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## BUSINESS MANAGEMENT NEWSLETTER

January 2010

### Donald's Quote of the Month

***"The driven initiative-takers who start and build businesses are often the very people who hold the business back later on, because they can't reinvent themselves to become initiative-givers."***

...Donald Cooper

**"Greetings" and best wishes for a spectacular 2010.** This month's short articles are on management, reinventing, adding value, having a life...and other great stuff to get you thinking about your business and how to do it better. Total time to read this Newsletter will be a little over 7 minutes. Time well spent.

### 1. Everyone who starts a business needs to reinvent themselves at some point:

(Time to read this section is about 90 seconds)

Most businesses are started and built by driven initiative-takers who see an opportunity and just get on with it. They do it all, because they have to, and nothing stops them. But, if they're successful, some day the business grows to a size where managers are hired to run individual parts of the business and, often, that's where "the wheels come off".

The initiative-taking boss just keeps taking the initiative, because that's who they are and that's what got them where they are today. They can't help themselves. It's in their DNA.

For all of you who are struggling with this challenge right now, here's what you need to know. "Initiative" does not exist in the air...it exists in people and when you take it, you take it away from people. Your people become puppets, the good managers leave and the weak ones stay, keep their heads down and wait for your next instruction.

The key insight here is that it is indeed initiative taking that built the business and you need to hire and nurture a whole team of initiative takers to run every part of your growing business. That means that you need to become an initiative-giver...an empowerer.

To use a sports analogy, you need to make the transition from being a player to being a coach. Players take initiative ...coaches give initiative.



Yes, they also teach skills and discipline along with the values and culture of the team. They encourage and cheer and they switch or fire players when necessary.

One of the single biggest problems in many growing companies, the problem that eventually does them in, is the inability of the founder, boss and “chief” to become an initiative giver, to make the transition from player to coach.

The solution is clear. First, they need to learn the skills of coaching. I help lots of clients with that. Then, they need to learn a whole new way of feeling good about themselves. As “players” they’ve defined success and happiness for their entire business life by their ability to personally score goals ...preferably the winning goal....preferably in overtime.

Now, as coaches, they need to learn to feel good about themselves in a whole new way by saying, *“I personally scored no goals today, but I coached an entire team to score enough goals to win.”* In business, great coaches don’t just grow companies, they grow people...and that’s very neat.

Realistically, as the business grows, sometimes it will need you to be a coach...and sometimes, still, a player. The secret is to constantly ask yourself in every situation, *“Which role does the business need me to play right now, player or coach?”* and then play the role that the business needs you to play...not the role that you’d rather play or that you think is more comfortable. It isn’t all about you any more...it’s about what’s best for the business.

So, if this is the challenge that you face, what will you commit to do to make the transition from initiative-taker to initiative-giver? What will you do to move from being a great player to being a great coach? If you’re struggling with that, perhaps we should chat.

## 2. Creating a business model that works for your “life model”:

(Time to read this article is about 90 seconds)

An important part of my work is in helping clients to create an extraordinary business as *part* of their extraordinary lives. Here are a few great examples of folks who have actually created a business model that works for their life:

**1)** In 1987, Cora Tsouflidou, a single Mom with 3 teenagers to support, opened a “breakfast and lunch only” restaurant in Montreal and called it Cora. Why breakfast and lunch only? Because she thought it was important to be home with her children in the evenings.

Cora has grown into an award-winning franchise of over 100 restaurants across Canada...and they’re still open for breakfast and lunch only.



**2)** Susan & Paul Spiropoulos in Brandon, Manitoba sold their restaurant that had taken over their life and opened Olivier's Bistro Catering. There were many restaurants in Brandon...but nobody was doing the catering thing well.



In addition to traditional corporate and residential catering they also do “BBQ in the Park” from May to October in conjunction with Renaissance Brandon, a non-profit organization that is working to encourage revitalization and momentum in the city core.

Now, here’s the neat part. They do all of this from May to December, then they go to Greece for three and a half months each year to relax and be together. It’s minus 30 degrees in Brandon during the winter...and that’s on a good day, so they just leave. They’ve designed their business to suit their life.

3) A friend of ours in the landscape and garden centre business here in Ontario has done a similar thing. He works long hours in the Spring, Summer and Fall, makes lots of money and when their children are finished school in Ontario just before Christmas, the whole family moves to their second home near a ski resort in the mountains of British Columbia where the kids are enrolled for the winter semester...and they ski every chance they get.

In the spring, they move back to Ontario and it has all worked out wonderfully for them.

4) A Chef-Consultant in Toronto reinvented his career when his children were born. As the Executive Chef for a large hotel, he was working 80 plus hours a week and clearly this left no time for his other job as “Dad”. So, he quit the kitchen and reinvented himself as a “Chef-Consultant” helping food companies create new and better products and helping big foodservice industry distributors promote their products and services to the restaurant trade.

He now works civilized hours, is self-employed and has control over his life...and, did I mention that he’s a great Dad?

So, there you have it. Four examples of people who have redesigned their business model to fit their life model. Is it a gutsy thing to do? Absolutely. How might you change or modify what you do, how you do it, or where you do it to create a more extraordinary life for yourself and for those you love? Something to think about.

### 3. What needs turning upside down in your business?

(Time to read this section is about 60 seconds)

Clothing retailer Gap has literally turned shopping on its head with the Vancouver launch of a new loyalty program. The program, which Gap claims is a retailing first, allows shoppers to buy clothing at full price and receive automatic credits should the item they purchased go on sale any time in the following 45 days.

Customers can then spend their savings at Gap, Banana Republic or Old Navy stores.

*“We’re taking away the frustration and worry over buying a product at full price, and then seeing the price drop soon afterwards,”* said Marka Hansen, president of Gap Brand North America. “This program will give our customers the confidence to **buy what they want, when they want it.**”



To draw attention to this breakthrough program, Gap turned everything “upside down” at their flagship store on Vancouver’s trendy Robson Street.

As you can see from the picture on the right, the store sign, the window displays, even cars parked in front of the store were turned upside down. This is gutsy and brilliant...and it worked.

So, what needs turning upside down in your business? What are you doing that causes your customers stress, confusion or grief. What ticks them off...and what extraordinary action will you take to fix that?

What isn’t working any more that you haven’t gotten around to fixing? What policies need changing, what systems or technologies need updating; what products or services need improving or replacing?

Where have you let things slide; what’s looking shabby? Make a list of 4 or 5 things that most need turning upside down in your business and then get on with replacing them with something extraordinary. Remember, mediocrity is no longer an option.



#### 4. What kind of help, coaching or information do your customers need?

(Time to read this section is about 70 seconds)

Whatever product or service you sell, your customers probably need some kind of help, coaching or information in order to wisely choose and more effectively use what you sell. Providing this added value positions you as the caring professional, builds the relationship and makes it less about price. Here are four quick examples to rev up your creativity.

**1)** We’ve shopped at Pottery Barn a number of times ...and we love it. If you want a crash course on how to sell stuff with style and class, this is the place to go.

They also use their customer database to gently advise folks about events in the store. They just sent us a classy email informing us about their in-store decorating classes on January 24<sup>th</sup>, including a 10% discount on all items featured in the decorating class.

Basically what they’re doing is coaching us on how to update our home décor on a cost-friendly basis.





2) A friend of ours, a top Financial Advisor, has just sent his clients information about how to deal with the challenge of supporting their adult children without risking their own retirement security. This is a big problem in some families, especially in these difficult economic times, and this Investment Advisor is jumping right in to be helpful.

3) An accounting firm that we've worked with offers their clients training sessions for middle and front-line managers to help them understand how to do department budgets and how to interpret and use monthly statements to make better decisions. Clients see an almost immediate improvement in performance, engagement and efficiency.

4) When Home Depot got into the carpet business in a serious way a few years ago, they realized that most folks don't know much about carpet...and much of what they do "know" isn't actually true.

So, they printed up an inexpensive 1-page Info Sheet on how to choose and care for carpet and then handed it out to each perspective customer. The title of their info piece is brilliant...

### TAKING THE MYSTERY OUT OF BUYING CARPET ...a helpful guide to an intelligent purchase.

So, how could you take the mystery out of buying and effectively using what you sell? What are your customers stress or confused about and how could you be more helpful? What could you do to become the trusted and respected "Caring Coach" for your customers?

#### 5. Bits & Pieces...and some just plain weird stuff:

(Time to read this section is about 90 seconds)

**Item #1: Russia tops global fraud survey.** Russia has the world's most fraudulent economy according to a PricewaterhouseCoopers survey. 71% of Russian respondents to PwC's global economic crime survey said they had been subject to economic crime in the past year.

**Item #2: Keep a keen eye on your expenses.** The extraordinary Sydney Opera House, now Australia's dominant visual icon, was budgeted to be built in 3 years at a cost of \$3 million.

In fact, it took 17 years and \$102 million to complete. Now, 37 years later it needs refurbishing and that's estimated to cost over a billion dollars.

On a smaller scale, I recently met a couple who invested all their retirement savings in building a Laundromat that was supposed to keep them financially secure for the rest of their lives.

The problem is that the building and equipment went so far over budget and took so much more time than expected that their capital has all been spent and they have no money to live on for the two years that it will likely take to make the new business cash-flow positive. Sadly, they're now at the point where they might lose everything.





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So, in every part of your business, keep a keen eye on the dollars and the clock so that you don't run out of money...or time.

**Item #3: What are you doing to “celebrate” and thank your staff?** Just before Christmas, Zlatan Fazlagic, Managing Director of the award-winning Regina-based corporate imaging company **Look Matters** (www.lookmatters.com) made a huge batch of my amazing seafood chowder for his staff to share at lunch. Here's what he reports...

*“Everyone loved it. Our office manager admitted that she doesn't like seafood and the only reason she participated was to be supportive. She took two helpings. One of our graphics designers said that she hopes I keep on reading your Newsletter and bringing in more food.”*

Call it servant leadership, call it a great way to say “thank you”, call it just having fun...call it whatever you want, but what are you doing as a leader or manager to personally celebrate and thank your team on a regular basis? It makes a huge difference.

Lots of companies do big, once-a-year team-building exercises, but in reality it's the neat little stuff that you do week in and week out to thank, acknowledge, engage and celebrate that makes the real difference.

By the way, if you missed my famous “best in the world” Seafood Chowder recipe in our November issue, you can access it by [clicking here](#). It makes a huge quantity, so you can cut it half, if you prefer.

**Item #4: More great business names.** I'm always on the lookout for great business names that define value, stand out or create an emotional connection. Here are two great business names found on our recent trip to Australia and New Zealand.

- a) In New Zealand, we found a chain of liquor stores with the name “**Cheap Liquor**”...two words that would be a real “grabber” for many people. Simple, to the point and effective.
- b) On the side of a highway at the top of Mt. Wilson in Australia there's a pastry shop named “**Pie In The Sky**”. It's on top of a mountain...get it? Very cute. Not quite as much of a grabber as “Cheap Liquor”, but for those of us who love dessert and don't drink booze, it comes very close.

## 6. Our quick Quiz of the Month:

(Time to read this section is about 30 seconds)

**“Thanks” to all of you who answered our December Quiz, which was,** “Citizens of the U.S.A. are the world's largest consumers of McDonald's burgers and fries...but what country is #2 in the world of the Golden Arches?”

**The answer:** Believe it or not, it's **Japan**.

**“Congratulations”** to Karen Bilodeau of Grande Prairie & Area Association of Realtors. Karen will receive one of our DVD Seminars as her prize.



**This month's Quiz Question:** Much of my work is in helping clients create compelling customer value and Brand clarity. One company stands out as having achieved this enviable position. See if you can guess who it is. The company that I'm talking about has built its incredible success around...

1. Beautiful design,
2. Simple and superb usability,
3. Brilliant innovation...and,
4. Outstanding customer service.

**Which great company are we talking about?** Send your answer to Sharen, our wonderful Director of Marketing, at [sharen@donaldcooper.com](mailto:sharen@donaldcooper.com) with the subject line "January 2010 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.

## 7. That's it for this month:

Thanks for all of your great feedback and suggestions. 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" with a flourish underneath.

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 or by email at [sharen@donaldcooper.com](mailto:sharen@donaldcooper.com) in Toronto Canada.

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