

SMALL BUSINESS SUCCESS



Community Development Corporation
OF SAULT STE. MARIE & AREA
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Tips for Avoiding a Bad Hire

Susan showed up for the interview in a neat, tailored business suit. From head to toe she looked like the consummate professional. She was courteous, confident, and articulate. Within moments you have a great rapport and are talking like old friends. Part way through the interview you turn over the sheet of questions you were going to ask and put it aside. After all, things are going so well. Her resume has already impressed you, and it was obvious through your initial questions that her skill set was just what you needed. Before the interview is over you decide you're going to offer her the job – never mind the references. What could they tell you that you couldn't see for yourself? So Susan begins work the following week. You have high expectations, but it becomes quickly clear that something is amiss. You begin to suspect she may have over-sold her level of computer skill as she needs help with performing even basic tasks. When asked to do a series of tasks, it seems she has trouble prioritizing and it seems to take her forever to accomplish a simple list. To top it off she is showing herself to be quite a gossip, talking to co-workers about others on the team, affecting the atmosphere in the office. After three weeks, you realize you may have made a bad hire.

We've all done it. There isn't an entrepreneur around who hasn't experienced hiring someone less than ideal for the job. Making a bad hire is costly, so if you can learn a few tips to help you avoid making one, you can reduce the financial and emotional impact it has on your business and your staff.

1. Do your homework

This may sound so simple, and yet so many small business owners simply glance through a resume to make sure all the bases are covered, skip over the cover letter and schedule an interview. Carefully reviewing the resume will bring your attention to red flags, like whether the person's skill set really reflects their job experience. If they are telling you they can do xyz, but nothing in their work experience shows you how they have developed that skill, it leads to specific questions for the interview. Similarly, a cover letter can let you know whether they can spell, how well they can write, and how careful they are in their presentation. Also, reading between the lines in a cover letter will

give you a sense of whether the person is confidently presenting their skill and experience, or whether they are trying to oversell themselves (for example, using superlative words - fantastic, exceptional, or extraordinary - to describe themselves). The same goes for references. It's buyer-beware for employers who don't take the time to hear about their potential employee from others for whom they've worked.

2. Do the interview with more than one person

It's too easy to get caught in a scenario like the one I described in the introduction when all you have is your own perspective, especially if you're interviewing someone to whom you're naturally drawn (probably someone who is like you). Another set of ears and eyes in the room will provide you with a much better and more realistic sense of what the person is like. In fact, make an effort to bring someone else into the interview who is NOT like you. They will perceive things you won't see, and between the two of you, you'll have a better perspective.



3. Avoid desperate hires

For most small business owners, hiring is a desperate task. They do it because they are suddenly faced with a need and HAVE to have someone to fill that role - business depends on it. But a desperate hire is more often than not, a bad hire. When you're desperate you can talk yourself into believing that even though you're seeing red flags and have a bad feeling in your gut, you could be wrong and this person may be a good fit. The ability to avoid a desperate hire comes from ongoing recruitment and filling your pipeline with potential candidates. Talk to people wherever you are about your company. Let them know that although you don't have any openings right now, you'd love it if they could send you a resume for when you might be hiring. The more people you have in your pipeline, the more options you have when you need to fill a position, and the less you'll be facing that desperate hire.

4. Use assessments

Don't count on an interview alone. Let's face it, some people are charismatic enough to fool you into thinking they are the best thing that's ever come across your path. But the proof is in the doing! Don't be afraid to use tests and assessments to truly determine the person's skill level. Are they going to be doing a lot of computer work? Set up a test that requires them to do some of the computer-oriented tasks they would do in their actual job. Their strengths and weaknesses will become clear. Will they be selling? Do a role-play to see how well they can deal with objections and how confidently they can do a presentation. This could be a great springboard to further discussions on their level of comfort and skill in the sales process. Will they be required to handle a heavy workload with minimum supervision? Create a list of tasks and get them to prioritize and perform the tasks within a specified timeframe. When they are finished you will have an interesting discussion on how they processed the list and why they chose to do things in the order they did. Use a personality assessment as well that tells you what the person's natural strengths are - creative, verbal, detail-oriented, analytical, relationship-oriented, etc. This information can be invaluable in helping you to determine a good fit with the rest of your team - and for the job itself. Very few small business owners take the time to go through this extra step, but it is perhaps the most important determinant of a successful hire.

5. Take personality into account, but make sure it doesn't win out over skill and experience

We all have a tendency to want to hire people like us, so people with similar personalities often win us over. As I mentioned already, a strong personality can mask a lack of skill. Personality is an important part of job fit, but it must be kept in perspective of the whole package. If they can't do the job, it doesn't matter how much fun they are to be around.

Yes, it takes longer, and it IS more work. But in the end, these extra steps will ensure that you have far more good hires than bad ones.

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Practice Makes Perfect

Role Playing in Sales Training

Aristotle said, "We are what we repeatedly do. Excellence, then, is not an act, but a habit." If you've ever struggled with overcoming an obstacle, you know this to be true. The only way you can overcome, get better, banish fear, is to do that thing. Then do it again. Then again, and again, until you can do it so easily you don't have to think about it. One of the most effective sales training methods is role playing. It is effective because it does just that – it takes a person who may be fearful, unskilled, or out of practice, and provides a method for them to act out sales scenarios and practice their responses 'on-the-spot'. It increases confidence and can build team relationships. It is also one of the most difficult things to do, and most people hate doing it. If you are running a small business, you are mostly likely the sales manager, and training your sales staff is your job. Despite the fact that you'll probably get a lot of resistance in the beginning, you should consider how role playing can enhance your training efforts and build an exceptional sales staff.

Role playing puts sales professionals into realistic situations, yet allows them to make mistakes that don't cost anything – and helps them to learn from those mistakes. It also gives you the opportunity to validate your own values and selling practices to your salespeople. Not only does your team learn how you want them to sell, they get the experience of actually doing it. Your salespeople will be able to anticipate the problems and objections in real selling situations and will know how to overcome them. Here are some tips that will help you to make the most out of the role playing experiences you provide for your sales staff, and increase the success they will feel, as well as the results they'll get when they're out in the field.

Make them work hard: If your sales team is going to be able to handle the pressure and stress of difficult questions and objections from your prospects, you need to replicate that experience in the role play. If it's too easy for them, they will be unprepared when they hit those real life situations. Play the difficult, obnoxious customer – you've had them before – and let them figure out how to close the deal in spite of the fact that you're angry, disillusioned, uninterested, or simply ambivalent.

Role play all kinds of buyers: Salespeople need to adapt their sales communication skills to the types of people they will be selling to. The way you sell to a CEO of a multi-million dollar firm is very different than the way you might sell to the president of a small private company. Similarly, your approach might be different if you are selling to the middle manager of a company versus the owner. And personality comes into play as well. If you are selling to a Director/Driver type of person who wants the bottom line now, your presentation will be different than if you are selling to a Relater type of person who values relationships and who wants to get to know you first. Then, there are the Analytical types who will need all the information you can provide and time to process, and the Socializers who want to take you out for drinks and a night on the town before they talk business. Being able to adapt to all of the different roles and styles of your prospects will give you a significant advantage in the sales game. So, don't role play all the same type of person – mix it up. Make it fun so that your sales team doesn't know what's going to come next. It's the best way to learn.

Share the fun: Sales role playing should be carried out by both sales management and sales team members, and participation should be mandatory. No one gets a free pass. When everyone is participating, it builds the sense of fun and creates team spirit. Knowing everyone will get their turn means everyone is on equal footing. Everyone should get the opportunity to be both the prospect and the sales person. Switching it up like this will give you the greatest range of personalities and experiences, and will make for the best learning opportunity.



Deal directly with sales objections: In every industry, there are a handful of sales objections that are used by prospects most often – your top ten. Make a list of what those are for your industry, and use them often in your role play scenarios. The more equipped your sales team is in dealing with those objections, the better they will be able to turn those objections into closes.

Critique the role play sessions: If no critique is involved in your role playing sessions, you may be having a lot of fun, but you won't be accomplishing much. Part of the role play process is to get feedback from others on how you're doing. What did you do well? Where could you have done something differently to change the outcome? What specific things do you need to work on? When your sales team understands these things, they will hit their sales targets faster. If a salesperson crumbles under the pressure of role playing as part of their training, how can they possibly perform in person? And how many qualified prospects are they losing by not understanding how to turn those situations around? Role playing will assist your sales team in increasing their success.

Where possible, record role playing sessions for future learning: Role playing is a reusable, educational tool that can be used over and over again. By recording your sales role playing session (either via audio or video), you can document and measure successes. Months later when a person watches how much they struggled in a certain area, and they realize how much better they have become at overcoming that problem, it is a huge confidence booster, and a motivator for continued learning. Also, when a new sales team member comes on board, you can use those sessions as a training tool to get them quickly immersed in your sales culture and strategies.

Role playing is a fantastic tool to improve your sales team's performance. By using role playing as an experiential training tool, salespeople can anticipate prospect comments and selling pressure before it happens, to help them develop strategies that will increase their sales closing ratio. And what sales person doesn't want to do that!

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A Customer Service Tale

Recognizing the Importance of Customer First Impressions

You walk into an electronics store looking for a specific piece of hardware for your stereo system. You spend a few minutes looking through the appropriate section but aren't sure exactly what you need. No one has come to your assistance, so you approach the young man at the counter. He is on the phone, on what is obviously a personal call. You stand at the counter for several minutes without being acknowledged. While you're patiently waiting you notice a bag of opened potato chips on the counter, with crumbs spilling out of the bag on to the counter. You notice that the clerk has a large tear in the knee of his jeans, and that his shirt has a number of stains on it. You try politely to interrupt his conversation saying, "excuse me", and although he makes eye contact and nods his head, he does not finish his call. You look around to see if there is anyone else in the store who can help you, but it appears he's the only one.

You interrupt him again and this time, he says into the phone, "OK, gotta go. Somebody's here." He hangs up the phone and looks at you. "What can I do for you?" he says. You explain that you need a particular part for your stereo, but you're not sure which brand to get for your specific needs. He stares at you for a moment, and then says, "I don't know." Stunned, you try again by asking if there is anyone else in the store who could help you with this purchase. He says the manager is out for lunch and that he is the only other person on today. He doesn't offer any further assistance, so you ask if the manager might be able to help you, and when he/she would be back from lunch. He yawns, looks at his watch and tells you in a half hour, but that it's possible the manager might do errands after lunch so in fact, he's not completely sure when he'll be back.

You ask whether there's anyone else at another store he could call to get the information. He rolls his eyes, sighs, picks up the phone, and dials the other store. "Hey Joe, yeah, this is Brian from ABC Mall. I got a guy in here looking for a cable for his stereo. He doesn't know which one to get. Any ideas?" He gets off the phone and tells you that Joe isn't really sure either, but that you could try Brand X because it's usually pretty good and they don't get very many returns with it. You select the item, and put it on the chip-laden counter to pay. You pay with your credit card, but when you look at the receipt you realize he has charged the wrong price. When you point it out to him, he seems exasperated with you and tells you he's not really sure how to do a refund on the overcharge. He asks if you can wait for his manager to return in order to do the



transaction.

Let me ask you a few questions. How are you feeling about this store right now? How likely are you to shop there again? Dr. Carol Kinsey Gorman, keynote speaker, management consultant and business specialist says it takes the average person only seven seconds to make 11 impressions. Look back over the story and count the number of impressions you have made about the store itself, and the young man at the counter. It's true that a customer's first impression often makes or breaks his or her decision to buy from you, so as a business owner – you should know what that impression looks like. This is important because knowledge is the key to changing things that could be driving customers away. Here are some tips on how to get a handle on those first impressions.

Retail businesses or businesses with storefronts:

Do an honest walk-through. Come in to your business from the street on a day when it is busy. Look around. Is the store tidy and uncluttered? Is the music too loud (or too soft – just barely there)? Is your staff engaged with people? Do customers look like they are finding what they need or are they looking perplexed? Do customers generally look happy? Is your product arranged in a way that makes it easy for people to find what they are looking for? Is pricing clearly marked? Is your staff neatly dressed and professional-looking? Are there personal staff items like food packages or coffee cups in sight anywhere? Try to perceive your business from a customer's perspective, and imagine the impressions they are getting of your store and your staff.

Hire a secret shopper. As objective as you try to be, you still can't distance yourself from it completely like someone who's never been there before. Find someone – a friend of a friend or relative, someone who doesn't know you or your store. Ask them if they would take a half hour to come and give you their impressions of your store. Have them come at a time when you won't be there. This will tell you if the staff behaves differently when you aren't there. This may be an eye opener for you, but it will provide you with some great information.

Service-oriented businesses:

Do an honest assessment. When you look around your lobby or reception area, is it warm and inviting? Is it tidy and uncluttered? Are there comfortable places for people to sit, and interesting things for them to read if they have to wait? Is your receptionist's desk also free of clutter and tidy? Listen to how customers are greeted and treated when they come in to your business. What are YOUR first impressions when you come in the door?

Do a client satisfaction survey. Ask the people who receive service from you how they feel about it. Ask specifically about their first impression. Were they treated courteously? Did they have to wait very long? Did they receive the service they expected? Your best source of information is the people who have made their seven second assessment about your business.

Finally, whether you have a product or service-oriented business, train your staff on the importance of those first impressions. Read the story at the beginning of this article to them to make your point. If they understand the importance of that first encounter with your customers, they will more likely stay on their toes and try harder to make that first impression one that brings customers back.

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Meaningful Mentoring

The Greatest Untapped Resource for Business Success

I bet all of us could tell a story about that one special person in our past who made a big difference in our lives. That person who told us we could when we thought we couldn't, who helped us to see things from different angles when we were stuck, who saw things in us we couldn't see ourselves, and who encouraged us to move beyond where we were to someplace better. Whether that person was a teacher, a grandparent, an older brother, or a counsellor, they were in the truest sense of the word, a mentor. My question is this - if it worked for you when you were a child, why couldn't it work for you now? Mentoring is a process with enormous potential to change lives, to increase productivity, to reveal answers to difficult questions, to encourage growth and to nurture self-esteem. Sadly, many adults still think about mentoring in the context of the classroom.

What Exactly is Mentoring?

Webster's definition of a mentor is "a wise and faithful advisor", and who couldn't use one of those? In the context of you and your small business, mentoring is a relationship with someone who is farther along in their business experience than you are. Someone you trust and whose successes and integrity you admire. Someone you have faith in, can talk to, ask advice of, and get honest feedback from. This could be someone you know well and already have a relationship with, or someone you don't know at all but whom you have admired from afar.

Mentoring relationships can be formal, where the parameters of the relationship are clearly set around business. Meetings take place regularly and are structured and focused on issues and results. This type of relationship appeals to people who don't have a lot of time, who have directive personalities and who don't like mixing business with pleasure. Clear boundaries exist and the relationship is issue-driven. The mentor offers advice on specific problems or concerns the mentee is experiencing in his or her business, guidance on future decisions, and counsel on any other aspects of the business experience. The mentor draws on his or her own experience, successes and failures to provide the guidance the mentee is looking for.

Mentoring relationships can also be informal, where the relationship is more friendly and casual. Meetings take place regularly but are less structured and focus on all aspects of home and business life. Meetings are casual in nature and may take place over a walk in the park as opposed to a boardroom, but the results are the same. Guidance, counsel, advice and wisdom are passed on to the mentee on issues relevant to their lives and work. This type of mentoring is relationship-driven and appeals to people who have a more casual approach to business, people who don't mind their business and personal lives mixing a bit and who learn better from relationships than from structured meetings. The continuum for mentoring relationships is broad, and yours could fit anywhere in between those two extremes.

How Can A Mentoring Relationship Make a Difference to Your Business?

Say your business is two years old and you're beginning to experience an incredible growth curve. You can't afford to expand with the capital you have, but you're wondering if this might be the



time to borrow money to do it. How do you know what to do? How do you determine how much to borrow and from whom? How can you decide if this is the right time for your business? What questions do you need to ask? Or maybe the opposite has happened. Your business is coming down from a huge growth period and things are slowing down. What can you do to turn things around again? Is this a time to pay attention to other aspects of the business? Should you be revisiting your business plan? How can you take this decline in sales and turn it into an advantage for your business? Or maybe you're having a difficult time with one of your employees. You like them (maybe even really need them) and appreciate their contribution to your company but they are exhibiting some behaviours you can't tolerate. How do you handle it?

Those are the kinds of situations in which you pick up the phone, call your mentor and say, "we need to talk." You then rely on their experience, their expertise, and their successes and failures, to help guide you in your decision-making. You may not always agree with the choices they made, but you can see how effective they were for them, and decide whether they might be effective for you. It's kind of like taking advantage of many years of experience you don't yet have.

Where Would I Look for a Mentor?

Make a list of all the significant people you've come into contact with in your business life. Think back to teachers or professors, leaders of associations you belong to, churches you've attended, boards you've sat on, or organizations you've worked for. Think about other business people you've met or worked with. Think of all the activities you've been part of, charities you've contributed to or worked for, or even people you've just admired over the years for their wisdom. As you begin to write these names down, you'll find some immediately rising to the surface as you think about yourself gleaning wisdom from them. Once you've come up with two or three you feel strongly about, simply ask them if they'd be interested in mentoring you for a period of time. Let them know what you hope to gain from the relationship and how you see it working. And don't be discouraged if the first person on your list turns you down - keep trying. It's an honour to be asked to fill this role in someone's life and someone will say yes.

Mentoring is a great way to benefit from the wisdom of others to advance your business. So tap into this amazing resource and see what it does for your success. Who knows, after some time, maybe you'll even consider being a mentor to someone else. Life is about giving and receiving, and your contribution to someone else's business success would be a wonderful way to complete the circle.

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Small Business Success

About eight months ago I started receiving SUCCESS magazine (published by SUCCESS Media). I don't normally subscribe to magazines because I find I don't have time to read them, but this one came as a part of another membership I had purchased. When the first issue arrived, I was skeptical. In addition to the magazine, the SUCCESS empire includes SUCCESS books, an online SUCCESS store, and SUCCESS.com. How much success does one need, I thought to myself as I cracked the cover. But I was pleasantly surprised, as I devoured the magazine from cover to cover in one sitting. The magazine is full of articles about successful people, entrepreneur success stories, tips for success, and how to achieve success. It did so in dozens of different ways, from dozens of different angles. When I finally put it down, I felt inspired. Every story had in some way touched upon some part of my life – whether it was simply admiring one person's climb to the top of an empire, or relating to a small business owner struggling to overcome his or her obstacles. I found

myself going back and making notes on some of the pieces that particularly challenged me, and creating strategies on how to make changes to my life. I could hardly wait for the second one to come.

The next month, the same thing happened, and I have been anticipating it in my mailbox every month since. I've tried to analyze what it is about this magazine that makes me feel so good after I read it. What is it that taps into some part of me that motivates, inspires and challenges me to change month after month? It's just a magazine after all.

I have come to the conclusion that all of us – no matter where we are in life – WANT to be inspired toward success. And success for each of us is different. I can read the magazine from the perspective of an entrepreneur, a family member, part of a community, or as someone who admires the achievements of others. After all – I, just like you – am a multi-faceted person with many components to my life. And this magazine, reaches all those parts in different ways.

That got me thinking further, about what it is that drives us all towards success. Even the title of this newsletter is Small Business SUCCESS. We all want to be successful yet there seems to be an infinite number of paths toward achieving it. In his article, Success to Success – What is the Meaning of Success in Life?, author Doug Firebaugh defines success this way: “Success to most people is when you have an ongoing string of accomplishments that, when put together, add up to a major obtainment in life known as success.” A good definition, but one that by his own admission, fell short. After all, we've heard about people who have achieved major things in life, created masses of wealth, built empires, and forged new paths, but who would admit that those things in themselves did not create the kind of success they wanted.

Firebaugh goes on in the article to say, “True success is simply the realization and obtainment of a worthy ideal or result that your heart is deeply connected to. It is what births PASSION and your SUCCESS PASSION. It is what people die for. It is why some people explode out of the gates and create success easily, and others struggle all their life. They are operating on a whole different realm of success and actions. It is a success that is SOAKED with emotion, powered by passion, driven by destiny, and forged with the fire of the heart.”



Wow – that’s a definition that really resonates with me! I love the last part of the quote – it is soaked with emotion, powered by passion, driven by destiny, and forged with the fire of the heart. True success then, is not necessarily the things achieved, but the things achieved that are connected to your heart.

So how does this relate to your small business? After all, this is a magazine about small business success. I think it is a worthwhile exercise to take stock of where you are in this regard – your journey towards success.

What are the ideals that your heart is deeply connected to? Are you finding yourself still brimming with passion about your business? Or have you lost something along the way? What are the ways you measure success? Is it simply filling all the orders at the end of the month or earning a certain amount of money? Or is it in producing a product of superior quality? Delivering a service to

someone who really benefits from it? Caring about your staff? Using the success you've created to benefit some person or organization that you care about?

If you've lost your lustre for life and/or for your business, take a close look at that definition of success, and determine – clearly – what success means to you. It's going to be different than what it looks like for me. Then, look at whether you are taking steps to create the success you want. In business and in life, success is satisfaction in a job well done, a cause well supported, a goal well achieved, and a myriad of other things that only you can define. Make sure that your energy and efforts are going toward something that is “forged with the fire of your heart,” and you will achieve success!

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Community Development Corporation of Sault Ste. Marie & Area
672 Queen Street East
Sault Ste. Marie ON P6A 2A4
Tel: 705-942-9000
Fax: 705-942-0274
<mailto:cdc@on.aibn.com>
<http://www.ssmcdc.com/>

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