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*The best and bravest of Greece's young men, the Argonauts, drawn by the adventurous spirit of Jason, joyfully joined him in the quest for the Golden Fleece. Now that we've got the money, who's going to lead, manage, advertise, promote and sell?*

## PEOPLE—THE YEAST TO GROW THE BUSINESS

### NUMBERS COUNT, BUT LEADERS CAN SEE MORE

Consider the quandary that arises when an outstanding employee is promoted to a position whose title includes the magic word “manager.” How do we know this person has what it takes?

There is one other factor that we always tend to forget—common sense.

Oddly enough, despite all the literature on management, we know little about management as a skill. Some of the abilities involved include having people as well as executive skills. Among the executive skills, is the ability to make decisions.

Too often we all want to defer a decision because it is unpalatable or difficult to face. Of course, there are a number of ways to defer decisions, the simplest being to either hold a meeting or form a committee. I’m not suggesting that all decisions should be made on the spur of the moment. Decisions require a data collection exercise to cover all of the bases—but eventually, somebody has to decide.

The trick, of course, is to find a natural balance between impulse and thought—the old 80/20 rule. We can probably get 80 percent of the information in 20 percent of the time. I am a great believer in the idea that the power of decision is in inverse proportion to the amount of money it takes to change it.

**Technical Skills.** On the technical side, we are required to take a hard look at what industry the manager is going to function in. I guess this is why very often we promote good technical and sales people out of their trained field into a management role in another part of the company. A good background of commercial or industrial practice or a good knowledge of the business will certainly help a manager. In many cases, specialized knowledge has been the stimulus that has propelled individuals into a management position. In many instances, this elevation has left the individual a little insecure because it doesn’t answer two key questions: was the promotion based on management skills or specialized knowledge and which set of skills will be used to judge performance. This leads to the familiar “If I’m so successful, why do I feel like a fraud?” syndrome. These issues are often not resolved until the individual moves into a new field and gets to learn that, indeed, people and executive skills are transferable.

With the technical skills, we also should include the ability to organize and control the scheduled activities and, of course, to report results, good and bad. It is imperative that we endow our people with the ability to use the latest resources available to them, whether it is critical path management, telemarketing, direct mail, or the Internet, all of which allow us to better use our time and increase our productivity.

There is one other factor that we always tend to forget—common sense. It is imperative that whether we have great technical skills, great interpersonal skills, or sound

technical training that we temper our own abilities with common sense. Too often we go with the numbers and disregard our gut instincts, often to our detriment. The numbers never tell the whole story. Numbers, by their nature, are a balance sheet of the business—fixed at a definite period in time. While they can definitely establish trends, they are not the whole picture. We need to look further afield. I guess this is where the essential difference occurs between a manager and a leader. The leader has the ability to look beyond the numbers—to think in broad picture outline, uncluttered by detail. The leader also has the ability to develop the elements of the business independently rather than flesh out elements designed by somebody else.

Becoming a manager is tough because it requires that we turn our attention to a wider range of skills and involvement. In developing a new manager, we are required to assess the individual and design a program that will guide that individual along the right path. We add the talents and skills needed to do the job as the new manager develops. I prefer an apprenticeship approach with 80-percent on-the-job training and 20-percent courses and industry trade association activities.

In making an assessment, design a simple chart that includes technical abilities, staff and peer relations, flexibility, and decision-making ability as an aid in evaluating management candidates. Finally, don't forget to get some help. There are many talented human resource people who will be only too willing to share their views on how to develop management from within.

## **GEOMETRY DRAWS LINES OF AUTHORITY**

Understanding management theory can sometimes be reduced to a matter of geometry. We conjure up organizational images of different shapes—some circular, some triangular, some square, and some oblong. We speak of square pegs in round holes and patchwork quilt structures. U.S. organizations are pyramids by nature.

Power is concentrated at the top in the typical U.S. company. The right and authority to make key decisions rests squarely in the hands of the person who sits atop the pyramid structure. For decisions of decreasing importance, the power to decide moves further towards the base of the pyramid. With such a structure, the decision-making process can be swift and decisive. It is a relatively simple matter to get the top people together to consummate a business deal.

In Japan, to contrast, decisions are not necessarily made at the top. On paper, the typical Japanese company organization chart may appear not to differ in function and layout from a reengineered U.S. company. Separate general administration, manufacturing, sales, and R&D departments are managed by middle level managers who report to the president and up the line to the chairman. Within this familiar looking shell, however, there are great differences in how the organization functions and how power is exercised.

Whether in government or private industry, power in a Japanese organization is decentralized into a number of parallel paths to the top, hence an oblong image. Each middle level department manager usually is given complete control for each project under consideration.

The wisdom of conventional western management by objectives teaches that younger, lower ranking managers must wait for guidelines and instructions to be passed down from superiors. The opposite is true in Japan. Indeed, more new initiatives come from below, with proposals and plans often originating at comparatively low management echelons. Certainly many matters are left completely up to the many section managers who exhaustively study each project and recommend a plan of action to the others. This horizontal consideration of each matter, which takes place with and through related sections or departments, results in adjustments to the overall plan. This consensus procedure lays the groundwork either for a complete program or a final draft to be prepared and presented to top management. Concurrence is then obtained by passing the actual draft about for everyone's signature, and sealing with each name stamp.

Although the final seal (power) of authority and approval resides with top management, the right to initiate and propose is held by middle management. This approach encourages considerable initiative on the part of lower management. Unlike those in the west, few supervisors feel insecure or threatened by the brilliant performance of their junior people. Rather, they are generally securely locked into their jobs by lifetime employment and seniority, and a subordinate's success will favorably reflect upon the superior. The quality circle concept, introduced to U.S. managers in the 1980s, is probably the best example of this process. In Japan, the cultivation of future management talent is very much in the forefront.

The division of responsibilities and rewards also tends to decrease counterproductive personal, professional, and interdisciplinary rivalries. Staff and line management functions are combined. Proposals are passed gradually up the management ladder to the CEO, provided there are no major snags or complications. In this manner, all levels are aware of the objectives and requirements of the proposal, so the final approval is almost a foregone conclusion. While it takes time to get the final go-ahead, the groundwork of approval and wholehearted support has already been gained in the trenches. Contrast this process with the U.S. system. Swift decisions made at high levels can bog down during the execution and detail phases at the lower levels of the pyramid.

Which system is more efficient for small business? There is no right answer since each project is unique. Certainly, the Japanese decision-making method is more effective in terms of cultivating people initiatives and coming up with the best, final plan with a far more company-wide perspective. While the consensus building approach is a proven model for most emerging businesses (the rationale why VCs invest in management teams), there is also the clear exception in fast-moving, ever-changing technology industries such as computer networking and telecommunications. Novell and Motorola, two acknowledged leaders, continue to post disappointing financial results. In such cases, a clear case can be made for a return to a "dictatorial" CEO—the strong leader

with the vision and drive to respond swiftly to market forces. We use a subset of such an approach in requiring all the equity deals Fluor Daniel considers to be sponsored by an “advocate”—someone who takes ownership, and accountability, to identify, evaluate, and create the business.

## SCHIZOPHRENIA LEADERSHIP—WHOSE SIDE ARE YOU ON?

We’ve seen those individuals that tend to play both sides of the street and often, both ends against the middle—those middle managers who exhibit schizophrenic leadership!

Typically, these schizophrenic middle managers claim upper management is not always in tune with what they are thinking and feeling. Sometimes they are right! These people who feel this way often hold jobs that interface with customers such as sales, marketing, or service. There is little incentive for them to play the company game because their compensation package often includes a bonus based on a percentage of sales, not a share of gross profit. So there is more incentive for them to play the individual game.

- Fact—good sales people spend more time with customers and less with management.
- Fact—in the interest of successful sales, they push aside psychological needs such as fairness and job security.
- Fact—it’s often hard for sales people to see any real career path and chances for advancement.
- Fact—salespeople are out on the front line; getting the credit for the major sale to be sure, but also taking the abuse from the customer when things go wrong.

In general, to be successful in sales or marketing, people have to be able to play different roles within and without the company. In common with psychological schizophrenia, they develop multiple personalities. These personalities can be very diffuse with wild mood swings—to neurotic, depressive, euphoric, and normal. The most famous cases come from literature and film: *Dr. Jekyll and Mr. Hyde* and *The Seven Faces of Eve*. This often means that they must be both sympathetic and sensitive to the customer’s needs and at the same time loyal to and frank with the company.

Schizophrenic managers claim upper management is not always in tune with them. Sometimes they’re right.

It is when these people cross over the sympathetic line and adopt the advocacy role that we see schizophrenic leadership in practice. On returning to home base, the advocate is faced with a direct conflict of interest. The customer has made certain demands which, if they weren’t refuted on the spot, now place the individual in the situation of having to support the customer, literally against the company. Consider further the exacerbation

caused by compensation based on gross sales and the individual's lack of interest in gross profit to the business.

These people find themselves between the proverbial rock and the hard place when management asks seemingly straightforward questions about the business opportunity. Questions such as what is the status of the job?, What are our chances of getting the job?, and How much money do we stand to make from this job? are all legitimate inquiries from company management. But if the individual is insecure, or inexperienced, or has handled the customer situation poorly and in the process has become the customer's advocate, we've also got the CYA syndrome. The double whammy—both income and job are squarely on the line!

Now the individual must sell the company on the customer, which is clearly the reverse of what the company hired its representatives to do. What we see are individuals attempting to placate two masters, and wisdom says we can't serve God and Mammon. Stated otherwise, which hand are we going to bite, the hand that feeds us on a regular basis or the hand that feeds the other hand.

Clearly, the employee we're describing has developed divided loyalties and has gotten into a conflict of interest situation. The question now is, how should the company respond in the future to guard against a repeat performance?

Company management needs to have frequent and serious discussions with its sales and marketing representatives, provide plenty of training, and have policies that are hard and fast. The message from management must be cross the line at our peril! Policies and procedures must be defined with regard to pricing structure and the limits of authority to set price, such that the sales and marketing representatives are not able to offer price discounts outside of these guidelines without additional authority. Also, there needs to be some counseling as to why the company's position is reasonable. Err on the side that management does understand, all too well! Preach that the company will not tolerate this type of behavior and reinforce the line that the company is in business to make profit after all. Furthermore, each project must be considered on a separate, profitable basis, ensuring that the aggregate contributes to the total profit!

In turn, of course, this means that the company's compensation structure must be such that it sufficiently rewards those who perform and, at the same time, set clear standards by which the individual, and the company, can assess performance. These standards should be objective so that compensation is not based upon the whims of particular managers.

Schizophrenic leadership can be seen operating at the highest levels of the kingdom. Consider the case of the CEO who has delegated his responsibility for decision-making to group consensus and, because of an ego problem, takes back the responsibility—changing horses in mid-stream. A close stepchild of this situation is the schizophrenic who abuses power. This behavior is typical of the owner/partner who wants to play on the team for eight innings but then pulls rank on a junior at the eleventh hour if the project

isn't going down the right way—their way! Picture the effect on employee morale that a lack of direction, or basic breakdown in communication, causes. Wimpy management won't cut it!

It is better to nip the schizophrenia problem in the bud, through frank and open communication, than to lose customers, and key employees, along the way.

## COMMUNICATING BASICS

It seems a fairly simple thing to do—communicate. Sit across the table and communicate ideas in speech or prose to others. To a leader, it is essential to be able to communicate the vision. To the manager, it is necessary to gain information and to communicate instruction and direction. Yet, we often fail, and fail miserably, at this simple task.

In selling, three product features and benefits convey credibility.

Two factors have heightened my sensitivity to communicating clearly and concisely: my understated Aussie accent and my experiences with non-English speaking nationals. Accents can be both endearing and harmful. Occasionally, listeners want to listen to the accent and not the message. If I emphasize the wrong syllable during enunciation, I can lose the listener in mid-thought. Interestingly enough, my accent was an advantage in working in Europe and in Asia since English-ese predominated over American-ese. (This was aside from the fact that my Australian passport guaranteed me a much better reception since very few people are mad at Australians.) During this time, I started working with translators and developed the following tips to remember when communicating with a non-English speaking person (or any person for that matter).

**Talk Directly To The Person.** Look directly into the other person's eyes while conducting the conversation. We have a tendency to treat those we can't understand in an inappropriate manner—we try to ignore them. Whether we are talking through an interpreter, or a middle person, ignore the third parties. They don't make the decisions.

**Speak In Complete Thoughts.** Speak in a simple paragraph form, breaking the train of thought where we might end a written paragraph. Interjections, pregnant pauses, and flurries into left field will dilute the logic and the message.

**Set An Agenda Early On.** Particularly with strangers unfamiliar with our business style, indicate both the nature of the topics and how we would like to address them. People feel a lot more secure if they feel they have us pigeon-holed. Conversely, raising new topics and special terms breeds suspicion and jams communication.

**Be Prepared To Explain.** Never assume the listener is as familiar with the topics as we are. Our job is to share information with our listener, which in some cases requires us to educate, in others, to amplify. Be prepared to cordially answer both basic and probing questions in the same affable style. Don't brush any question aside lest we insult the listener and immediately crash and burn.

**Speak Clearly And Deliberately.** For our sake and the listener's, we must take time and pronounce our words clearly so the audience can follow along. This is particularly true with numbers (e.g., 17 versus 70) and with proper nouns. I'm often guilty of getting excited about my subject and expecting my audience to immediately grasp every complexity and every detail. Conversely, don't have the audience hanging on every word—they'll die of frustration before we get to the climax. My own maxim is my own medicine—remember to engage brain before opening mouth! For me, this often means taking a deep breath before responding.

In dealing with foreign nationals, remember that most will be able to read English, a few will speak reasonably good English, but very few will understand the usual rapid-speaking American. Just because someone speaks English is not an assurance they understand our spoken words. If we ask a question and receive an answer, we must not assume that full understanding has been reached. Sometimes "yes" is more or less equivalent to "I heard what you said." Rephrase the question and ask it again a little later. Repeat the process, approaching the question in another way. This must be done tactfully, but is essential if we want to reach a full understanding.

**Shorten It.** Whether we're delivering a speech or pontificating on a particular point, it's always better to bow out gracefully rather than cram too many ideas into too short a period of time. Not only will our audience love us, but they are more likely to recall three key points instead of 30. Einstein, paraphrased, said that things can only be reduced to their simplest state and no more. In selling, three features and benefits convey credibility; two are weak and four or more sound like we're pushing the product.

**No Colloquialisms Or Jargon.** People probably aren't all that familiar with lorries, lifts, and the Black Stump unless they are from Down Under, too. CYA, SOL, SOS, and SSDD probably will trouble them for a bit also. As Joe Friday said—just the facts ma'am. We need to stick to the basics without fodder and dressage or we'll put our foot into something worse than our mouth.

**Make Jokes, But No Puns.** Jokes are difficult to deliver unless they can be worked in concisely to emphasize the point. Humor cuts two ways: either it will help the audience remember a key point or it will offend and we will lose the audience. How good can a joke be if it has to be explained? Puns, on the other hand, most often require an interpretation to get the point across. Puns never wash well in a foreign language. We can pay dearly if we deviate from straight prose.

**Summarize.** When confronted with a difficult or intense subject, ask to have the meeting in a room with a chalkboard. Write down important points. Everyone in the audience will have a better chance of understanding. Furthermore, everything written on the board can be copied down to study (or interpret) later.

**Be Prepared.** Come with plenty of copies of a summary of the main points in typed form to give out following the presentation or to refer to during the presentation. We



always structure our technology presentations in this fashion. Not only does it help lead the conversation, but more importantly, we have a permanent record of what we said—before we say it.

At the end of the meeting, write down the major points and the actions expected from each side and promptly follow these up in writing. Find out from the host where and to whom further letters should be directed. It probably will not be the person on their side who has done all the talking, so don't be misled—ask!

One last tip to help accomplish the sometimes difficult task of terminating the meeting without being abrupt or offensive, simply rise, signifying the meeting is over and it is time to leave.

## EMPLOYEE ENTHUSIASM

Seven hours and 21 minutes: the amount of time a corporation typically pays its employees every day. More to the point, it's the time the employees sell to the company. At 5 minutes to quitting time, they're lined up at the door for the daily stampede outta here—not a minute sooner or later.

Sometimes we reflect on the 5 o'clock office wasteland and our failed efforts to build loyalty like that described in the articles in *Fortune*. Somehow, the annual Christmas party and the quarterly rah-rahs just don't cut it. We've seen the talented performers come and go. We wish we had a magic wand to inspire enthusiasm, pride, and a work ethic.

The key ingredient in building a positive performance attitude in people is enthusiasm. This energy makes us feel young and vibrant and ready to face new challenges. Best of all, enthusiasm is contagious. We can't buy it, though, so here's a few ways we can increase enthusiasm in our company.

**Leadership.** Recall how Ronald Reagan rode to power in 1980 by promising to rebuild the American dream, to make America strong again. People want and demand a leader with vision. Reagan, the Great Communicator, gave them that image. In the process, he rekindled their self-respect, the respect they lost first in Vietnam and were later to lose in Iran. Putting politics aside, we must learn the lessons Reagan taught if we want to instill confidence in the troops. Communicating strength will develop confidence and respect in people and produce results. Help the people improve their self-image and build enthusiasm.

**Image.** Self-image was a key factor highlighted in *In Search of Excellence*. "We're exuberantly, wildly irrational about ourselves. And that has sweeping implications for organizing. Yet most organizations, we find, take a negative view of their people. They verbally berate participants for poor performance. (Most actually talk tougher than they act, but tough nonetheless intimidates people.) They call for risk taking but punish even the tiny failures. They want innovation but kill the spirit of the champion. With their

rationalist hats on, they design systems that seem calculated to tear down the workers' self-image. They might not mean to be doing that, but they are."

Sports taught me caution against embracing the treating-of-people-as-winners philosophy that Peters and company preach. For every winner, there is at least one loser. Hence, when we fire everyone up to think of themselves as winners, we're setting them up for a fall. It is better to emphasize a positive and realistic approach that stresses individual self-worth and caters to the long haul. This will diffuse the inevitable short-term disappointments without destroying the vital confidence factor. People, for the most part, will reach their targets and quotas because we will set the targets and quotas to allow that to happen.

**Praise.** Everyone likes the recognition that praise confers. It goes deeper into our soul because we feel appreciated. Err on the side of liberal doses for jobs well done, for doing the job in the right way, or even for persevering, and failing, when others might have given up. When people screw up, be swift and merciful in admonishment and hold off on the guilt trip. They know they screwed up, so they expect some retribution. But, help them, and the company, to learn from the experience. People skills are tough.

**Bounty.** We all need symbols of recognition—things we can display or show others. It's great to be told we are doing well, but it's even better to also receive something tangible to mirror our success. By all means, stage presentations and give out certificates that can be put on the wall, not only to make people feel good, but also to impress company visitors. And remember, most of us keep score in dollars so share the bounty in salary, bonuses, and perks.

**Parties.** When closing a deal or wishing to honor a department or employee for a particular job well done, have a staff get-together. This can run the gamut from bringing donuts, to a simple catered lunch, to a formal ceremony. Our people need to see that we are as human as the next guy and that we can enjoy ourselves. This will build respect and boost morale within the ranks. The message here is be sure to come down from the ivory tower on a regular basis.

Make sure that everybody is pointed in the same direction.

**Simplicity.** The first item in the annual business plan should be a simple statement of purpose. Remember, the majority of us are not Einstein and we require our objectives to be stated in simple, clear prose. Most people need a simple goal or set of goals. It helps us to focus, generates our interest, and helps us belong. There is no room for mushroom management: keep 'em in the dark and feed 'em bull. . . .

**Consistency.** Make sure that everybody is pointed in the same direction. Every action taken must be directed at achieving the overall goal. This means that the staff must be committed in action as well as word. The worst thing that could happen to demotivate people is for various departments to take different courses of action. Tasks must be designed in such a way as to get employees to act in the way we would like them to act. If we believe that we are what we do, then these actions are very important. Also, we must expect some failures. The important thing is that the action occurs. In a very short time, those failures will be replaced by success.

**Self-determination.** People like to feel as if they determine the events that affect their lives. An important aspect of success is for people to be given enough room so they can take responsibility for their own lives. While it is important for a company to create financial security, it would be a mistake to shield the people from the realities of business. If things are going poorly, they should be told, offered solutions, and asked for their input. When we ask for their input, our people will feel that they have better control over their own destiny. As the leader, we will instill greater enthusiasm if we define the overall objective and let our people work out the details.

**Themes.** Particularly in sales, themes are very important to the communication process. Themes should be memorable and should have a message that is readily identifiable with corporate objectives. For instance, we might want the management team to be more aggressive, develop a fighting attitude, and have more competitive spirit. Messages to the employees should revolve around the theme. Take every chance to reinforce the concept of the theme.

As managers, we must learn methods of communicating that encourage enthusiasm and challenge us to combat the wasteland philosophy. It's becoming increasingly apparent that good managers must add people skills as an integral part of their management repertoire.

## **PERSONALITIES FOR SALES**

Developing people skills is a formidable task for people new to sales. The key to selling is to clearly recognize the personality we are dealing with at the outset. This presumes we give our prospect a chance to reveal themselves.

Good management theory teaches us to “box” people; and personalities are no exception. In selling, most people fall into three basic types: dependents, dictators, and competitiveness. Most of us exhibit a dominant trait most of the time and, particularly, while we are under stress. Selling anybody, anything, sets up a stressful situation.

Dependents are a salesperson's dream. Their need to be liked, to please, to be reassured, to minimize trouble, and their absolute fear of rejection are scent to the predatory salesperson. Dependents want, and need, instructions to function and, very often, are afraid to ask for help lest they risk rejection by appearing stupid. Meet their basic needs and we own them.

Really bad cases of dependency occur when these types are left out of the management loop and they need an outside ear to bend to convince themselves of their worth. Dependents are especially sensitive to certain key words. Reassuring words include definite, certain, positive, necessary, and permanent. Avoid any expressions of uncertainty, anxiety, loss, or ambiguity.

Dictators are difficult to sell. They exist to control us, write and rewrite the rules, define our terms, find fault, check our figures, and prove to us that they're right. Be prepared for a battle and expect to experience sometimes more than a little frustration. Notoriously, they create bottlenecks and display a "lawyer" personality under the guise of the devil's advocate. This causes them to go to great lengths to negotiate some obscure point. Be warned—the message is loud and clear: they're in charge, powerful, and important.

The key to selling the dictator is to be either helpless or helpful. By appearing helpless, we avoid the power struggle at the outset and defer to their "superiority." By deferring, we can divert their attention to our selling agenda under the guise of their powerful persuasive powers. Channel their energy, their advocacy, and their organization abilities in our favor—go with the flow.

If we decide on the helpful approach, we must be sympathetic to their interests and needs. This is particularly the case if we are asking them to change their philosophy on how they "might" perform different tasks. Remember, arguing is a waste of time and a double whammy with them as our buyer. When threatened, the dictator will use logic as a barrier and retreat into a self-centered, introverted mode. The dictator's Achilles heel is the belief that their world, the system, is really flawed and must not be exposed. Firm reassurance is clearly in order.

Dictators are easily humored since they cannot imagine anyone not taking them seriously. Note, however, the humor must be sincere. Laughing or smiling raises doubts about sincerity and is almost guaranteed to infuriate them.

Competitives are often categorized as Type A personalities. Competitives are self-driving, reliant, and determined individuals. These people are constantly challenging themselves and seeking to grow into better selves. Unlike Type A, however, they usually have a low stress level because they enjoy what they're doing. If they have a fear of failure, it is realizing their own limitations. Competitives are typical sales, marketing, and sports people. They love a challenge and a good fight. Their competitive drive is fueled by lots of energy.

The competitives' desire to improve is both their strength and their weakness. When faced with a challenge below their abilities, they quickly lose interest. Conversely, when faced with a challenge beyond their abilities, they become discouraged. The competitive's Achilles heel is a deeply buried insecurity and the need for external reassurance.

Selling a competitive is a combination of challenging and praising their efforts. Present the sales opportunity as a “simple” challenge and get out of the way. They will readily join the team if they can assume the leading role. The sales stick can be tempered with the praise carrot. Be generous with praise and “well done’s” when warranted. Insincerity will backfire.

Overlying the three primary personalities is the con man. Con men use bravado to cover up for lack of ability or knowledge, or both. A con man-dictator is a bad combination. We keep going back for the sale, but it never happens.

To call their bluff, ask them to repeat their explanation or to put their requests in writing. Turn up the heat a little and watch ‘em squirm. They love using pressure against others, but squeal loudest when pressure is applied to them. The best way to detect if we’re being conned is to pay close attention to any negative impression that we have when we first meet them. When we find a con man, we gotta get outta there fast.

Remember, each of us possesses traits from each of the three personality types so don’t try to “box” prospects too tightly. In general, we can recognize dependents by their need to belong, dictators by their love of power, and competitiveness by their need for self-esteem.

Personalities are only part of the sales picture. A super salesperson always shows consideration for others, minimizes conflicts, is ever helpful, is knowledgeable about his product (as well as the competitor), and follows through on promises.

## **INTERNS CAN SPARK YOUR BUSINESS**

Here’s a pop quiz. Write down a list of all the issues confronting the business—be honest now; no cheating. Did you list any of the following?

- Government regulations and reporting
- Aggressive competition
- Shrinking gross margin
- Increasing sales and marketing
- Coping with a changing marketplace
- Lack of creative ideas and enthusiasm in general
- Shortage of new products
- Contending with computers, faxes, voice mail
- Feelings of inadequacy to lead/manage
- Hiring good people and keeping them
- Boredom

What's the common denominator? Change. We definitely need to add change to death and taxes as being the only certainties in life. The impact of education has spawned more and more educated people, which has resulted in rapid change. New technologies—and new ideas—can leapfrog competition, often obsoleting established businesses overnight.

Small business is particularly vulnerable to change on two counts. Not only can the better mousetrap, or service, erode their existing business, but often they find themselves feeling inadequate when facing change.

New technologies can leapfrog competition, often obsoleting established businesses overnight.

Typically, senior executives have grown up with the business and are now one or more decades removed from school. Computers, statistics, demographics, and fax machines are daunting. We tend to become a little set in our ways and reluctant to try new approaches or ideas. It's always easier to go with the flow than to swim upstream. Our business has been reduced to a series of chores, some controlled by the calendar-like taxes. One change is constantly forcing itself upon us: we have to manage more and more information in less and less time.

Small business typically operates on a top-down management model similar to the military. The founder provided the spark, the vision, the drive, the energy to spawn the business from its vulnerable embryonic state to its maturity. Somewhere on the yellow brick road, the light grew dim and the vision faded, particularly when the business became successful beyond dreams.

Want to put a little spark back into the business? Want to add new skills, put some enthusiasm in the environment and, in general, get the place back into gear? This is going to cost a lot of money, right? We're reaching to protect our hip-pocket nerve—our wallet. We're thinking high priced management consultants, or worse, one more management seminar.

An intern program properly designed on a project basis can become an essential management aid to the company.

We should think instead about an intern. That's right, interns. Don't put up those walls that are usually supported by the twin towers of nepotism and charity when somebody mentions internships. All too often, such charges are true, particularly for big business. Small business, on the other hand, can ill afford the good buddy routine when their survival is on the line.

Every summer, there's a lot of educated talent out there. There are a lot of highly trained, eager beavers wanting the chance to show off their wares. What's more, most of them come cheap. They will not destroy the payroll and are trained with skills the business could sorely use. Okay, we've gotten over our nepotism guilt, but we're still negative. Yes, we tried it once before and it didn't work out. Why?

The odds are 9 to 5 we approached an internship program without any definite objectives in mind. A friend, or a vocational college person, probably called and, in a

moment of extreme weakness, we agreed to take on an intern. Several weeks later, the intern showed up and we didn't know what to do.

To gain best use of an intern, we must have a clear objective in mind before they appear at the facility. Projects that can be completed in a maximum of 8 to 10 weeks are ideal for a summer intern program. What type of projects? Naturally, the projects we select should match the talents and abilities of the individual.

Market research on competitors and their products is an ideal project for a marketing intern. This information is essential to understanding the market's needs and wants since today's markets are constantly changing. Another good project is to have the intern evaluate the communications program or to investigate whether a telemarketing program might be effective for the business. The intern can bring the essential objectivity to work with our people to survey our customers to determine if we are responding to our market and positioning our products and services properly.

There are three primary marketing questions we need to answer if we want to ensure profitability. With a little prompting, a good quality junior marketing intern is probably up to the task of supplying the answers. The questions are: What market niches can we serve?, What type of sales program would be most effective and within the firm's ability?, and What type of communications program will be required to ensure sufficient awareness of our products or services to maximize the effectiveness of our sales efforts?

Computers are a good project for accounting interns, but not just for pure data entry. Challenge a mind and reap the rewards; insult it and watch its enthusiasm wane. Good projects include computerizing the accounting system, setting up a receivables aging program or a general ledger, establishing perpetual inventory, designing key management reports, and fixed and variable cost analysis.

Engineering interns are ideally suited to working under the wing of a senior engineer and handling small projects. I spent two summers helping start up a plant and handling spare parts for major equipment items. Dirty hands breed good engineers.

What about the arts and English majors? Our first reaction is to dismiss their possible contribution. Think again. What about the form, expression, and content of our business letters and proposals? Do we publish a newsletter or an annual report? Editing is a skill that is so often overlooked and very undervalued.

A word of caution though, not all professionals are receptive to this mentor role. A mature and helpful personality is very desirable in managing an intern. The mentor must respond to the enthusiasm of boundless youth and not be threatened by it.

There's another benefit to hiring an intern that may not be immediately obvious, but could have even longer term benefits for the company. Interns eventually become someone's employee—if there's a good future match. An intern program allows us to take a real good look at potential employees at minimum expense. We can rate them in a

real business situation as opposed to feeling them out in the interview—an experience that is usually uncomfortable for both parties. An intern program properly designed on a project basis can become an essential management aid to the company. Reaping the wild oats while they're still in school can show both short- and long-term benefits for the company. Think about it!

## HIRING THE NEW GRADUATE

I have been fortunate to welcome home four sons bearing the “prized degree” and ready, willing, and eager to conquer the world. But often, before I could release the proud parental sigh of relief from getting at least one more off the payroll, we plunged into the dreaded interview process! I expected my sons to be unprepared for this situation, which is clearly not taught in school, but interviews revealed an unexpected and curious fact: most of the interviewing companies were also unprepared.

Naturally, the majority of business books and articles focus on this topic from the seasoned employee's perspective—what questions to ask and what questions not to ask. But I haven't seen any articles that examine the issue from a new graduate's perspective. Considering projections of a shrinking supply of talented graduates, it's a perspective that will be increasingly studied as companies compete for the best and the brightest. Here are a couple of points to consider if we want to put ourselves in their shoes.

Two major questions confront most graduates when they leave the safe haven of school: What do I really want to do with my life and career? and How do I choose one company over another as a potential employer? The first question is typically asked in any job interview and any graduate has boned up on the standard answer to suit the respective field. The standard answer pacifies the interviewer who reports to management that the new graduate will “fit in.”

An honest answer to the first question was provided by Eric Bunting, a former tennis pupil of mine, when he wrote in his senior fellowship proposal— “As is probably to be expected, I am not sure of my plans after graduation. I am interested in a business or law career, possibly one that deals with finance or international business. I want to pursue a career which is exciting, mentally challenging, and productive in an overall sense. . .” Read his words again very carefully. Even though he expresses uncertainty, he stresses excitement and the desire to contribute. Recall the challenge of Steve Jobs to Scully in offering him the CEO job at Apple— “Do you want to spend your life selling sugared water, or do you want to change the world?” Scully was hooked. We need to hook good new hires. To do this, we must present the company and the job as a rewarding and exciting opportunity. How do we do this?

First, let's cover a list of what not to do. Don't repeat the old routine—look over the corporate brochure, the annual report, and our great employee benefits programs (we're a great company, aren't we?) and we'll be back shortly to interview you (we're too busy to devote our full attention to you). This is a great first impression! It really builds up the old nerves in the graduate who is already foreign to this scene.



Avoid the Spanish Inquisition. This is the typical arrogant searching question approach that implies “we’re not sure if you can pass muster and measure up to our standards.” I told my sons to run, don’t walk, away from these wonderful opportunities. Another approach to avoid—the good old boy: “yes, I remember . . . and remember . . . I’m sorry, we seem to have run out of time. Now, quickly, what was it you wanted to learn from me to help you make this career decision?”

My favorite is the trust me approach: “I really know what’s best for you and I’ll take care of you.” Salary, position, and benefits are not discussed. Funny how circumstances can quickly change when the mentor leaves the company.

Then there’s the “get up at 5:00 a.m., fly in by 10:00 a.m., and fly out by 5:00 p.m. approach.” This is great for impressing a young mind, but not for making decisions. Naturally, the new graduate is impressed with the expense account, the “free” ticket to the east or west coast (the bait), and the fast life in the big city. This one’s no good for the graduate unless he or she can get several interviews to get and qualify essential details.

All of the above interviewing approaches should dissatisfy any talented graduate, and should dissatisfy a company wanting to attract the future of the business. Remember, this is a two-way street where we need to do a little selling as well. I sat down with one of my sons and came up with a list of six major areas that he needed answers to in the interview: the company, the position, management development, personnel policies, working environment, and miscellaneous.

**The Company.** What is the basic size of the company; annual sales and number of employees? What is the company’s reputation in the industry; as an employer and amongst its competitors? Does the company have a diversified product/service line and what is its growth potential—is it expanding? Does the company have a good management team? What is the company’s climate, morale, and culture—formal or informal? What was the interviewer’s first impression of the company? Would a stockbroker recommend buying the company’s stock for long-term growth?

**The Position.** How good is the position in relation to the graduate’s professed requirements? Where would the graduate sit in relation to senior management? Is the position a good fit with the graduate’s known capabilities? Can the graduate make a contribution to the company? What is the salary range offered for the position—is it competitive? Is the position a challenge at present? Will it remain so in the future? For how long? What are the opportunities for personal growth? How much will they have to travel? What is the company’s attitude toward expense accounts and class of accommodations?

**Management Development.** Does the company have any formal programs for management development? Does the company have formal career and succession planning? Are there internal training seminars? Is the policy to promote from within the organization?

**Policies.** Does the company attract the best people? Is the company competitive on salaries and benefits? Are increases based on merit or automatic for the first several years? Is there a high staff turnover—why? Is there a history of staff layoffs in the company? In the industry? What happened during the last serious downturn? Does management have status symbols? What benefits are in the package: health, dental, pension, car allowances, bonuses, paid subscriptions and memberships, others? How much vacation does the company offer and when?

**Environment.** How many management levels would there be between the new hire and the department head? How many organizational layers are there in the company? Is the immediate superior a strong, experienced manager who can teach new skills? What is the new hire's reputation and sphere of influence in the company? Would the graduate report to more than one manager? Is this a new position; has it been created for the graduate? If not, what happened to the previous person? What is the attitude and reputation of the graduate's soon-to-be associates?

**Miscellaneous.** Does the company pay for additional schooling, outside training, and development? What parking, eating, shopping, and banking facilities are located close by? What is the commute time; will it be an easy or difficult commute during rush hour? Will vacation be easy to arrange? What staff social activities are held?

While this list is comprehensive, it does not and cannot address the bottom line factor—the people chemistry. Would the graduate's peers in the company be able to provide excitement and challenge? That question can't be answered in an interview.

I hope my list proves useful in considering the type of information to present to new hires and the interview approach taken in sharing helpful information. Conversely, our list might also serve as a checklist to see if the company provides an exciting and challenging place for people to work. By the way, my sons all got jobs.