

# SMALL BUSINESS SUCCESS



Community Development Corporation  
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## A Day of Contemplation

### Out-of-the-Box Thinking for Performance Issues

*Sam Jeffries owns the most successful print shop in his town. He has a staff of six - a full-time office manager and bookkeeper, a part-time marketing person, and four full time sales reps. Sam has a desire to keep good people and offers a sales compensation structure that has allowed him to keep more than other similar businesses in town. Devon has been with him for seven years. He is a top producer and by far, consistently outsells all the other reps in the company. While he brings the numbers to the table each month, he lacks in discipline and attitude, often showing up for work late or leaving early, and trying to show up other members of the team. Sam appreciates Devon's way with the customers and his strong revenue generation, but he sees his team suffering because of Devon's attitude. The last few sales reps he's hired didn't last more than a few months and Sam has a strong suspicion it has to do with Devon. Sam has spoken to Devon several times about these issues, but there has been little change. Sam is beginning to wonder whether the value of Devon's ability to generate revenue outweighs what is happening to the rest of his team.*

Sam's dilemma is not uncommon, especially in small business sales. When a company finds a strong revenue-generator, they are often willing to put up with a lot of behaviours they may never tolerate in other positions, because the sales aspect of the business is so important, and because it's difficult to find really good sales people. And yet, the longer this goes on, the more the entire team is affected. Soon - like Sam - the small business owner is faced with a difficult decision.

Traditionally, the way to deal with a problem employee like Devon is to begin the process of documenting performance-related meetings, watching for improvement, and eventually writing a letter of warning that could ultimately lead to dismissal. Recently, I read an article by Paul Falcone, who suggested another way. The article was titled "Days of Contemplation", and he suggested taking situations like this and putting them directly into the hands of the employee, empowering them to make a decision about their future with your company. Falcone suggests that when an employer has a

performance-related issue such as the one Sam faces with Devon, especially in the case of a long-term employee that the employer really hopes to keep - to consider giving them what is in essence, a decision-making leave. Unlike a formal suspension, this is a paid leave of one day in which the employee is given some parameters to consider their future employment with your company. Falcone suggests that making people accountable for their behaviour without negatively impacting their personnel file or payroll tends to catch people off-guard. Most employees expect to be treated punitively, like children, and when given the opportunity to behave like adults they generally respond positively.



Falcone suggests having a conversation something like this:

"Devon, we've had a number of conversations and coaching sessions about your conduct - leaving early and arriving late, and your condescending attitude around your team members. Your behaviour is intimidating and demoralizing and we can no longer tolerate this impact on the team. I don't want to give you formal written warning as I think that will only de-motivate you. However, I am going to give you a one-day, paid decision-making leave. You will stay at home on Wednesday this week to think about whether you want to continue working here. If you come back on Thursday morning and decide this isn't the place for you, I will be totally supportive of your decision and do what I can to support your career move. If however, you decide you want to stay, I'm going to ask you to do one thing. Here's your assignment. Come back to work on Thursday with a letter, convincing me that you assume full and total responsibility for what has been happening on our team, that you understand why these problems have occurred, and your assurances that we will never have to have these discussions again - in other words, what you are going to do to fix the problem. I will hold you accountable to the contents of that letter and will for now, keep it out of your personnel file. If however, things don't improve, it will form the basis of an agreement between you and this company. If you violate the terms of this agreement, you will in essence, be firing yourself. I consider this a serious agreement, and the reason I am willing to give you this once-in-a-career opportunity is that I truly value your skill and contribution to this company, and if we can resolve these issues, we would really love to keep you on as an employee. Do you understand what I'm offering, and do you agree to take this leave with the parameters that have been set out for you?"

Putting this decision into the hands of the problem employee accomplishes two things. First, if Devon comes back with the letter, he will be far more invested in living out the agreement than if Sam had given them an ultimatum. It forces the employee to be introspective and self-critical without the trappings of formal progressive discipline. It leaves them feeling valued, and empowers them with choices about their own future. Second, it provides the employer with an opportunity to shift the traditional paradigm. The employer suddenly becomes the good guy who's giving them a really great chance, as opposed to the jerk who just disciplined them.

While you certainly wouldn't want to use this approach with every performance-related issue, it might be a good tool to put in your arsenal for those difficult circumstances where you really feel you have a winner, or perhaps a very long term employee whom you value and want to keep, but with whom you've run up against barriers in dealing with the performance issues. I think there's some real value in Falcone's Day of Contemplation. Don't be afraid to try this outside-the-box approach the next time you're faced with a similar performance problem.

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## Small Business and Unions

### How to Weather the Certification Process

*Catherine Cotlow is the owner of CC's Clothing Company. While she doesn't consider herself a huge business, she is very proud of the success she has achieved over the past ten years, building her company from a closet in her garage to a large downtown boutique shop employing 18 people. Today, Catherine is in a panic because she overheard one of her staff members talking to a union recruiter. She has always felt she treats her employees well and can't understand why they would entertain creating a union. She is fearful of the ramifications of her store coming under union rule, and wonders if her business can sustain the costs of becoming a union shop. On top of all that, she has no idea what her rights are as a small business owner when it comes to the certification process. Catherine is not alone. Most small business owners who go through this process experience these same fears and anxieties, and since small business owners are by their very nature entrepreneurial, most have no idea what is involved in a certification process or what their legal rights are in this situation. As a small business owner, you probably hope you'll never have to face this situation, but being informed ahead of time of how to best weather the process will ensure that you don't end up facing charges of unfair labour practices.*

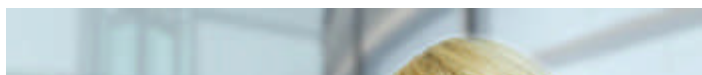
It is important to understand that not all certification applications are approved, and in the end, not all employees will be convinced to vote for the union. Therefore, it is in your best interest to cooperate as best you can throughout the process, being as open and honest with your employees as possible while staying within the legal boundaries set out for this process. In the end, you are setting the tone for future employer/employee relations regardless of the outcome of the certification process.

#### ***The Certification Process***

The first step in the certification process is recruitment of members by the union. A union must be able to demonstrate that it has at least 45% of the employees in the proposed bargaining unit as members (meaning that an employee has signed an application for union membership). Upon receiving the union's application for certification, the Labour Relations Board advises the employer, who must then notify all affected employees by posting a notice of the application on the premises. The Board then appoints an Industrial Relations Officer to investigate the accuracy of the information contained in the union's application. The officer obtains a list of all employees and reviews the membership cards produced by the union in support of its application. Next, the Board decides whether the group of employees is appropriate for collective bargaining purposes, by specifying which employees should be covered by the certification. If at least 45% of the employees are members, the Board will order a representation vote. This vote must take place within ten days of the application to minimize the possibility of undue influence from either the employer or the union. For a union to be certified, a majority of the employees who vote must favour representation by the union.

#### ***The Legal Requirements***

Recent changes in the laws have given



employers more freedom to express their points of view during the certification process, as long as they comply with the rules set out by the Labour Relations Board. It is in the employee's best interests to understand the ramifications of their decision from both the employer and the union's position, in order for them to make an informed decision.

Legally, employers may do the following:

- express their views regarding unions when asked
- state their position with respect to maintaining a union-free workplace
- prohibit the distribution of union literature on their own property during working hours
- assemble employees during working hours to state the company's position as long as:
  - attendance is optional
  - purpose of the meeting is stated ahead of time
  - no threats or promises are made
- make changes to wages, promotions and other human resource actions, as part of normal duties (however in most jurisdictions, once the certification application has been received by the LRB, all wages, benefits and working conditions are frozen until the application is completed)

Employers may not:

- Deliver speeches at mandatory meetings
- Question employees about union activities
- Increase wages or benefits that may be perceived as a bribe
- Use coercion, intimidation, threats, promises or undue influence
- Refuse to answer employee questions about the impact of unionization

### ***The End Result***

Once the process has taken its course and a vote is taken, the employer either faces business as usual because the employees made a decision not to unionize, or faces a completely new business model through collective bargaining if they have voted in favour of unionization. Either way, the employer's integrity and behaviour during the process will affect the labour relations after it is over. If unionization occurs, negotiations take place as to who will be considered management and therefore lay outside the bargaining agreement, and then bargaining for an initial contract begins.

### ***The Best Defense***

You've heard it said that the best defense is a good offense. In the case of unionization this is certainly true. While it is not impossible for a good employer to face potential certification, it is definitely the rule that happy, contented employees who feel they are well paid, well treated and highly valued for their contribution to the company are far less likely to be attracted to the idea of union representation than those who are disgruntled, and who feel under-paid or under-valued. Staying in touch with the pulse of your employee group and being proactive when issues arise will help you maintain that group of happy contented employees. Providing good working conditions, fair pay, reasonable benefits, and opportunities for employees to grow and experience validation for their contribution to your business will take you far in avoiding the kind of discontent that draws people to unions.

The bottom line? Being a good employer in the first place, may provide the kind of work environment where employees won't feel the need for representation by a union. However, once it starts, there's nothing you can do to stop a fair process. Maintaining truthfulness and integrity is the key to strong employee relations regardless of the outcome.

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## Is Your Website Your Customers' Favourite?

### Ideas to Get on to Your Customers' Bookmarks

*What's your favorite website? The one you keep going back to day after day. Why is it your favorite? Does it provide you with information on a specific topic that's of interest to you? Is it easy and fun to navigate? Does it give you what you want at a glance? There are a lot of things that draw us to a web site initially. We may be researching something for work, or trying to find the answer to a debate we've been having with our co-worker. You want your business web site to draw people to it, but you also want them to keep coming back. It doesn't really matter why they're coming back - just the fact that they are keeps them exposed to your business and all that you have to offer. Take ten minutes to do the following exercise. Go to your favorite website and spend 5 or 10 minutes doing what you usually do. Then, take a moment to write down why you like the site. What happened when you were on it? What did you find interesting? What is it doing to draw and keep your attention? Many small business owners think of their websites as just another checkout - another place to peddle your wares. If that's all your website does, you're losing a whole world of potential customers.*

Web surfers are savvy, and they want more than just another place to buy stuff. If you and your competitor are both selling the same goods on your websites but he offers that "something extra" that makes your competitor's website his favourite, it doesn't matter how beautiful your site is, or how great your product is, the customer will default to that site. Here are some ideas for making your website the favourite of your customers.

**Offer useful, unique stuff** - the checkout concept just doesn't work any more. There are hundreds (even thousands) of businesses online selling similar products to yours. People have lots of checkouts to choose from. To get to the top of their list, you must offer them more. Articles or white papers on topics they might find useful, a Q & A section where they can post their questions and get answers from your "experts", tutorials (I recently watched a brief but informative tutorial that showed me how to grout tile in my bathroom - it was fabulous and really helped me to get the job done well), helpful links to other sites they might find interesting, an opportunity to subscribe to your newsletter, a way for them to connect with other customers, to name a few.

One of my favourite sites is [www.ehow.com](http://www.ehow.com) (subtitled How to Do Just About Everything). For some great ideas on ways you could add interest to your website, take a look. It has a section on helping you find out how to do "just about anything". It has videos that show you how to



research your topic further. It even has a section that tells you what some of the most requested topics are and offers its community the opportunity to write the articles to answer those questions. The bottom line is - give your customers a reason to keep coming back by providing stuff they find useful. That's more than a checkout!

**Increase your credibility** - people can say just about anything on their website and it's up to the surfer to figure out what's true. So, using industry experts that have nothing to do with your company adds credibility to your site. Get reprint permission for an article written by a highly respected person in your industry. Get quotes or use stories from community leaders that are relevant to your industry. Find an expert who is willing to write content for you. Find creative ways to use experts in your online community.

**Keep your site working properly** - there's nothing more frustrating (or that detracts from your credibility) than stuff that doesn't work. Broken links, shopping carts that don't work, sales that are out of date, pages that don't load (or take forever to load), etc. Your technology should be seamless. Modern web surfers are not patient, and will quickly move on if your site causes to many frustrations.

Using your own experience with your favourite websites should give you some insight about how to make yours a favourite too!

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## Write it Down

### 3 Small Sales Words with Big Results

*Sometimes we are so busy looking for the next great sales strategy, that we overlook the simplest tried and true ideas that could be getting us more sales if we just applied them. One of the most powerful, yet least practiced secrets in sales is the simple act of writing things down. Yes it is simple. Almost too simple to be valuable. But, think carefully. How many times each day do you get an idea, and you think to yourself, "Hey, I can do something with that." or "I'll need to remember that?" The truth is most sales people don't write things down in the course of their busy days, and the result is that those ideas get forgotten. Great earning potential vaporizes every day because of the things we don't write down. Much as we'd like to believe we have great memories and will remember those very important things, most of us won't. When we want to recall that fantastic idea we had for our customer, or the name of the new prospect we just met at the grocery store, or the new production method we thought of on the way to the meeting, it just isn't there - and the money that those things could have generated simply disappears.*

The solution is easy. Keep a small note pad or journal in your car, purse or briefcase. In fact, keep one beside your bed. How many times have you had a great idea pop into your head in the middle of the

night. It wakes you up. You say "Wow!" and then go back to sleep thinking you'll remember it in the morning. Except you wake up knowing you had this great idea, but can't remember what it was. Next time, write it down. You are driving to an appointment and the same thing happens. Stop at the next light or pull over and write it down. You are in the middle of an appointment and something your client says triggers a great idea. Write it down! Some people prefer a small hand-held recorder for ideas rather than pen and paper. Whatever works for you - use it. Record those things that are scrambling around in your mind. Once you write it down - your mind is clear. Your brain is like a computer - and eventually it does start to run more slowly when it's too full of stuff! Emptying the stuff onto your notepad opens your brain up for even more ideas and the ability to think more clearly.

Mental freedom is a wonderful thing. It creates opportunities not available to a cluttered mind. It



provides clear channels from the subconscious for solutions and new ideas, and it lets you sleep like a log. In addition, the act of writing something down impresses it into your memory. Not only does the physical paper or recording help you to recall the information when you need it, but you'll actually be more likely to remember it even without that physical reminder.

Imagine the number of great ideas that have vaporized over the years. Imagine how different your success might have been had you kept every single one of those ideas written down somewhere so

that you could recall them at will. Imagine how much more brain space you would have if you got rid of all the things you were trying to remember. Imagine how many more customers you might have, how many more products you may have created, how many more business concepts you may have come up with.

So, get a legal pad, journal or recorder today if you don't have one. Get in the habit of carrying it with you everywhere you go - even to bed. The sales ideas that come to you over time will be overwhelming when you look back and see them 'on paper'. But, the beautiful thing is that when you DO see them on paper, you can pick one and turn it to CASH - something that never happens when it just vaporizes.

*Reprinted in part with permission from Paul Mann, Vice-President Sales, Vista Radio (with credit to Paul's inspiration - Jeffrey Gitomer)*

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## Networking Success

### Powerful Networking Strategies for Your Small Business

*M. Patricia Nicholl wrote a little book called the Power of Positive Linking\*. She begins the*

*introduction this way; "Several years ago I realized that what was fun for me, was pure agony for many others." Patricia was talking about networking - one of those words that either strikes fear at the heart of the small business owner, or gets their juices flowing. Whether you love or hate networking, it's probably one of the things you never feel you have time to do. If you hate it, you'll find all kinds of reasons not to do it. If you love it, you're still probably so busy just running your business it's hard to imagine finding time to schmooze in the community to get your business known. Networking is one of the most powerful and inexpensive methods of marketing you'll ever come across as a small business owner. By not taking advantage of this tool you are losing precious prospects for your business. It costs you little or nothing, but the return can be huge. Nichol says, "For those of you who don't think you are good at networking, do you realize that you informally network at least once every day? When you recommend some new item you just tried, when you rave about the restaurant you ate at the night before, when you suggest that Marianne should meet Josie because you know that they will be kindred spirits - these are all examples of networking."*

### **Why Network?**

The small business owner faces a particularly great challenge because of what I call the "small world" syndrome. Most of us are so busy, focused on getting things done in our small business day by day, that our "world" consists of the four walls of our office, or our plant, or our store. Our business becomes not only the centre of our universe, but it can become the entire universe. Networking may not cost money, but it does cost time, and that's something most of us feel we don't have to spare. Therefore, like anything else, we have to make it a priority if we want to build it into our business strategies. If you've been underutilizing this amazing marketing strategy, set a goal to network at least once per week to start. Who knows, you might even like it so much you'll end up doing it more! For now, take it in small chunks.

### **Where to Network**

If you haven't done much networking before, here are some suggestions to get you going. Once you start, opportunities will begin presenting themselves!

- Join your local chamber of commerce and actually attend the weekly mixers; let others in your community know who you are and what you do
- Join a local chapter of a business group (such as BNI - Business Networking International or others); these groups meet weekly and actively market each others' businesses
- Join an industry-related group (if there isn't an organization that represents your particular industry in your town, you may find one online)
- Create a networking group of your own consisting of other business owners in your community; you've got common ground - understanding life in that community - a perfect place to start
- Attend workshops and conferences - while this may not be a regular way to meet people, it



does provide an opportunity to meet people you may not ordinarily run into in the course of day to day business

- Attend community events; if you aren't a part of what's going on in your community, you're losing out. Just being present at the local hockey game, or the annual fair, or the town parade gives you the opportunity to say "Hi, my name's Sandra. I own the grooming salon downtown." Your business is a conversation starter no matter where you go.
- Start an online community on your website. Create a place where your customers can go to comment, ask questions, and be active with your industry and your business; this will attract other customers and prospects;
- Simply talk to people when you're out and about. In the bank line-up, at the grocery store, waiting to buy lunch at the deli - instead of staring at the menu board, actually talk to the people in line in front and behind you. Introduce yourself and your business and engage in small talk. In this ever-impersonal world of technology people seldom simply chat with strangers anymore. You never know when that person might be in the market for exactly what your business sells.

It doesn't have to be an ominous task - but it can be a great business generator for you. Set yourself a goal of regular networking and see whether it positively impacts your bottom line.

*\*Spiral Publishing, Victoria, BC*

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