p. 5 The Art Of Asking Great Questions • p. 8 Hire Better People • p. 14 Seven Steps To Being Lucky And Good

# GETTINGresults MAGAZINE

L'SOWLEDGA

100

**ONE SIMPLE HABIT TO TRANSFORM YOUR LIFE** 



Jim Jubelirer

RESULTS

" Annual manual and and

**FALL 2017** 

R

**TS GROUP** 

KNOWLEDGE. ACTION. RESULTS.

## **Verne Harnish:**

Tracking Two Numbers Daily Turned This Company Around

Sam Hyder revived the nearly 50-yearold company his grandfather started by making some painful decisions and learning how to keep it profitable on a daily basis. hen Sam Hyder took the helm of Geographe Enterprises, he faced a trial by fire. His 48-yearold firm designs and manufactures aftermarket parts for mining equipment, distributing it throughout Australia, Indonesia and South Africa. With the mining industry in a slump as Hyder began leading Geographe in 2012, demand for its products had dropped sharply. By

But Hyder and his team quickly managed to turn around the company his grandfather Neville Hyder had started. Today, Geographe is on track for revenue of \$30 million and record profits.

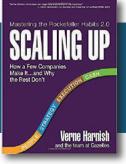
2013, revenue had plummeted from

USD \$20.5 million to \$16.7 million.

#### **TWO CRITICAL NUMBERS**

Hyder and his team orchestrated the turnaround by focusing on two key numbers. Starting in 2013, they began working with a coach who advised them to turn their attention to both daily sales and daily operating expenseevery day and sometimes every hour. Their goal was to make the company profitable on a daily basis and, once the company achieved that goal, to keep it that way every day. Verne Harnish is founder and CEO of Gazelles, a global executive education and coaching company, Verne has spent the past 30 years educating entrepreneurial teams. He's the author of Scaling Up that uses approaches honed from over three decades of advising tens of thousands of CEOs and executives.





"While we waited for our new strategies to become effective and grow the revenues, we were stabilizing the business," says Hyder.

To keep team members focused on the benchmarks that would support its profitability, Hyder began holding daily and weekly huddles, where everyone got clear on what they needed to do. The meetings reduced wasted time.

"I can't remember when we last had an emergency meeting or unscheduled session to sort out a problem," says Hyder. "Everyone can now simply get on and do their job."

#### THE POWER OF KEY PERFORMANCE INDICATORS

Hyder and his leadership team also put in place key performance indicators (KPIs) for every employee. These fed into the company's goals.

Employees began reporting on their leading and lagging KPIs in the daily and weekly huddles. To keep everyone's progress visible, the company recorded it on a dashboard they could view on Trello boards which were far more efficient than the company's enterprise resource planning (ERP) system. Trello is a mobile project management software.

Because Geographe had not been able to offer pay increases for a while — "Our crew and the staff were getting a bit unhappy," says Hyder — the company introduced a performance bonus to motivate employees to meet their KPIs. Coming up with the money was not easy when the company was in crisis, but Hyder persisted in paying it. "We did have one quarter where we didn't pay the full amount," he acknowledges. "I agreed to back pay everyone. I have also increased their pay permanently."

#### "I CAN'T REMEMBER WHEN WE LAST HAD AN EMERGENCY MEETING OR UNSCHEDULED SESSION TO SORT OUT A PROBLEM," SAYS HYDER.

#### **PAINFUL CHOICES**

Once Geographe was tracking employees' progress in meeting their KPIs, the company was able to use the labor efficiency ratio (LER) to determine how productive they were. The LER looks at the productivity of each dollar invested in labor.

This analysis led to some painful decisions. Hyder laid off about 30 percent of his staff, shrinking the company from 156 people to 97. "I was letting go of my mentors and people who had been here 25 years or more," he says.

But Hyder knew he needed to stay focused on turning the company around. The lean team that remained at Geographe focused on a single overarching metric to drive the new strategy, the "Profit per Contract."

To support that effort, the company has focused on metrics, such as ontime delivery, that keep customers happy. "Our on-time delivery is very, very high," says Hyder. "The industry average for manufacturing and mining supplies is around nine percent. Ours is around 90 percent. We punch way above our weight."

Geographe has also set what Jim Collins calls a Big Hairy Audacious Goal (BHAG). That goal is to have \$76 million in business under contract by 2025, up from the current \$19 million.

To meet Geographe's BHAG, sales people now call almost every client just before the close of business on June 30, the last day of the financial year, to seal deals, so they can meet an annual stretch goal. For the 2016 fiscal year, they met the target.

#### **EXPANSION MODE**

By 2015, when Hyder formally accepted the CEO's mantle from his father, Clayton Hyder, now chairman, the business had done a complete turnaround. It now employs 115 people and is expanding into local manufacturing in Africa and Indonesia. With revenue and profits climbing and on-time delivery making the company stand out, Hyder and his team are focused on deepening relationships with their customers.

"The systems we've put in have built on and rejuvenated a great underlying family culture," says Hyder. "Most of my work and efforts have been updating and refining rather than throwing out the old to make way for the new." That approach has proved to be a winning formula for the company.

# CONTENTS

Verne Harnish Tracking Two Numbers	2
Letter From The Owner	4
The Art Of Asking Great Questions	5
Joe Polish Lifetime Value Of A Client	6
Hire Better People!	8
Sales Contests Increasing Revenues and Profits	10
One Simple Habit To Transform Your Life Jim Jubelirer On Tony Robbins' Philosophy	12
Seven Steps To Being Lucky And Good	14

# GETTINGresults

PUBLISHER Carle Publishing Inc.

> EDITOR Erika MacLeod

GRAPHIC DESIGN Jessica Embree

CONTENT COORDINATOR Stacey Cowperthwaite

Stacey Cowperthwaite

#### ADVERTISING (Local) Jim Jubelirer

CONTRIBUTORS

Alex Maness John Salvador Jim Jubelirer Verne Harnish Jack Daly Ari Weinzweig Joe Polish Courtney Deruy PHOTOGRAPHY All images are sourced from Carle Publishing Inc. or iStockphotos.ca unless otherwise identified.

Getting Results Magazine is published by Carle Publishing Inc. All content, copyright © 2017, Carle Publishing Inc. All rights reserved.

This publication may not be reproduced, all or in part, without written consent from the publisher. Every effort has been made to ensure the accuracy of all content in this publication, however, neither the publisher nor The Results Group will be held responsible for omissions or errors.

Articles, reports and information contained herein reflect the views of the individuals who wrote or prepared them and do not necessarily represent the position of the publisher or Results Group. The material herein is intended for educational and informational purposes only. Nothing herein is to be considered the rendering of security advice for specific cases or circumstances. Communication of any legal information contained herein does not constitute an attorney-client relationship, nor convey legal advice or recommendation of any kind. Do not rely on information contained herein to replace consultation with qualified industry leaders or other professionals in your jurisdiction.

Please address all editorial and advertising inquiries to Carle Publishing Inc., Email: erika@carlepublishing.com.

Carle Publishing Inc. is not held responsible for the loss, damage or any other injury to unsolicited material (including but not limited to manuscripts, artwork, photographs and advertisements). Unsolicited material must be included with a self-addressed, overnight-delivery return envelope, postage prepaid.

Carle Publishing Inc. and The Results Group will not give or rent your name, mailing address, or other contact information to third parties. Subscriptions are complimentary for qualified individuals.

CARLE PUBLISHING Phone: (877) 719-8919 Fax: (866) 609-5674 Website: carlepublishing.com



## WELCOME TO GETTING RESULTS MAGAZINE

I'm Jim Jubelirer, founder of *Jubelirer Results Group*, and welcome to the second issue of *Getting Results*. My "Why" is "to contribute to a cause greater than myself." I bring the best practices in business and personal development to business owners and teams who are eager to create breakthrough results.

One key to success is constant learning: "The more you learn, the more you earn!" That is why I created this magazine. I will share the knowledge that I have learned with you so that you can achieve the same success that my clients and I have found over the years.

Inside these pages, you will find information on my approach to business, coaching, and leadership. Read through the magazine, collect your thoughts, and apply some of the principles that you find. You never know where the inspiration to create a better business (and a better you) can come from. For questions, comments, or suggestions about content you want to see in future issues, please contact me at (919) 969-7818 or jim@jimjubelirer.com.

#### Sincerely,

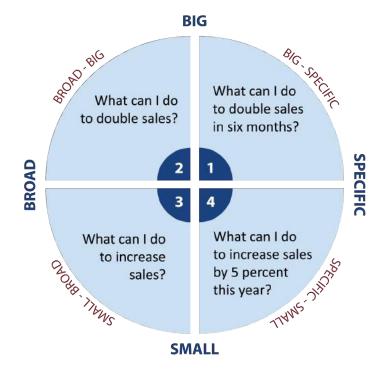
Jim Jubelirer President, Results Group (919) 969-7818 jim@jimjubelirer.com www.jubelirerresultsgroup.com

# The Art Of Asking Great Questions



ou will never get a great answer or a great solution during a meeting by asking low-impact questions. Getting a great answer during a meeting can be as simple, or as difficult, as asking a great question to prompt it. A great question is going to be big and specific, and it will push you and your employees to find a great answer. A great answer is measurable and has associated metrics, so remaining wistfully unaccountable when it comes to a solution is not as easy as it otherwise would be.

When considering the types of questions that should be asked at your meetings, consider the following graphic:



## | Source: Doug Wick,

Extraordinary Results Require Great Answers

## THIS QUADRANT SYSTEM SHOWS FOUR POTENTIAL QUESTION TYPES:

- Small and broad Average questions that occur first to most people. Answers cannot deliver any extraordinary results because the questions aren't very good to begin with. For example, "How can I increase my sales?"
- Big and broad These are too broad. They open the door to too many solutions and finding the best one can quickly become impossible: "How can I make my sales numbers double?"
- **3.** Small and specific These would end up being simple questions that could have answers dependent on variables outside your control: "How can I improve sales by one percent?"
- 4. Big and specific Large goals with specific information. These cause you to stretch your imagination to find ways to solve them: "How can I double my sales this month?"

#### TO ACCOMPLISH YOUR GOALS, FOCUS ON BIG AND SPECIFIC QUESTIONS. LIKEWISE, THERE ARE THREE TYPES OF ANSWERS:

- 1. Doable Answers within your current level of knowledge, experience, and skill. These would be considered the "low hanging fruit" in this situation.
- 2. Stretch Harder to achieve than the doable answers would be. This type of solution is going to require background research and study.
- **3.** Possible These solutions go beyond the first two. They are not guaranteed to succeed, but they are the ideal (best) outcome.

Aim for the best possible answers during your meetings. Encourage employees and yourself to not only think outside the box but to not dismiss answers that may seem out of reach at first glance. Benchmark your goals and practice asking great questions, finding the best solutions, and acting on them. With practice, you will find yourself trending toward the extraordinary results that you are aiming for. ◆

## **Joe Polish:** Lifetime Value Of

A Client

Joe Polish is the founder of Genius Network® and GeniusX®, President of Piranha Marketing Inc., and Co-Founder of 10XTalk.com and ILoveMarketing.com, two highly popular free podcasts on iTunes. Joe's marketing expertise has been utilized to build thousands of businesses and has generated hundreds of millions of dollars for his clients. To grow your business with free training from Joe on Business Mindset Mastery and get Joe's new "Anatomy of a Successful Business" Info-Graphic please visit: www.GeniusNetwork.com/Value

> his is likely one of the most important concepts you will ever learn in your entire business life.

Have you ever sat down and tried to figure out what each Client who does business with you is worth over the lifetime of your business relationship?

If you're like most people, you might have thought about it once or twice but you never actually sat down and put a pencil to the paper to figure out exactly what each client is worth to you over the lifetime of your relationship.

Well, I'm going to show you a simple way to do this, and it's probably going to become apparent to you that each Client who enters your "funnel" is worth a lot of money-if you treat them properly!

So, how can you easily calculate what an average client is worth to you over the course of a year?

Easy, all you do is take your yearly net profit-NOT your yearly gross profit, and

you divide it by the number of Clients you did business with over the last year.

So for example, if you netted \$360,000 in income over the past year and you did business with 1500 Clients over the course of that year-the net value of each Client is \$360,000 divided by 1500 or \$240 in profit for every Client who enters your funnel.

OK, you're probably saying to yourself-"That's nice to know, but what does it do for me?"

Just hold onto your seats for one minute because I'm going to show you exactly how you can use this principle to skyrocket your business...

Getting back to the example, we now know that every new client is worth \$240 in profit to you, right?

So how much are you willing to spend to attract new Clients to your business?

Now, when I ask that question I hear a lot of answers like this - "I don't have any

extra money to put into the marketing budget" or "sending a direct mail letter is too expensive and it doesn't work anymore" or "I just can't get Facebook or Google AdWords to be profitable," or "all my Clients are by referral or word-ofmouth..."

Unfortunately, most who say these types of things are completely missing the point!

We now know we can spend up to \$240 per client *without losing money.* I'm not suggesting that you must spend \$240 to get a client, but I would do it all day long and be as happy as a pig in mud.. (By the way, do pigs really enjoy mud? I mean it's just an expression, but I've always wondered.)

Anyway, back to the subject at hand ...

I would certainly be willing to spend \$240 per client in marketing costs to get a new client in my funnel.

By the way, it sometimes costs me more than \$240 to get a new Client through

"cold" marketing techniques like mailings, telemarketing and advertising.

But, I'm totally willing to spend up to \$320 and more to secure a new client because I know that several other things will happen over the lifetime of my relationship with that client.

In many of my events I'll ask my clients to fill out the following chart for the "Lifetime Value of a client." This shows the value of a client for five years. And, during that five-year period they refer five prospects of which one of the prospects becomes a Client:

#### "Lifetime Value of a <u>HAPPY</u> Client"

Let's look at a typical loyal Client...

A. Average First Sale	\$300	
B. Number of Years Client Buys	5	
C. Number of Sales Per Year		
D. Number of Referrals Per Client	5	
E. Percentage of Referrals That Become		
Clients	20%	
F. Gross Sales Per Year (A X C)	\$300	
G. Gross Sales Over Life of Client	\$1,500	
H. Number of Referrals That Become		
Clients (D X E)		
I. Gross Sales for Total Referrals		
(G X H)	\$1,500	
J. Total Value of Satisfied Client		
(G + I)	\$3,000	

Now I don't know about you, but I think this example is very "eye opening". That \$300 sale is worth \$3,000 in sales over a five-year period if you only make one sale per year to that client. However, I'm also being very conservative. I'm also not factoring in all the additional sales of other products and services that you could sell to your clients. I didn't even include a price increase over a five-year period and this client still represents \$3,000 in business over a five-year period.

In just a moment I'm going to show you how things can get real optimistic, but first I need to show you the Lifetime Value of An Unhappy Customer.

#### "Lifetime Value of An <u>UNHAPPY</u> Customer During A 5 Year Relationship"

Let's look at a typical unhappy or dissatisfied customer		
A. Value of a Satisfied Customer	\$ 3,000	
B. Studies Show That a Dissatisfied Tells 12 Prospects	Customer 12 Prospects	
C. % of Negative Referrals That Do Customers	n't Become 25%	
D. Lost Customers Because of Negative Referrals $(B \times C)$ 3 Customers		
E. Value of Lost Customers Because of Negative Referrals (A × D) \$9,000		
F. Total Cost of One Unhappy Customer (A x E) \$27,000		
G. Total Cost of Ten Unhappy Custom	ners (F × 10) \$270,000	

To begin with, each of your Clients, on average, should refer three new people to you over the course of a year. There is absolutely no marketing cost to sell these referred clients! The only cost that you have is the Referral Reward. If you give your clients a "Referral Reward" (like cash or a gift card, a certificate for dinner at their favorite restaurant, or even a spa treatment) every time their referral results in a job, then you'll only have a cost of between \$25-75 per **NEW client** from referrals. I'd buy Clients all day long for \$25-75 bucks!

Second, if you <u>provide exceptional client</u> <u>service</u> then your clients will call you back. This is where things get exciting! These are easy sales and they also have <u>zero</u> marketing costs attached to them.

Now, I'm overlooking one more major profit center. If you treat your Clients properly, they will buy not just your main product or service, but other complimentary products or services you can offer as well (or any affiliate offers you want to provide them), for the rest of your life.

But there's one catch:

You <u>must</u> pay attention to your clients!

Don't just "close the sale," and never talk to them again... and then expect that when next year rolls around they will still have your business card in a safe place and just call you. Forget it, it will rarely happen. You also won't get referrals from these people if you ignore them.

So, the big question is...

## <u>"How do you communicate with your clients</u> enough so they don't forget about you??"

Here are some answers: a monthly newsletter, a podcast, birthday and anniversary cards, other direct mail, email, social media engagement, straight to voicemail broadcasts, text messages, and more.

Be honest, don't you enjoy it when you get a hand written thank you card, an anniversary gift, or Facebook message? Don't you feel a little special when you can tell a company you do business with actually cares about you? Doesn't it feel "relationship-forming" when you engage with and relate to the content that a company you do business with publishes? Don't you start to feel like you have a bond with them (even though you don't talk with them face to face all the time)?

Well...You're not that much different than your clients!

I recommend that starting this month you either put together your own informational and friendly client newsletter, or create a Facebook Company Page and friend you clients, or create a system to send out handwritten thank you cards and birthday cards to your clients (or all the above),

### Whichever way you decide to go, I suggest you start immediately!

If you follow my advice and calculate the Value of a client to YOU, then spend some money on acquiring new Clients, and keep in touch with them. If you do this, I imagine you could double or even triple your business in the next six months.  $\blacklozenge$ 



## Hire Better People!

Jim Jubelirer is a seasoned executive, coach, and public speaker. Jim's mission is to help leaders improve their business performance and personal satisfaction. Jim speaks to a wide variety of audiences about leadership and business excellence and motivates people to achieve Breakthrough Results. He has designed and delivered custom training programs, and has delivered speeches, conference presentations, and/ or executive seminars to over 6,000 people from over 40 countries.

ay Russo, co-author of Winning Decisions, a book for managers on the behavioral aspects of decision-making, taught one of my favorite classes at the Johnson School of Business at Cornell about behavioral science. Behavioral science is a relatively new academic discipline that combines psychology, economics, and neuroscience. Many experiments have shown that when experts are asked questions in the field of their expertise, and then novices are asked those same questions, the novices perform surprisingly well while the experts consistently overestimate the confidence they have in the accuracy of their answers.

It turns out that experts aren't as expert as they think they are! Why is this important? This overconfidence is a bias all humans have. It affects our decision making, and if we're not careful, we end up with less-than-stellar outcomes. When it comes to recruiting, hiring, and onboarding new employees, lessthan-stellar outcomes can cost your organization big money.

I work with middle market (\$4M - \$200M) companies who are growing and hiring. Those companies consistently spend too little time, money and attention on the hiring process. Common flaws in the hiring process include:

- Weak applicants
- Fudged resumes
- Faked interview responses
- Lack of verifiability
- Insufficient time for proper vetting and interviewing
- Inadequate information about the candidates
- Superficial interviews that lack the essential questions

• Reference checks that are practically useless

According to surveys from Gallup, 70 percent of the American workforce is disengaged, 20 percent of which is actively disengaged. Young people, who make up a disproportionate share of the service economy, are more disengaged than older workers. Companies may invest millions of dollars in sophisticated information systems, yet they don't apply that same degree of sophistication in creating a work culture that breeds engagement. All too often, people accept a position because of an appealing job and company but leave because of their boss's poor management skills.

In my workshop "Why You Suck at Hiring—and What You Can Do About It!", I describe the degree to which people's unconscious biases lead them to make bad decisions. Those biases can manifest themselves in many ways. Here is one thing to keep in mind, however: anyone can convince themselves of anything, and once a judgment is made, it isn't too difficult to find evidence which seems to corroborate that judgment, at least at face value

#### **INTERVIEW BIAS**

Here are some common biases that can hinder a successful hiring process:

**Overconfidence** – We are way too confident in our abilities. Those of us who firmly believe in our own objectivity are those most likely to succumb to bias.

**Recency** – We tend to give more weight to recent information.

**Affinity** – We like people who are similar to us or remind us of someone we like.

**Beauty Effect** – We attribute qualities to people based on their appearance.

**Ego Depletion** – When fatigued, willpower is diminished.

**Comfort Effect** – Interviewers tend to rate candidates more highly when the interviewer has a warm beverage in their hand.

## WAYS TO COMBAT BIAS IN JOB INTERVIEWS

Most mistakes made by hiring managers occur during the first 30 minutes of a job interview. Most of those mistakes are made because of preconceptions. Combating job interview bias is not an easy task, but there are certainly some things a hiring manager can do in order to overcome it:

Take note of your first impression of someone, and then determine whether

stereotypes or unconscious bias are tainting your view.

Set clear criteria that are directly related to the performance of the available position before the selection process begins, and encourage accountability by all team members to explain decision making when hiring.

Utilize two interviewers and require them to compare notes and then agree on a combined score.

Match your candidate with the skills you have listed in the job description. Follow this up by asking relevant questions.

Measure your first impression twice: immediately upon meeting the candidate and again 30 minutes later, once you have actually had adequate time to make proper judgments.

#### HUMAN INTELLIGENCE VS. ARTIFICIAL INTELLIGENCE

Given our innate biases as humans, wouldn't it be more efficient to interview job candidates using a computer program that doesn't have the same problem? It turns out that algorithms outperform human hiring managers in a wide variety of jobs and settings. Don't be surprised by people's aversion to automated decision making, though. Forecasters frequently choose a human solution, even when presented with evidence of an algorithm's superior performance.

The best solution is to leverage the strengths of both human decision makers and automated support systems.

#### **A-PLAYER SYSTEM**

The A-Player System helps companies

create a high-performing workplace culture by starting with the root of it all—hiring the right people. It combines human and artificial intelligence to create a comprehensive process that makes hiring better, easier, and more productive. It consists of three parts:

#### 1. Strategic Workforce Consulting

- 2. Project Management
- 3. Hireology's Hiring Software and Talent Acquisition Technology

Businesses use the A-Player System to deliver consistent and repeatable hiring decisions, leading to a lower turnover rate and increased profitability. The organic lawn care company, Pleasant Green Grass, utilized the A-Player System to find the right replacement for their Office Manager in just one month. "Hands down, this process is faster and more effective than what I did previously," says CEO Scott Walker. "I am finally putting together my dream team. It's is a game changer. It is something I know I can turn to and get results from. With Jim's strategic guidance and the power of Hireology, I know I am going to find who I am looking for. I'm able to make confident hires and focus on growing my business."

The A-Player System overcomes the limitations of human bias by using a structured process that combines the best practices from behavioral sciences with talent assessment algorithms. The outcome is you hire better people, easier and faster — and who doesn't want that! ◆



FOR MORE INFORMATION AND TO READ THE FULL CASE STUDY ON PLEASANT GREEN GRASS, PLEASE VISIT **WWW.APLAYERSYSTEM.COM**.

# Sales Contests

## Increasing Revenues and Profits

've been selling for six decades and this much I know: Sales people love competing and companies can tie sales-incentive prizes to desired revenue and margin goals. Let me say that another way. Done with thought, sales contests are not expenses but rather investments. Before digging into the contests directly, let's step back and look at compensation for salespeople.

All too often, companies will tweak one or two components of the overall "comp" plan, which is not the best approach. Here are the component parts of a comp plan: salary and benefits, reimbursement of outof-pocket expenses, target incentive pay, over-target incentive pay, contests and recognition. When looking at restructuring your salesperson compensation plan, we recommend each component be reviewed and cobbled together in a comprehensive approach which reinforces the overall desired goal. This article will address the contest component.

"All in all, recognizing successful salespeople may be the single most critical way to boost sales results," says Nancy Grden-Ellison. Here are five benefits a company derives from sales contests: a) Growth of revenues from both existing customers and new customers; b) Profits, derived from encouraging the desired mix and margins; c) Customer satisfaction; d) Attracting and retaining sales talent; and e) Improving sales productivity.

Here are some Reward Program guidelines to be considered:

a) Match the reward to the person

b) Match the reward to the achievement

#### c) Be timely

d) Short lifespan/change frequently

e) Variety in both time and content

#### f) Make it public

Recognition and rewards provide an effective low- to no-cost way of generating high levels of performance in both good times and tight times. Let's look at some basics in constructing sales contests.

#### "ALL IN ALL, RECOGNIZING SUCCESSFUL SALESPEOPLE MAY BE THE SINGLE MOST CRITICAL WAY TO BOOST SALES RESULTS."

a) I like saying it this way: Daily, weekly, monthly, quarterly, and annual contests, each as an overlay on one another. This keeps more and more of the salespeople "in the game" and provides an air of excitement and enthusiasm throughout the team. Passion sells!

b) Structured properly, most, if not all, of the contest payouts can be directly tied to sales and margin results. When the salespeople perform and deliver the results, there is a contest payout. No results equal no payouts.

c) When designing the contests, some should have individual winners, some should have team winners, and some should enable each and every sales performer to win.

d) Work hard to design the contests so as to avoid "same people win" syndrome.

e) Design the contests to be both creative and fun.

Let's learn from some examples. I call the first "The Mercedes Club." I once had a company with 120 salespeople working at an inbound call center. The building parking was insufficient to handle all the cars, so late-arriving folks had quite a walk. One day I suggested to my two partners that we designate the spot closest to the front door to the top-producing sales performer. At first, they wholeheartedly agreed. When I mentioned that we put a Mercedes in the spot for the winner, they declared the idea as "too expensive." No, I said. I planned to use one of their cars. That didn't go over well either.

I asked what the monthly lease payment was and found it to be \$950. I said let's round it off to \$1,000 and throw in a winner shirt. The winner would keep the shirt but the car would be up for grabs the next month. We guessed it would result in 40 additional deals per month, where we made profits of \$1,500 per deal. That's a \$60,000 return on a \$1,000 investment. We agreed it was a deal worth making.

Here were some of the key components: a) A single winner each month; b) The contest standings were posted daily each month for all to see and raise the competitiveness; c) An awards ceremony each month with the prior month winner handing over the keys to the new winner. The car was in the background for a photo, and each month an article with the photo was sent to the press saying that we gave a Mercedes away to our top sales performer; d) Continuing reinforcement for all on the team as each month the contest began again; and e) The bonus result was the traveling car became a recruiting tool as friends of each winner inquired how could they get such a job.

Here's another, called "Caribbean Cruise." In this company, there were 2,600 salespeople. Historically, the top few percent of performers would win a group trip for two for a week to somewhere exotic. The shortcoming was that each year, most of the winners were the same from the year before. After analyzing the cost and a companion increase in annual sales levels per salesperson, we announced that the ultimate result desired by the company was that all 2,600 would win a cruise for two for the week. All a salesperson had to do was meet/beat the stated sales production. I felt it would be awesome to have to take over a full cruise ship (or two) if all won.

Let's review some of the key components: a) The math was critical, such that the sales production of each winner in effect paid for the cost of the cruise...and then some; b) Here we had an annual award, keeping more in the game over an extended period of time; c) All can win, not just "top producers" winning and everyone else bailing out and the contest being a de-motivator; d) Tracking and posting of standings was done monthly and sent to the salespersons' homes (to apply spousal pressure to get out and sell); e) The recognition ceremony was held on the ship, where all couples were invited, sharing in the pride (and where next year's trip would be announced to once again begin that spousal pressure to be sure to win it again); and f) Continuous reinforcement that each performer still had an opportunity to win.

The next example we called "Steak & Beans," we would hold this contest from time to time on a surprise basis, often to stimulate selling a new product or going

after products with a higher margin or for other reasons. We divided the sales performers into several teams for competitive purposes, and the contest would run for a couple months. The winning team would enjoy a night out together at a fine restaurant and sit on one side of the table. Tablecloths, fine china, wine and steak or lobster would be theirs. On the opposite side of the table would sit the last place team. Newspaper instead of tablecloth, paper plates, plastic cutlery, a dollop of beans, and beer was theirs. The chef would come out with toque on and serve the beans from the pot. For the next month, banners at the office would

#### "RECOGNITION AND REWARDS PROVIDE AN EFFECTIVE LOW- TO NO-COST WAY OF GENERATING HIGH LEVELS OF PERFORMANCE IN BOTH GOOD TIMES AND TIGHT TIMES."

hang above each team: The Dream Team and The Bean Team. We were never sure how hard people fought to be first, but we knew all fought to not be last. Great fun.

Let's review some of the key components: a) The math was easy, as a small increase in sales more than covered the investment of the evening; b) Flexible timing, as the contest could be held anytime for any purpose; c) Team concept was reinforced, with folks helping each other get better and sharing best practices; d) Tracking and standings posted regularly; e) The ceremony was the dinner event; f) Continuing reinforcement to the extent that this contest was regularly requested by the salespeople to be run again.

Here's another called "The Lottery." This contest would run for a designated period, let's say a business quarter.

For each sale made or dollars of sales made, salespeople would win tickets with their names on them to be included in a lottery at the end of the quarter. More sales equaled more chances to win. Three prizes in total. Third prize might be a \$200 gift certificate. Second prize, a three-day cruise for two. First prize, a one-week trip for two to Hawaii. At the end of the guarter, the lottery picks would be drawn from a barrel. Third prize was picked first. If a person's name was drawn and the person took the prize, third prize was settled. If the person passed, the person's name was dropped back into the barrel. Top producers would pass on winning third prize, but salespeople with not many entries would take the money and run. Concerning second prize, if a top producer was drawn again, it became a serious debate. If the top producer passed, the group would howl and there were cheers knowing that anyone other than the individual who passed on the cruise would win. Total fun and great competitiveness.

Let's review some of the key components: a) The math was calculated and prizes determined so that the contest would self-fund; b) Flexible timing; c) Tracking and posting of standings of entries in the lottery; d) Individual competition; e) Ceremony with all in attendance and plenty of "smack talk." Once again, fun and rewarding.

So, do your sales contests pass the test?

1. Increased camaraderie & teamwork?

2. Enhanced culture designed to attract and retain winning sales performers?

3. Increased sales and profits?

4. No cost/expense (self-fund concept) recognition/rewards programs?

THE SALES

PLAYBOOK

JACK DALY & DAN LARSON

HYPER SALES GROWT

Injecting fun into competiveness?

Jack Daly is an expert in corporate culture that inspires audiences to take action in customer loyalty and personal motivation. He delivers explosive keynote and general session presentations. Jack brings 30+ years of field proven experience from a starting base with CPA firm Arthur Andersen to the CEO level of several national companies. Jack is a proven CEO/Entrepreneur, having built six companies into national firms, two of which he subsequently sold to the Wall Street firms of Solomon Brothers and First Boston.

# One Simple Habit To Transform Your Life

Jim Jubelirer On Tony Robbins' Philosophy

hroughout human history, great leaders have used the power of words to transform our emotions, to enlist us in their causes, and to shape the course of destiny. Beliefs are formed by words—and they can be changed by words. Words provide us with a vehicle for expressing and sharing our experience with others.

Do you realize that the words you habitually choose also affect how you communicate with yourself and what you experience?

Over the past 40 years, Tony Robbins has worked with more than 50 million people. He has observed the power of changing just one key word in your communication and the way it instantly changes the way people feel-and how they behave. Simply by changing your habitual vocabulary—the words you consistently use to describe your emotions—you can instantaneously change how you think, how you feel, and how you live. This is the power of consciously using your words to improve the quality of your life today and for the rest of your life.

The English language contains some 500,000 words. Yet the average person's working vocabulary consists of 2,000 words. That's only 0.4 percent of the entire English language. And the number of words we use most frequently— the words that make up our habitual vocabulary? For most people, it averages 200–300 words. Isn't that unbelievable? Of the 3,000 words which describe emotions, two-thirds describe negative emotions. With such amazing resources with which to express our feelings and ideas, you don't have to accept such an impoverished vocabulary.

Words have a biochemical effect on the body. The minute you use a word like "devastated," you're going to produce a very different biochemical effect than if you say, "I'm a bit disappointed." The challenge is that the words we attach to our experience become our experience. If someone said to you, "I think you're mistaken," versus, "I think you're wrong," versus, "You're lying," your response would vary drastically, right? The same exact process happens with the words that we use within ourselves, but unfortunately, we do not consciously choose our words to describe our emotions. For emotions that we experience that are distressing, we have habitual words that we attach to them, and we're less conscious of their impact.

Making simple changes to the way you speak can have profound benefits. The following is a story that Tony Robbins tells directly in his own words:

"I first became aware of the power of the words we use to label the experience of our emotions during an intense negotiation, more than a decade and a half ago. The other side unjustly closed a deal that was not to our advantage. I was extremely upset. As I left the meeting to sit down with my two partners, I couldn't help but notice that the three of us labeled the experience radically different[Iy].

I was struck by how each of us used words that had such radically different levels of intensity and also how [our] experience of the event was radically different. How could it be that I was "angry" and "upset," one of my partners was "furious" and "enraged," and my other partner was "annoyed" and "a little peeved?" The word "peeved" itself "annoyed" me. I thought, 'What a ridiculous word to describe what these people had done to us.' It seemed stupid in my mind. I thought to myself, I would never use this word to describe how I was feeling...but then again, I had never been that calm in an unjust situation. I began to wonder, 'If I did, how would I feel?' Just to use the word "peeved" would probably make me laugh. It seemed so ridiculous.

I began to notice the pattern of language

that different people had and how their language patterns produced a magnification of their emotion or a softening of it. I decided to try a 10-day challenge with myself where I would first identify the emotions that I experienced most often that were most distressing and find a new word—a word that would soften or actually seem ridiculous—to break my own pattern of thought and feeling.

I got my first opportunity after a long series of connecting flights, all of which were late. I arrived at my hotel at two in the morning, knowing I had to be up to speak at 8 a.m., and waited at the front desk for 10 minutes while the clerk searched for my name in the computer at a pace that would make a snail impatient. I felt the frustration gathering inside me; it started to build into anger, and I finally turned to the man, as I felt my intensity grow, and said, 'I know this isn't your fault, but right now I'm exhausted and I really need to get any room you can find for me because I'm starting to feel myself getting "a little bit peeved." Just saying the word "peeved" by itself changed the tone of my voice and made the whole situation seem silly. The clerk looked at me perplexedly and then broke into a smile. I smiled back; my pattern was broken. As ridiculous and overly simplistic as this sounds, the simple replacement of the word I used within my own vocabulary broke my pattern. **The emotional volcano that had been building up inside of me instantly cooled.**"

To change your life, you have to shift your emotional patterns. To shift your emotional patterns, you have to consciously select the words you're going to use to describe how you feel. What would your life be like if you could take all your negative emotions and lower their intensity consistently? How much greater would the quality of your life be if you could intensify every positive experience you've ever had? ◆



# Steps To Being Lucky And Good



## "Glitz will only get us so far; to achieve longterm business sustainability our product actually has to be good—not just have good marketing."

n the past year or so, I've been asked to speak on the subject of innovation about 14 times. As the economic screws tighten, it seems like the pressure increases to invent the culinary equivalent of the next iPhone. People from the media, business schools and bigger companies keep asking me to predict tomorrow's big breadwinners and to foretell the food world's future. I'm honored to be asked, but there's little that we do here that's about being predictive—Zingerman's isn't now, nor has it ever been, about catching the next big wave.

So what's the secret to success? Well, I can tell you some of the things that we've done in focusing on quality and using the food we make, serve and sell to create the foundation of a sustainable, high-energy business. I'm not 100 percent sure that the seven points that follow are the right ones for everyone. But I'm pretty sure that they're the approaches that have been working here for nearly three decades now.

#### 1. MAKE SOMETHING SPECIAL.

If we want to have a special business, the products we sell have to be special too. I'm not saying they have to be expensive, just special. Exceptional. Engaging. Interesting. Different. And better still, unique. Selling stuff that everyone else is selling—even if they're moving a lot of it—is almost never where we look to put our energies. What we want to work with here is the stuff that's NOT selling—at least not yet. We want to put something out there that people will get excited about, take note of, talk about and want to actively get behind.

#### "IF WE WANT TO HAVE A SPECIAL BUSINESS, THE PRODUCTS WE SELL HAVE TO BE SPECIAL, TOO"

#### 2. CREATE SOMETHING PEOPLE ARE GOING TO WANT.

I almost skipped this one because it's so obvious but, yeah, making a distinctive product of exceptionally high quality that no one is going to like or be interested in paying for isn't going to get us far.

How do we know what people are going to want? One option is learning to go with our gut and find those foods that feel right even though anyone in their right mind would tell us they'd never sell. Having done that dance dozens—actually hundreds—of times over the years I'm well familiar with it. Seriously, it's safe to say that nearly every significant product we have here was either

(a) unknown in Ann Arbor,

(b) something most everyone said would never sell or, in many cases,

(c) both.

One of the ways we do it here at Zingerman's is to home in on foods that hardly anyone in our part of the world has ever eaten but that are traditional and popular in their place of origin. To me there's not much research needed for this stuff: people from the American South, Tunisia, North Carolina, southern Italy or almost anywhere in the Badger state will tell you exactly how good these foods are. So it's not a huge leap for me to forecast that as-yetunsuspecting Ann Arborites are going to like them, too.

#### 3. YOU'VE GOTTA BELIEVE!

I've come to realize over the years that what we sell has to be special, not just so that it stands out in the marketplace but because the people who work in our organization absolutely have to believe in what they're doing. When this is the case, employees feel comfortable selling the products, media people like to report on them and customers like buying them. Because there's nothing to hide, you can just come at it from the heart and know that the more customers learn about a product, the more they're going to like it. And from there, we generate the solidity, trust, calm confidence, appreciation and abundance mentality that are found in any mutually rewarding relationship.

#### 4. SUBSTANCE SELLS.

Glitz will only get us so far; to achieve long-term business sustainability our product actually has to be good—not just have good marketing. In order to get the emotional buy-in and passion we're looking for, those who buy from us have to understand why our products are distinctive, why they cost what they cost and how they will make their lives better.

#### 5. DEFINITELY SWEAT THE DETAILS.

Ideas are wonderful and all, but when it comes down to the food, what we serve does have to taste good every day in the real world, not just in the test kitchen. In order to make this happen we have to watch the details. All the time. In the food business, maintaining outstanding guality is a lot of work-and it can all come apart at a moment's notice. Just because we made one good meal doesn't mean the next one will be good, too. All it takes is someone forgetting to add the salt, or serving tepid soup from a steam table and before we know, a guest is having a way-less-than-stellar experience.

#### 6. KEEP GETTING BETTER.

While we may have made great things happen for nearly 30 years here, there's still no way we can happily sell customers the same sandwich tomorrow that we sold them yesterday. Anyone who's committed to greatness in the food business knows there's no resting on laurels; if our food isn't getting better then we're sinking into the morass of the middle of the market.

#### 7. IF THE FOOD ISN'T GOOD, PEOPLE AREN'T COMING BACK.

Okay, maybe that's not always true. But at Zingerman's, from the day we opened back in 1982, we've believed that the burden was on us to produce something-food, service or, better still, both-that would make customers want to travel a long way to buy from us. And it's still true today. When we score quality-we do it here on a 0 to 10 scale-we're driving for the hard-tohit 9s and 10s at the top of the chart. While 7s and 8s aren't likely to cause customer complaints-that's the range where people are usually perfectly satisfied-we want to sell stuff that leaves people talking and shaking their heads in a good way.

While we never get it all right, and we know everything we do can be improved upon, it's those 9s and 10s that have taken us to where we are today. They are also what make customers start thinking about coming back not long after they finished their lunch.

To be clear, in closing, I don't think anyone has to do any of the seven things I've listed here in order to be successful. But I do think these seven steps can make a difference. A few years ago I was in Calabria visiting with a talented cheesemaker. As we were finishing lunch, after discussing the details of cheesemaking and tasting a bunch of terrific cheeses, he leaned over and said, "People ask me if I believe in luck." I paused, having not a clue where he was going with this story. "I tell them, for sure, I believe in luck. But I find the harder I work, the luckier I get!"

I'm with him. When we achieve all seven of these steps, sales seem to get stronger, the staff seems more engaged and the bottom line tends to look a whole lot better. I guess then that seven really is a lucky number.

Ari Weinzweig is CEO and co-founding partner of Zingerman's Community of Businesses, which includes Zingerman's Delicatessen, Bakehouse, Creamery, Catering, Mail Order, ZingTrain, Coffee Company, Roadhouse, Candy Manufactory, Events at Cornman Farms. Ari is the author of a number of articles and books, including Zingerman's Guide to Better Bacon (Zingerman's Press), Zingerman's Guide to Giving Great Service, Zingerman's Guide to Good Eating (Houghton Mifflin), Zingerman's Guide to Good Leading, Part 1 and Zingerman's Guide to Good Leading Part 2. Zingerman's Guide to Good Leading, Part 3; A Lapsed Anarchist's Approach to Managing Ourselves; Zingerman's Guide to Good Leading, Part 4; A Lapsed Anarchist's Approach to the Power of Beliefs.



# HIRE BETTER PEOPLE – KEEP THEM LONGER AND HAPPIER!

Your poor hiring decisions are costing you **BIG MONEY**! Learn how to hire only the best people and create a **High Performance Culture**.

## With the A Player System, you receive a:



**Talent Assessment** 

Would you enthusiastically rehire everyone on your team? If your answer is no, learn a proven method for creating a high performance culture.



#### Review of Key Weaknesses in Your Current Hiring Process

Most companies fail to perform in a very predictable way. You'll learn about real-world tools that will guide you through the best practices of effective hiring.



New, Customized System for Recruiting Top Talent

The **A Player System** is designed for busy owners and managers to get results immediately.

