

SMALL BUSINESS SUCCESS



White Horse Plains
Community Futures Development Corporation



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Engaging Your Employees

Jack, Sue and Tyler all work for Innovatech (fictitious name), a company that manufactures IT products. The company is owned by Brent who has spent the last ten years building a relatively successful enterprise that now employs 60 people. Brent has just done a performance review on his staff and is pondering its results.

Sue came through her review with flying colours. Brent found her to be 100% on board with whatever he asked her to do. She is happy and fulfilled in her position and is always coming up with great ideas that contribute to company growth.

Tyler shows up for work every day and competently performs his job duties, but he watches the clock and is walking out the door at one minute after 5:00. He's competent, but not enthusiastic. He doesn't love his job, but doesn't seem to have the drive to do anything else.

Jack is unhappy at his job. Not only is he unhappy, but he'll tell anyone who will listen that he's unhappy. He's constantly complaining to others about the workload, the conditions, the pay, and anything else he can think to grumble about. He performs his job functions, but is a negative distraction to everyone who has to work with him.

Brent finds himself wondering what it is that makes one person so dynamically engaged with the company, while others are simply functioning within it, or even sabotaging it.

I recently read a fantastic article by Jerry Krueger and Emily Killham entitled "*Who's Driving Innovation at Your Company*".* In it they talk about this very common situation and how it impacts business. Krueger and Killham propose that there are three types of employees – the engaged, the not-engaged, and the actively disengaged. Sue is an example of an engaged employee. She works with passion and feels a profound sense of connection with her company. Her enthusiasm and energy moves the company forward. Tyler is a not-engaged employee. He is essentially sleepwalking through his job. He's putting in time every day, but is not contributing energy or passion. He does nothing to actively propel the company forward. Finally, Jack epitomizes an actively disengaged employee. Even though he shows up every day, he doesn't like his job and regularly contributes to



negativity that actually holds the company back from taking positive forward steps.

Krueger and Killham also presented a Gallup poll that shows when asked whether their job brings out their most creative ideas, 59% of engaged employees answered yes, while only 17% of not-engaged and 3% of actively disengaged employees gave positive answers. Similarly, 75% of engaged employees answered yes to the sentiment that they believed their company provided new ideas for their customers, with only 31% of not-engaged and 13% of actively disengaged employees answering positively. Furthermore, it is estimated that in the U.S., 15% of employees are actively disengaged, costing the US economy about \$328 billion a year. Although Canadian numbers may not be as high, I would venture that the statistical percentages are similar. That means even as a small business owner, if you have not-engaged, and especially if you have actively disengaged employees, they are costing you money, and holding you back from true innovation and progress for your company.

The strategies for addressing these issues could be the subject of an entire article, but identifying where each of your staff sits in those categories is the first step. Make a list of all your employees and try to assess which they are. You may have some that seem to be in between the three categories, but do your best with this evaluation. Your goal is to move everyone who works for you toward becoming an engaged employee. Here are some ideas on how to do that.

For Engaged employees

- Let them know how much they are valued
- Give them increased leadership roles within the company
- Validate their ideas
- Give them increased areas of responsibility

For Not-engaged employees

- Let them know that they are valued
- Show them the connection - that how they do their job makes a difference to your company's success and in turn, their success
- Give them small areas of increased responsibility, and reward achievement with more responsibility
- Encourage them to express their ideas, and validate those ideas

For Actively Disengaged employees

- Let them know that they are valued
- Be honest with them about how their behaviour is affecting other employees and impacting your business, and perhaps even their future with your company
- Show them the connection - that how they do (or don't do) their job makes a difference to your company's success – when you are successful, they are successful, and success depends on everyone pulling together toward a common goal
- Give them the opportunity to make small changes
- If they show effort in those changes, give them small areas of increased responsibility, and reward achievement

In the end, you will need to decide whether those disengaged employees are worth keeping on. Try to assess how much they are really costing you, and whether keeping a body in that position is better than the cost of training a new person who becomes an engaged employee. The goal is to continually coach your employees into the engaged state. The sky's the limit for your company if you do!

Ten Things To Do When Business is Slow

As small business owners, we have a dream – it looks like this. There are so many customers we just don't know what to do, orders are coming in by the truckload, our sales people are run off their feet, every day just flies by because we're too busy to think about the time; money is pouring in, and people are talking about us all over town. Yeah, it's a dream alright. Though some of us may from time to time experience days or periods of time that are like that, we are also all faced with those painfully slow times when minutes feel like hours, customers seem to have all gone on vacation at the same time, and our production department is playing cards to fill the time. It's inevitable. Business has cycles just like everything else, so here are a few ideas for ways to stay productive, even when business is slow.

1. Send out a letter to your customers

Keep your business top of mind with your customers. Keeping in touch with them often gets forgotten when things are busy, so when you find yourself in a slowdown, take the opportunity to touch base again. It doesn't have to be much – just remind them that you're there to serve them. Let them know if there's something new they might be interested in, or write a brief article on an area of your expertise and their interest (7 Ways To Keep Your Carpets Fresher).

2. Organize your office

Oh, that chore. Yes, from time to time it's good to get caught up on your filing, look through those piles of stuff and decide to throw most of it away. File the good ideas some place where you might actually look at them again. Clear off your desk, organize your books, and generally de-clutter your space. Once it gets busy again, you'll be glad you did.

3. Meet with other business owners

This is the time to form some alliances, build partnerships and just get together with other people. When we're busy, we rarely take time to network, work with our mentor or just hang out with our colleagues. But, these activities can be the springboard to new ideas, information about your industry or market and might even lead to new customers!

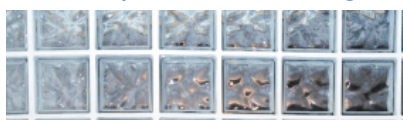
4. Catch up on your expenses/books/taxes

You know that feeling every month when your expense report is due and you're cramming to itemize those receipts? Or going crazy trying to organize yourself for the guy who does your taxes? Do some of that organizing when you have time, and you'll be amazed how good it feels to have that stuff ready to go when it needs to be.

5. Play with your staff

If business is slow, it means everybody is bored. Take this opportunity to do some teambuilding. Plan a potluck staff meeting. Play some teambuilding games together. Watch that training video you've never been able to make time for. The staff that plays together, stays together.

6. Actually DO all the things in your "to do" pile



Admit it – all of us have one. That pile of things you mean to do if you only had the time. That article you need to edit, newsletters

you want to read, ideas you want to flesh out, the book you wanted to order, clipping the article from that magazine, the expenses that need to be filed, the letter you've been meaning to write . . . the list goes on. Think of how many productive things you could do if you actually attacked your to-do pile when you had some spare time.

7. Take some time off

You're always complaining that you can never get away because things are so busy. Now's your chance. The staff can take care of things in the office – get out for the afternoon and enjoy a round of golf, go to a matinee, spend the day at the beach with your favorite book, even get away overnight and enjoy a bed & breakfast somewhere. That way you'll be rested and ready to go when things pick up again.

8. Clean up your email files

I know, it's such an awful task but doing it can save your bacon, not to mention increase your efficiency when you're trying to find things. Several years ago my email program crashed, and I mean completely crashed. I couldn't even open the program. My computer guru eventually figured out that the email file had gotten too large for the program to handle and it just . . . broke. None of my data was retrievable and I lost everything. I had to start from scratch. That experience has motivated me to be liberal with my delete button, and to stay on top of that chore.

9. Brainstorm for new ideas

Gather your staff for brainstorming sessions. Ask the big questions you don't have time for when things are in high gear. What new innovations might we try? What do our customers need that we're not providing? How can we have more fun at work? What areas need to be developed? What's new in the industry? In your specific market? What crazy things are you willing to try?

10. Read

Successful people are readers. They read newspapers, magazines, trade publications, novels, business books, self-help books – even instruction manuals! When things are slow, take advantage of the opportunity to read. Reading is never a waste – it keeps your mind sharp, fills you with knowledge and inspires ideas.

So the next time you find yourself looking around for something to do, take this list and dig in. You'll feel a lot better about what you accomplished when business picks up, than if you idly wasted the time you had.

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Falling in Love with Objections

Too many people see selling as a necessary evil of being in business. It's not something the average business owner enjoys, yet as Zig Ziegler said "selling is the only activity in business that contributes to profit- every other activity contributes to cost". It's important, but do we have to enjoy it? Many of us make selling more difficult than it needs to be by wasting our time on people that are never going to buy. Often I see sales people wasting their time on a prospect that clearly has no intention (or is not in a position) to buy what they are selling. This dogged determination is

often a result of a fear of rejection. The sales person has in front of them a nice person that is smiling, nodding and generally making all the right sounds. Why leave such a nice friendly environment for the unknown? I have seen my sales reps keep in contact with the same prospect for years, telling me that it's just a matter of time until they buy. As sales manager, I don't want to see my sales people determined to sell to a poor, but nice, prospect as long as they are conscious or have a pulse, rather than approach the big bad wolf that might lob a few major objections at them.

Selling is simpler than you think

Before I get to the question of learning to love objections, let me tell you a simple philosophy of selling that has been very successful for me. If you ensure that each prospect conforms to the following three points you will increase your sales – I promise!

1. Only sell to people who NEED and WANT what you are selling. This sounds obvious, but too many people try to sell to anyone and everyone. More time spent in prospecting for people that really need and have a desire to purchase what you are selling will make life a whole lot easier for you. It will also increase your leads to customer ratio (i.e. the number of leads that you turn into customers: your closing rate).
2. Only sell to people who have the power to buy what you are selling. Again, this doesn't sound like rocket science, but I constantly come across people that spend a lot of time attempting to close with a person that does not have the authority to make purchases. Qualifying your buyer is important, otherwise you will lose a lot of valuable selling time and end up with a feeling of unnecessary rejection.
3. Only sell to people who can afford what you are selling. This sounds simple, but too often we find someone who likes what we are selling; they may even need and want it, but simply cannot afford it. Personally I feel that I need a Porsche and I certainly want one, and I am definitely the decision maker, but there is NO way I can afford one, no matter how good the salesperson is or over how many years he or she can spread the payments!

What are objections anyway?



So, assuming that we have someone that NEEDS and WANTS what we are selling, is the decision maker, and can afford what we are selling, we should get the sale every time shouldn't we? Well, it's not quite that easy. There is one last hurdle - and that is the dreaded objection (and there may be a lot more than one lurking in the shadows). The good news is that if you covered the three points above AND could overcome every objection you would get the sale every time! In reality of course there are certain objections that we just can't overcome. This is where many sales people fall down. They try to do an end-run around the objection; they try to avoid it. Like a politician, they will change the subject, baffle us with science or give us a totally unsatisfactory answer and try to convince us to do what they want us to do. This does not work!

There are three kinds of objections.

1. ***Real objections*** - these are the common objections that any knowledgeable sales person will be able to overcome. They are genuine questions, concerns or issues. For example, "I really like it but I dislike that colour" or, "it would only work for me if I can get it delivered by next Thursday".
2. ***False objections*** - these are often related to price. Think of the last time a salesperson approached you. What did you say? Perhaps, "I'm just looking" even if you were seriously

considering a purchase; or “Oh it’s too expensive”, or “I can’t afford it”. Occasionally these can be true, but more often than not they are hiding another objection.

3. **Hidden objections** - here we have the most challenging type. The unvoiced objections most often steal our sales. We never hear them, so we can’t deal with them. They secretly poison the mind of our potential customer and the sale we had hoped for just fades away. These are often personal ones, such as a person thinking “I like what she is selling, but surely she is too young to have the necessary skill level – how will I know she’ll do a good job?” or “the product really looks good, but he’s being far too pushy – I need more time”.

Learning to Love Objections

So, how do we handle all these different types of objections? First of all you need to make a list of every objection you have heard someone utter about what you sell. Then you should dream up more that could come up. List all the obvious ones, such as the myriad of objections that relate to price. Ask everyone you know to help you come up with more. Have fun with this and let them include silly ones too - like, “I would never buy from someone with a beard, and your eyes are too close together, I couldn’t possibly trust you.”

Create as long a list as you can and then sit down and come up with solid answers for every objection; ones that you can use when a prospect comes up with that objection; answers that you are confident completely deal with the issues effectively. This list and the knowledge and confidence it will give you will make you approach objections from a whole new perspective. Instead of inwardly groaning when people come up with an objection, you can smile and genuinely say “I’m glad you raised that point” and mean it!

False objections are usually easy to spot, they are the ones that come up regularly and you should deal with them in the same way you deal with a real one. The difference is that the prospect will immediately come up with another and then another. The key is to find out what the real objection is. The hidden objection is the one that steals so many sales from under our noses. This is where most sales people give up and never really understand why they didn’t make the sale.

There is only one way to deal with the hidden objection and that is to fall in love with all objections. Actually dig for them instead of shying away from them. Ask your prospect:

- What don’t they like about your product or service?
- What do they think of the price?
- Have they looked on the Internet at other similar products or services?
- Do they like the design, colour, packaging?
- What would they do differently?

Add more and make your own list of probing questions. Very few sales people do this but it is incredibly effective. It gives the prospect permission to be critical and to say what they are thinking. In most cases you will be able to deal with the issue, or even make changes to your product or service to accommodate the buyer. This is a not risk strategy - if the prospect has lingering doubts they are not going to buy anyway.

It’s Valentines Day this month, so fall in love with objections, make them a part of your life and watch your sales grow!

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Creative Ways to Break Up Your Day

If there's one thing that's difficult for me as a sometimes driven, home-based business owner, it's taking breaks during my work day. I'm not usually tempted to do laundry or the dishes once I've started my day. My challenge is to actually pull myself away from my computer and give my body and my mind a break. Oh, I know it's good for me to do so (I've even written several articles on the subject). I know it's a necessary part of taking care of myself, and that it even increases my productivity, but it's so hard to do when I'm really into a project! Take today for example. It wasn't until my neck and shoulders actually started burning from being hunched over in my chair, staring at the document I had been writing, that I got the hint it might be time to move. It was as if every muscle north of my shoulder blades was screaming for mercy, and when my fingers went numb, I knew it was time to step away for a few moments. The beautiful thing about working from home is that you can take breaks in very unconventional ways, and no one is ever the wiser! If you're like me and have to force yourself to take breaks, you may not know what to do with yourself when you do. Here are a few ideas. These things actually work because they take your mind and your body away from your work space.

1. Take a shower – yes, even in the middle of the day. Try starting work right away when you get up and save your shower for coffee break. A colleague of mine says he does his best thinking in the shower. Fifteen to twenty minutes of hot water pouring over those tense shoulder muscles can do a world of wonders. Back at work you'll be amazed at how refreshed you feel.

2. Read a novel – yes, I said novel! Not self-help, not business, not a trade magazine, but a read-for-the-sheer-pleasure-of-escape novel. Reading business books keeps your mind in the business zone. Reading a novel engages a completely different part of your brain. If you complain that you never have time to read for pleasure, take time to do that on your breaks! Even if you only ended up reading a half hour a day, you'd get through that novel before you know it.

3. Watch TV – yes, I did say TV! As long as you are able to keep it to a specified time limit – it's a great mind break. I have to admit to having an affinity for Judge Judy, and I often watch a half hour of her program while I'm eating my lunch (rather than munching away at my desk in the same position I've been in all day!). Maybe you like sitcoms, or even hour-long dramas (tape them and watch them over two days if you like). Making that mental shift can be really invigorating.

4. Exercise/Stretch – yes, even though I hate doing it, it's so good for me. My chiropractor is always after me to take regular stretch breaks during the day. He keeps telling me if I did that more regularly, I'd spend less time in his office! How about doing some sit-ups to work off that tummy you developed over Christmas? Or, do 15 minutes of yoga or Pilates to rest your mind and strengthen your body. You will experience the added benefit of more energy, less tension and may even lose a few pounds in the process.

5. Phone a friend – yes, someone who has nothing to do with business, and have a chat. Again, as long as you can stick to your break time, feel free to call and catch up with someone you haven't talked to in a while. If you're like me, that's one thing I always feel like I never have time to do. Even if you did this only 2 or 3 times a week, you'd stay in touch with 12 people every month!

6. Do a crossword puzzle, sudoku, or other type of puzzle – yes, even though it may seem very pointless – activating the problem-solving part of your brain not only gives you a much-needed mental shift, but research shows



that people who do a puzzle a day manage to keep their minds significantly sharper in their old age, and even decreases the chances of certain types of dementia. I'd say that's a bonus!

7. Go for a walk – yes, even if you hate walking. Experts agree that 15-20 minutes of walking a day improves your cardio-vascular system, strengthens your joints and muscles, gives you more energy and increases your overall health. It's often during a lunch-hour walk that you'll find yourself solving that problem that has been stumping you for days, or having an "aha" moment about a personal issue.

8. Take a nap – yes, especially if you tend to sag part way through the day. Some people are able to powernap for ten or fifteen minutes and feel like a new man or woman. If you're like that – take advantage of the power of a good sleep – and no feeling guilty!

Use your creativity and come up with more ideas of your own. Mix it up a little. Try something different every day, or, get into a routine (stretching and yoga for your morning break, Judge Judy at lunch, and crosswords in the afternoon). Don't be afraid to experiment at first. You'll soon discover what works best for you. I've started setting an alarm on my computer to remind me when it's time to take a break so hours don't go by before I do. Finally, don't be afraid that you'll never be productive if you start taking breaks. I have a feeling you're going to experience greater productivity than you could have imagined, and that you'll have fun in the process.

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How to Manage Change Effectively with Your Staff

Change is inevitable. Markets change. Products change. People change. Competition changes. Business changes. If we are resistant to change – in fact, if we don't embrace change – our businesses will not survive. On the other hand, change is difficult. Only 25% of people enjoy change. Most of us are dragged, kicking and screaming into accepting change. When it's just you, it's a little easier to maneuver the change, but how do you effectively manage a change that affects a group of people – your staff for example? Imagine that you've just discovered a product you've been developing for a year has been copied by your competition, only they got it to market faster than you did. Your staff is demoralized. Suddenly you have to shift gears and transition from your focus of the past twelve months, toward a new direction. Your staff doesn't want to make the change – but if you want to succeed, you're going to have to lead them through it. There are some key components to managing change. Use them effectively and you'll find the transition going more smoothly than you thought possible.

Maintain a Positive Attitude

Even though they may be discouraged or resistant, your job is to behave in a positive manner and promote that in your staff. If you do this they will follow your lead. If you hang your head, mope around and complain about how much work it's going to be to change directions, you'll find your staff doing the same. Move forward with enthusiasm and an attitude that looks at the setback as an opportunity, and you'll effectively set the climate for positive change. Optimism can be difficult in the face of transition. Things don't go according to plan. Equipment breaks down. People disappoint you. But these are the small challenges that plague change; keep your eye on the vision ahead and promote that vision to your staff. If you can demonstrate that the day-to-day goings-on of your business are helping the company reach its long term goals in spite of obstacles that come up, you will not only feel more confident, you'll show your staff that it's possible for them to do the same, and together you can create a secure future.



Reward Those Who Come Alongside

You'll always find that some people will come on board quickly, while others lag behind. Reward those who jump in line behind you. Give them increased areas of responsibility; let them experience leadership in the changing environment. Not only will this inspire those who are already in step, it will also motivate others to come alongside.

Inform and Instruct

The biggest fear inherent in change is the unknown. Most people would rather have bad news, than not know what's going to happen. Keep your staff well-informed as you take each step in the change process so there are no surprises. Involve them in the process; ask their opinions. As they grow in the confidence that nothing is going to sneak up on them, they will become less

fearful and be more willing to move forward.

Be Secure in Yourself

Your confidence is contagious. If your staff senses your worry or doubt, their fear will grow. Accept the fact that you're going to make mistakes. As long as you know that no matter what, you'll land on your feet and keep moving forward, mistakes are part of the journey. People follow confident leaders. Make sure you have outside support for those times when you are worried and doubtful – just don't demonstrate that in front of your staff.

Evaluate the Impact of the Change

Watch your staff and keep track of how the change is impacting them. You'll notice that some people will adapt quickly and easily to new roles and new directions. Others will have trouble, feel fearful, anxious and perhaps even try to sabotage the change process. Regularly talk to those who struggle, and make sure they know you are on their side and willing to help them wherever they need help. It may require changing their role to one that's less demanding for a while. Or, it may mean moving them into a position that requires more of them. Being aware of the impact the change is having on your staff will help you to ward off difficult behaviour.

Find Mentors and Role Models

Finally, engage with others who have faced similar or perhaps even greater transitions and learn from them. You don't have to be a lone ranger – in fact, it's better if you're not. Leadership can be a lonely place, so it's important to find people who can support you through the transition. It will make you a better leader, and a more effective model for your staff.

Change is rarely easy, but with a few change management strategies, you can minimize the potentially damaging impact it can have on those who work for you, and on your business.

White Horse Plains Community Futures Development Corporation
56 Royal Road North
Portage la Prairie Manitoba R1N 1V1
Tel: 204-856-5000 Toll Free: 1-888-WHP-CFDC (947-2332)
Fax: 204-856-5006
info@whpcfdc.ca
www.whpcfdc.ca

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