

SMALL BUSINESS SUCCESS



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The Big Fit

Ensuring Positive Employment Goes Both Ways

Sharon has just been hired by Company Zed. She is replacing Linda, who had been running the HR department for the last 5 years. Joe, the owner of the company, was very impressed with Sharon in the interview, and has great hopes for her in this position. He is not disappointed, as very quickly Sharon finds her stride with the company and begins making an impact. The staff loves her, and it appears she can get more done in a short time than Linda ever could. Sharon often finds herself looking for new projects or extra things to do to fill in her five days. After eight months with the company, she approaches Joe and proposes that she reduce her hours to three days a week. She demonstrates that the job really can be done in three days, and that she'd like to spend more time with her young family. She presents it as a win/win situation, as the company can actually save money by paying her for only 3 days, while still maintaining the same quality of work in this position. Sharon is willing to manage her time in a way that is most beneficial for the business. Joe, however, can't seem to get out of the mindset that this position should have someone in it five days a week. He can't look at the facts Sharon has presented in terms of task versus time and effectiveness, and in the end, denies her request. Two weeks later, Sharon quits and finds another company who is willing to value what she has to offer and be more flexible. It doesn't take Joe very long to realize he's made a big mistake, and that replacing someone like Sharon won't be easy.

What was Joe's big mistake? He was too stuck in a traditional view of work to realize he had the best of both worlds right in front of his nose. Sadly, too many business owners miss out on a vast array of possibilities for the same reason. The world of work is changing, and the employee/employer fit is changing too. A February 16, 2007 article in the National Post claimed that unless business owners started recognizing and accepting this shift, they would suffer the consequences. Employment doesn't necessarily look like Monday to Friday, 9-5 anymore. And in Canada, where many provinces are experiencing worker shortages, even in minimum wage positions, business owners need to rethink their employment practices if they want to stay in the game.

The first step is to acknowledge that things are changing in the world of work.

The National Post article claimed that how the company fits the employee, is equally as important as how the employee fits the company. In the old school, only the second part of that equation mattered. In fact, it's the fit that goes both ways that spawns the most productive, positive and dynamic employment situations. When interviewing for new employees, discover what their goals are, where life is taking them, what their ideal work situation looks like. If you know that ahead of time you won't be taken by surprise when your employee suggests making changes.

The second step is being willing to be flexible.

Had Joe recognized what a terrific employee Sharon was and how much value she provided to his business in 3 days a week (more in fact than Linda had in five!), he would have jumped at the chance to make the fit work. He could have saved himself 2/5 of a salary and afforded to hire the part-time trades person he's been desperately needing to reduce the workload on his crew. Or, he could have used those funds to invest in the new computers and software he's been looking at to improve productivity. He had a win/win situation on his hands but he blew it because he couldn't get unstuck from his old school way of thinking.



The third step is to hire better.

Use your interview process to learn not only what the employee can do for you, but what your business can do for them. When those two things are working toward a mutual benefit, you'll be amazed at what can happen. For most workers, employment is about more than just collecting a paycheck. It's about loving what you do. It's about wanting to grow personally and professionally. It's about how work fits into the rest of your life. The more you know about the person you're hiring and what's important to them in all of life, the more creative you can be about making sure it's a fit for both of you.

The last step is looking at your current employees and determining where there is a mismatch.

Chances are pretty good you don't have a perfect fit in every employee position. If you can make some positive changes with the people who are already working for you, you may re-energize your workplace. Maybe Tom's been sluggish on the construction site lately. A bit of investigating may lead you to the conclusion that he's getting tired of the physical work. He's in his early 50's and although he's great at his job, he's getting to the point where a job inside is looking better and better. You've noticed that he has a great way with customers and wonder whether he might be suited to sales - especially since your sales department has been sagging lately.

Young Kyle, whom you hired as a sales executive is showing no promise in that area at all, and suddenly you realize that you may have a mismatched fit. You set up a meeting between Kyle, yourself and Tom and let them know what's on your mind. Kyle leaps at the chance to just go and swing a hammer and not carry the responsibility of bringing in the company's revenue. Tom is intrigued by the opportunity to give up his hammer and join a team of professionals who work with people. He wants to speed up his retirement so he's also very interested in being able to earn more through commission sales. You've just avoided all sorts of problems by simply looking around at what was going on in your workplace.

Work is changing. What employees want and need is changing. And no longer do employers have the luxury of just posting a job and being able to pick from hundreds of resumes of people desperate to work. Job seekers have choices, and they'll gravitate to employers who are willing to BE a fit, as well

as looking for one. Are you going to stay stuck, or will you open your eyes to the new age of possibilities? Whatever your decision, your business will feel the impact.

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Attitude Versus Aptitude

The Real Test of Personal Achievement

"It's your attitude, not your aptitude that determines your altitude." I remember reading that quote recently, and although I can't remember the author, I can attest to its truthfulness in life and in business. A good friend and colleague, said it slightly differently, but it carries a similar message. He said, "Fake it 'til you make it." The more I grow in my personal and professional life, the more I realize the importance of attitude. I'm not saying that aptitude isn't important, or that skill and continuous training aren't vital to professional health and development. But it isn't the ultimate goal. I've written articles on hiring that emphasize "hire for attitude, train for skill." But, that doesn't mean you shouldn't be looking for skilled people, it just means that you can train a skill, but training people to have the right attitude is far more difficult. I am also not saying that you should be dishonest and misrepresent yourself to others, claiming you are or can do more than what is really true. I am, however, trying to encourage you to promote an attitude that says "Even if I'm not sure, I'll try." An attitude that says you are willing to jump in with both feet, even if all the steps on the bridge aren't yet built; that you are willing to try new things, even if they're not proven.

Some of the most successful business people I know don't have formal educations - no degree to put behind their name on a fancy letterhead. Yet every one of them has this "attitude", this philosophy that gives them the courage to try new things. Almost every endeavour in which I've been successful has been the result of someone asking me to do something I didn't really know how to do, but to which I said "yes" anyway. It forced me to do research, learn a new skill, jump in and attempt what seemed impossible. In the end, it left me with the ability to do that thing better than I could do it before, and prepared me for the next time someone asked me to do it at an even higher level.

When was the last time you took a leap into the unknown? Tried something at which you weren't completely competent? Been willing to look a little silly? Those are the moments from which greatness often comes. And yet, they are the moments we most often neglect or deny.

You may be asking yourself, "What does this have to do with my business?" Pretty much everything I'd say. If you embrace this attitude it will affect who you hire, and how you look at potential employees. Instead of focusing on the stats on their resume, you'll be asking questions about previous accomplishments, leaps of faith, efforts versus failures. It will impact how you look at who's working for you right now. Are you rewarding Joan at the front desk who exhibits a superior attitude every minute of the day and whom your customers love, instead of focusing on the things she's not as good at? Are you giving Fred the opportunity to try that new idea he's been asking you about for months - even though you're not sure it's going to work? Are you demonstrating a positive "can-do" attitude in your business to your customers?



Take Meagan for example. She runs a specialty clothing boutique in downtown Anywhere. Her typical customers are

wealthy middle-aged women looking for exotic clothing in unusual fabrics from around the world. One day Ms. Rich came in and asked Meagan whether she could bring in a line of exotic purses to go along with the clothing. Meagan could have simply said "NO". In fact, it made sense to. It wasn't her area of expertise - she knew fabrics, not bags. And the amount of international buying research it would take to find items that would measure up to her standard would add hours to what already seemed like a too-busy schedule. Had Meagan allowed her aptitude (lack of knowledge of a new product) to affect her attitude (why should I bother - I'm already successful), she would never have reached a higher altitude.

Meagan didn't say no. She thought about her customer's request and said she'd look into it. Looking through the notes she had taken from her last buying trip, she came across a business card from Amy, who ran a similar boutique in Seattle, so she gave her a call. Amy didn't know much about import bags, but she referred Meagan on to her friend Shawna, who did. Meagan made the connection and in no time, had more than enough information to bring in at least a few models to try out in her store. They were a raging success. In fact, she's become known in her town as "the bag lady" as this item has catapulted her toward capturing a niche market. She can't keep them in stock, and people are willing to pay small fortunes to get them.

Where in your business have you been saying "NO", when you should consider saying "MAYBE"? Where has your aptitude been stunting your attitude? Where can you take a chance, show some grit, try something new, even something that seems ridiculous? If you don't try, you'll never know whether you could succeed. Meagan decided to fake it for a while, but in the end she made it big! You can too.

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Action Invoices

Improve the "Action" on Your Receivables

It's one of the most difficult tasks in running a business - managing your receivables - and if you don't do it well, it can really impact your cash flow and how successfully your business will run. No one likes to make those calls - the ones where your clients are 60 or 90 days overdue, and you feel like a collection agency, pleading with them to settle their accounts. You probably need that \$2,000 more than your client does and it does you no good while it's sitting in their bank account. So how do you improve your aging process and reduce the number of days it takes someone to pay you? How about looking at your invoice? Most business owners don't realize how that little document can actually contribute to delinquent accounts, giving people permission to take their time paying their bills. Here are some ways to create action in your invoices and encourage people to pay on time.

Lose the 30/60/90 day columns

An invoice is normally due 30 days after the service is rendered or product is delivered. By using these columns in your invoice you are letting your customers know they have the option of paying after, 30, 60, or 90 days. Sure, it's technically due after 30 days, but if they see it in black and white - that all they have to do is pay a small amount more interest to keep that money in their account for 60

days, why wouldn't they? It may not even be a conscious decision - but psychologically, when people see those figures, they actually see them as options. Your invoice should be very clear about when payment is due. Avoid language that leaves the payment date open to interpretation. "Payment upon receipt", or "Due in 30 days" leaves too much room for debate. PAYMENT DUE ON NOVEMBER 30, 2007 is clear, concise, and leaves no room for doubt. People are more likely to pay if given a specific deadline. If you are using a standardized form that doesn't allow you to make changes, consider creating your own. The more you can customize your invoice to apply to your business, the better.



Make it easy to pay

Make sure your invoice is easy to read, well laid-out and user-friendly. If it takes someone ten minutes to figure out a complicated and convoluted invoice, they're likely to get frustrated, put it off, pay the wrong amount, or just set it aside until later and forget about it. Your clients should be able, at a glance, to see how much they owe, how much they've paid in the past, and if there is a balance due. Also, make sure the payment options are clear. Do you accept credit cards or cheques only? Is your address clearly printed for mailing of cheques? Is your telephone number clearly marked in case someone needs to call you about the invoice? Will they know who to make the cheque out to? The easier it is to deal with your invoice, the less likely it will get shelved and move into 60 or 90 days.

Provide incentives for early payment

Everyone loves to get a deal, so let your customers who are willing to pay early, benefit from that. Offer a small incentive (2% is common) to clients who pay within 10 to

20 days. The small amount of money you're taking off your invoice will more than make up for having to wait another 30-days to put the money into your own account.

Draw attention to the amount due

Bolding and marking the amount in red, using a highlighter to outline the amount due, using a graphic such as an arrow, or even post-it notes designed for that purpose are helpful (lawyers often use them to show you where to sign on a legal document).

Use a hand-written prompt

This may not be practical depending on how many invoices your business processes each month, but a brief hand-written note on the invoice such as "we appreciate your prompt payment" can be a real attention-getter. People love a personal touch - even if you're asking them to pay up. This can be particularly effective when someone is notorious for paying late.

If you've got a problem with your receivables, you may have to look at other issues in your business methodology, but making sure your invoice is as effective as possible, is a great way to begin.

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Blocks to Business Creativity

If you've ever experienced writer's block, or felt stuck in a project or process, you'll know how frustrating it can be. Creativity is a fluid process and when it's working, it feels fantastic, energizing

and productive. When there's a block however, it is difficult to move forward and our creative efforts are thwarted by things we don't even understand. And when that block affects your business it can impact more than just your creativity. It can affect your success in many areas - like sales, marketing, and production. Fortunately, there are some concrete things you can do to unblock the creative passageway. Evaluate whether you're feeling stuck because of these potential blocks, and do what you can to remove them.

Block #1 - Your Environment

Take a look at the physical environment that surrounds you every day at work. Is there more chaos than order? Is there more clutter than organization? Are you feeling crowded in your space? Does the level of noise prohibit you from being able to "think" clearly. Are you able to easily find things you're looking for? Are machines and systems functioning the way they should? Is technology helping or hindering? All of these things, although they may not appear to have anything to do with creativity, can really impact how well you are able to function. Most of us will feel creatively stunted when we are surrounded by chaos, when things aren't working well, or when we are distracted.

Blockbuster

If there are ways you can smooth out the rough edges in your work environment you may find yourself feeling a little clearer and able to think creatively again.

Block #2 - Difficult or Unhealthy Relationships

Most of us care about how we are perceived by others. We like to be liked, we like people to think well of us. So, when there is conflict, when we are surrounded by people who are negative and judgmental, or when others are making assumptions about us or our performance - it can cause a major block in our creativity. In fact, many people are paralyzed by it.

Blockbuster

Take stock of the relationships both in your workplace and in your personal life. Are there people you fear? Are there relationships that have become negative and unhealthy? If you can begin establishing healthier relationships you may notice that you feel better emotionally, and what follows is feeling healthier intellectually and creatively.

Block #3 - Fear

One of the biggest blocks for business owners is fear. Even though there's a part of you that is a risk-taker (you must have some or you wouldn't have started a business) there's also a part that likes the way things are going and doesn't want to mess with it by trying something new. The comfort of where you are and the fear of the unknown can really hold you back from making new discoveries in your business; discoveries that may propel you toward greater success. Fear is also the biggest creativity killer. You simply can't be creative when you're afraid to try the results of your creativity!

Blockbuster

Examine whether your hesitance to move forward is based on solid, well thought out intention, or simply from fear of trying something new. If you find you are being governed by fear, identify it as such and determine to move beyond it. Try small steps at first, and your success will propel you to try more. You'll find your creativity blossoming as you start seeing results.



Block #4 - No time, no money

"Who has time to be creative?" you may be asking. "I'm so busy running my business I don't have time to turn my head much less waste my time being creative." That line of thinking usually means you are spending too much time working *in* your business, rather

than *on* it. If you are so caught up in the day to day activities, and have no time to plan and create future opportunities, you'll find yourself in trouble. Another block is believing that creativity is linked to available funding. *"Why should I waste time on creative ideas I can't afford to implement?"*

Blockbuster

Whether you're in a creative rut because you don't think you have time or money to implement new ideas, ask yourself whether those things are really true. If you truly have no time to plan and create, you need to assess why, and take steps to address that. Hire more people, delegate, shift responsibilities. Creative planning is as vital to your business success as a great sales record. If you're caught up in thinking creative planning is a waste because you can't afford it - you're also losing out. Part of being creative is looking for ways around the challenges that it brings up. If you know from the outset that you only have a small, or non-existent, budget, make doing-more-with-less part of your creative thinking and problem-solving activities. Another way to look at it is that when the day does come and you have money to spend on a new initiative, it will be far easier if you already have a few great ideas just waiting for the money! In fact, new ideas generate energy, and having these great ideas on tap may be so inspiring, you'll find yourself looking for ways to find the money you need!

Whatever the reason, if you have sensed an inability to move forward, be effective in your business, or find your creativity waning, evaluate whether any of these four blocks may be present and do what you can to eliminate them. You may find it helps get those creative juices flowing again. Creativity is an important aspect of business. Make this a priority and you may be surprised how far it takes you.

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How to Keep Customers Happy When You Screw Up

Imagine that your customers, Mr. and Mrs. Shaw are expecting their new cabinets to be installed in their newly renovated kitchen in time for Christmas. On December 13, you realize that you ordered the wrong stain, and that the specialty stain they wanted is back-ordered well into January. You started to panic. This had been a huge contract for you, and an opportunity to move into a completely new market. There's nothing you can do except phone the Shaw's and deliver the bad news. As you expect, they are furious. How are they supposed to get through Christmas without cupboards? They are entertaining family from out of town and will have a house full of guests over the holidays. There is nothing you can do to appease them, and they have every right to be upset. You messed up, and your reputation is at stake. What you do next determines whether the Shaw's become your most loyal customers, or whether the bad news will spread to countless friends and family who will never come to you for kitchen cabinets. The following three steps should take you from fuming to fabulous in your customer's eyes and help you recover from even the most costly of mess-ups.

1. Fully admit and take responsibility for your mess

There's no getting around this. Humiliating as it may be, if it's your mess, make sure you take full responsibility for it. Customers can smell a cover-up a mile away, and even if you get away with it initially, if they find out down the road that you tried to deceive them, you've not only lost that customer for life, you've lost everyone they will talk to about you in the future. Even if the mistake was made by an employee, you are ultimately responsible for the outcome. Accepting that responsibility takes courage, and integrity, and the initial fallout may seem enormous (you may hear a



lot of yelling and words you might not want applied to you), but in the long run, this is the best way to regain any ground you lost. One more thing, apologize in person!

2. Find a way to make amends until you can fix it

It's not always possible to fix it right away. Your next step is to find a temporary solution until you *can* fix it. In the case of the Shaw's, you simply can't get them their finished cabinets installed in time for Christmas. What can you do to make it up to them and get them through this difficult time? Maybe you can't get them their stained cabinets, but can you install at least a few unstained sets (on your own dime of course) so that they have a place to put their pots, pans and dishes while they're cooking their turkey? It's not a perfect solution but at least it eliminates the inconvenience of piles of dishes on the kitchen floor for the whole Christmas holiday.

3. Fix it and exceed their expectations on every level.

Now it's time to show your stuff. This is your opportunity to make it right, and let your business shine. When those cabinets finally get there, they'd better be perfect. Your installers better be friendly, pleasant and on time. They'd better not be paying more than what you quoted - in fact, if you could manage to give them a discount for the stress and inconvenience, that would be even better. A bottle of wine or bouquet of flowers with the delivery might be a nice touch. When you walk away from this job, you want the Shaw's to remember that you delivered what you promised, with exceptional quality, integrity, service, and price, and that you went above and beyond to make them happy, not the fact that you almost screwed up their Christmas.

Mistakes are inevitable. You or someone in your company will make them, and eventually - you'll make a big one. How you recover from that mistake will make or break your relationship with that customer, and with their network of family and friends. If you are able to keep that customer in spite of the mistake, you can be guaranteed they'll be talking about you - in a good way, and others will hear about what you did to make good what was potentially bad. That kind of company is rare. Be that kind of company and customers will seek you out.

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