expense. To have a day with me for your entire management team, for only a few thousand dollars, is money well invested. It will make a huge difference in your business.

So, if you're interested in exploring this extraordinary possibility, we've created a short, simple form for you to complete that will help us to partner you with non-competing businesses to create a real "win-win" situation. To complete this form **click here** and we'll take it from there.



7. Our quick Quiz of the Month:

"Thanks" to all of you who answered our August Quiz, which was, "The Rio Grande River is well known as defining the border between the State of Texas and the country of Mexico. But in which state does the Rio Grande actually originate?"

The answer: The Rio Grande originates way up in Colorado. "Congratulations" to Kitt Jacques of Universal Logistics. For her prize, Kitt receives one of our DVD Seminars.

This month's Quiz Question: With sales of over \$100 billion, what is the world's largest food company? The answer may surprise you.

Send your guess to Sharen, our wonderful Director of Marketing, at sharen@donaldcooper.com with the subject line "Sept 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.

8. 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" in a cursive, slightly stylized font. The signature is written over a white background.

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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