BUSINESS SUCCESS
Do as I Say, Not as I Did

by

Ed Katz
a graduate of the
School of Hard Knocks

What successful business people are saying about

BUSINESS SUCCESS: DO AS I SAY, NOT AS I DID

"For those of you who have the privilege of reading Ed's book, it is a masterpiece in teaching you how to work smart! Ed uses his life experiences in story form to teach you how to be successful. You will not want to put this book down until you finish it."

James Golding, *President*
Dynamic Marketing, Inc

"This book is an exceptionally well-crafted collection on insight, knowledge, and information that is absolutely essential to anyone running a business."

Dave Sauvé, *Southwest Regional Manager (retired)*
Rand McNally

"This book makes it fun to learn how to run a successful business."

Lenny Ross, *President*
Elite Fitness Training, LLC

"For the new, aspiring or struggling entrepreneur, Ed Katz provides a step-by-step process that is both time and battle-tested. His "no holds barred" confessions of his inevitable business missteps experienced along the way to a highly successful career are refreshing, insightful, and provide the reader with preemptive teachable moments that will save countless time, effort, and resources in achieving one's business goals."

Tom A. Sims, M.S., *Adjunct Professor of Business*
Southern New Hampshire University

"As an individual, public speaker and business entrepreneur, Ed Katz is totally engaging. If you can keep up with him, you'll learn a lot—all of it valuable in many aspects of your business life. Ed is definitely grounded, and he talks common sense – if you want to get ahead, read his book."

Colin Quarrington, *Director*
Quarrington Curtis Ltd., United Kingdom

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ABOUT THE AUTHOR

Ed Katz, MPA, has been a writer, speaker, inventor, and business coach for more than 40 years. More important—he's been an entrepreneur and successful business owner for most of that time. He's coauthored several books and articles, and his inventions have been featured in *The Wall Street Journal.* His book, ***Commercial Relocation,*** won the "Award of Excellence—Distinguished Author for 1999" by the International Facility Managers Association (IFMA).

When Ed was fresh out of school, he worked a short stint for the State of Connecticut and then four years in the private sector for an investment firm in New York City, where he discovered that he was totally unmanageable. With his newfound knowledge, he "escaped" to Atlanta and started a moving company.

Ed confesses to be a graduate of that terrible School of Hard Knocks. He considers himself "streetwise" because according to him, he's made every mistake one could possibly make in running a business. His claim to fame, though, is that he's made each mistake **only once.**

Whenever Ed overcame a business crisis, he asked himself a very important question, "What can I do to prevent this from happening again?" By focusing on this proactive approach, he developed procedures to prevent recurring problems from becoming crises. It was the epitome of working smart instead of hard. With his "guerilla" approach to running a successful business, Ed follows the "KISS" principle of "keeping it simple, stupid."

Ed Katz

DEDICATION

To my wife Marilyn, to my family, and to my parents who gave me tremendous self-esteem and self-confidence by thinking the sun rose and set over their baby (I was the youngest of three children). To my editor and cheerleader, Christine Colborne, my friends, and my clients who believe my advice is "gospel."

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For the new, aspiring or struggling entrepreneur, Ed Katz provides a step-by-step process that is both time and battle-tested. His "no holds barred" confessions of his inevitable business missteps experienced along the way to a highly successful career are refreshing, insightful, and provide the reader with preemptive teachable moments that will save countless time, effort, and resources in achieving one's business goals.

In this book, Katz covers the essential steps for growing a profitable business - any business - rooted in common sense, real world experience, winning business strategies, and creative tactics that offer readers a foolproof roadmap for success. And like any road trip, veer off the main highway at your peril. The scenery may appear more attractive but reaching your destination will take longer (and you may get lost along the way). Experience is the best teacher which is why this book is as close to a "must read" as you will find for today's entrepreneur.

Tom A. Sims, M.S. *Adjunct Professor of Business*
Southern New Hampshire University

INTRODUCTION

Throughout this book, I cover many of the most common problems plaguing small businesses. Rather than just hand out solutions, my goal is to teach you techniques to prevent problems from recurring. Once you master this innovative process, you'll be able to create an infrastructure in which your employees follow the same rules in a highly structured business environment. If you adopt and implement what I preach in this book, you'll have an opportunity to enjoy your business life and make a lot of money at the same time.

I believe one of the most important keys to becoming successful in business is **not to believe in entitlement.** In other words, realize that life owes you nothing—not good health, wealth, peace of mind, happiness, relaxation, good luck, or success. For most of my life, I've lived by the saying, "When I get out of bed in the morning, if the earth is below me instead of above me, I'm happy." Those who know me agree it takes a lot to disappoint or make me angry. I'm not cynical; I simply have learned to expect the unexpected. Nothing surprises me anymore.

As a result, I've always been happy, had a positive attitude, and had self- confidence, despite experiencing plenty of failures, including being married 45 years to five different women—obviously not at the same time! Instead, I focus on my successes and am grateful for everything that's happened to me in my life.

In this book, I write unashamedly about some of my own biggest mistakes. For example, the very first time I tested one of my inventions in front of my employees, the demo failed miserably. After overcoming the trauma of being humiliated and embarrassed in front of an audience, I realized I had learned two valuable lessons:

- Never test an invention in front of anyone until it works, and
- My invention doesn't work

Instead of feeling sorry for myself, I focused on finding a solution. Two days later I figured out how to correct the problem—and tested my invention successfully, in front of no one.

I'm guessing Mark Zuckerberg, founder of Facebook, must have attended one of my seminars or read this book because I understand he follows "my" business model by writing a thank-you note everyday no matter how his day has gone. I've looked back over my life and have journaled what I call "divine interventions" where God stepped in and made things right for me (or saved me from myself). I keep it up to date to remind myself about all the things I need to be grateful for.

I've also journaled my hardships so that I never forget the 24 years when I owned my moving company, and all the times I didn't know what the hell I was doing until I graduated from the School of Hard Knocks.

When you read this book, you'll see why I have sometimes felt like the Bible's most unlucky character—Job. Writing this book helped me recall many of my trials and tribulations, enabling me to realize how far I've come and appreciate what I have now even more. By recounting my failures and learning how to overcome my mistakes, I've also learned humility.

In this book, you'll learn how to overcome adversity, identify problems and develop solutions to prevent them from recurring. If you adopt what I preach in the pages that follow, you'll gain P.O.M.G. (Peace Of Mind Guaranteed). It's a business model that is easy to understand and implement—it will give you a life.

CHAPTER 1

How to Grow Your Business—One Bite at a Time

If you're not growing your business, it's only a matter of time before you'll be OUT of business. That's because your costs of doing business are always rising. Even if your company has a steady flow of revenue now, it makes sense to look for ways to grow. In this book I share the business knowledge I learned from my experiences in the moving industry. You will benefit from my experiences, too, because **the lessons I learned to become successful are universal.**

In my industry, one of the most common ways to increase revenue is for a residential (household goods) mover to expand into office moves. What typically happens is that the residential moving company president, owner or general manager hires a big office and industrial (O&I) producer from a competitor so that he or she will bring along big clients. Unfortunately, there is little similarity between residential and O&I moving, operationally, which can lead to some major problems. For example:

- Unless the residential moving crew is proficient in moving office furniture using the bucket brigade, the moves probably won't finish on time for the price quoted. When the final invoice is higher than the bid or estimate, the mover often doesn't collect what he bills and, therefore, loses money.
- When moves don't finish within 8 hours, fatigued movers are more likely to sustain injuries, increasing workers' comp claims.
- Inexperience can result in damage to furniture, computers, copiers, and real property such as doors, elevators, and walls.

Therefore, the best way to diversify into office moving is to build the business from the ground up—slowly, deliberately, and one step at a time. The same advice applies to other industries, too. Diversifying into related product lines and services is often the best way to grow revenue. However, shortcutting the process by hiring a sales person, who can bring his customers with him, can lead to service failures like the ones in the moving industry if you don't have the support in place to back his customers' demands and requirements.

THREE WAYS TO LEARN THE BUSINESS

In my 40+ years of running businesses, I've learned there are three ways for companies to diversify and grow revenue besides hiring a big producer from another company.

1. **The School of Hard Knocks.** This is obviously the worst way of growing a business, and, of course, it's the one I chose when I first started out. I didn't know what I didn't know, and as a residential mover, I made every mistake possible when I jumped into the office moving business. For example, when I first started, I used my residential formula for estimating office moves. When this formula proved worthless, I copied other movers' methods of bidding per truckload, which turned out even worse because we were bidding the competition and not the jobs. Moves still didn't finish on time for the price quoted. As a result, we had trouble collecting what we billed. Needless to say, I DO NOT recommend learning by doing or by trial and error at your customers' (and your) expense.
2. **Work for someone else.** A better way to learn the nuances of related product and service line businesses is by working for another company that offers them and has a stellar reputation. If you're lucky enough to get an internship at such a place, you should plan on working in all their departments—marketing, sales, customer service, and operations for as long as you can until you master the business.
3. **Enroll in Formal Training.** An easier and more practical route to diversify is to enroll in formal training so that you learn the best practice methods for sales, customer service, and all aspects of operations. Hire a business consultant that specializes in the business line or search the Internet for training.

In 2012, I invested in residential real estate rental properties. To learn the business, I took several real estate seminars that taught me everything from the best type of house to buy (3 bedrooms/2 bathrooms) to the best technique for screening prospective tenants (TransUnion SmartMove online Internet tool). I was amazed at how easy it was to learn enough about the industry to become a successful investor.

BUILDING YOUR BOOK OF BUSINESS: GO SMALL!

Once you're trained, **I urge you not to initially chase big jobs or customers that appear to have high revenue dollars.** Instead, build your brand, get your experience, and make good profits by doing smaller jobs. This business model will often enable you to charge a premium price when you render a premium service. Even if you charge a lot more than the competition, you'll get the jobs if you consistently render a great service. Since most of your competitors go after the largest jobs, there is tremendous price competition in that arena that can often lead to little or no profit at the end of the big job.

Smaller jobs can help with your cash flow, too. They say—cash is king. Large jobs can tie up your capital and draw down your line of credit, raising your cost of sales with the extra interest you pay on bank loans. With small jobs, it's easier to get a large down payment and/or make them C.O.D. Avoid negative cash flow— unless you can convert accounts receivable into cash quickly, you can go out of business even with a positive net worth (or profit).

PART 1
Revenue—The Easier Part of Business

CHAPTER 2

New Business Development Versus Sales

As a former stockbroker with EF Hutton on Wall Street a lifetime ago, I learned how to "pitch" stocks to prospects. My stint at Hutton lasted only seven months (6 months of intense sales training and one month on the job as a stockbroker) because I failed miserably as a telemarketer. EF Hutton's advertising slogan at that time was "When EF Hutton talks, people listen!" But when I spoke, prospects cursed and hung up on me!

Once I became a broker, I couldn't sleep at night and started losing my hair. To this day if someone gave me a list of 100 prospects to call to pitch my IOMI® online office moving training seminar, I'd go to lunch and never return. I'm terrible at cold calling—which is a big part of many new business strategies. However, give me a product or a service I believe in, have someone else contact the prospect first and set the appointment, and I can sell it and probably close the deal.

How can that be? What difference does it make who initiates the contact—the sales person or a "prospector"? I recently discussed this with Larry Dillon, president and owner of Wendover and Insight-PRM software. Larry agreed with me that there is a huge difference between what most people refer to as New Business Development (a.k.a. telemarketing) and outside sales. A pure telemarketer typically loves telephone prospecting and "dialing for dollars," while a salesman like me often fears and hates it. Larry would know because his company, **wendovercorp.com**, is one of the most successful lead generation companies in the USA, and he talks to sales people every day.

When I started my moving company, after hiring my first driver and two movers, I immediately hired a person to mine our leads. She didn't mind calling a company "cold", telling them she understood they were moving, and asking them if we could submit a bid. I did not contact them to set up an appointment until—and unless—she got them to the point where they were ready for an onsite estimate. I liked meeting with them, preparing an estimate, and making a sales presentation. After the sale, it was she and not I who followed up a week later to see if we got the job or to inquire if they had any questions.

After meeting thousands of sales people over the past 40 years, I have found that most successful sales people are just like me. If they're great at sales, they're weak at prospecting and cold calling. Conversely, most great telemarketers would flounder at in-person outside sales. Apparently, the two just have different psyches or personalities. That's probably why in today's sales environment, most successful companies have set up separate "inside" and "outside" sales teams.

Smart managers recognize the difference and place the right people in the right roles; if they force their sales people to prospect and cold call, they'll probably lose a lot of business opportunities.

Another point that often is overlooked is this: If sales people spend a lot of time mining a lead—writing emails and making follow up phone calls—and finally get an appointment to meet with the prospect to submit a bid, they will probably be weak and want to give the store away because they are so emotionally involved. They know if they don't get the job, they'll have to go back and do what they loathe—"smile and dial" and mine more leads.

If, on the other hand, a separate telemarketer mines the leads, the sales person is not as emotionally involved because he or she hasn't been working the lead. And, if the deal doesn't close, it doesn't matter because, thanks to a telemarketer, there is a pipeline full of other companies who are ready to be sold (or at least get an estimate). In this example, the sales person is typically strong and controls the customer.

Most successful new business development telemarketers follow this business model:

1. **Know what you're selling:** If you're going to cold call, you must first master your knowledge of your product or service. So, for example, if your main revenue stream is derived from selling office furniture, you should learn as much as possible about your furniture brand(s). If you are an office mover, you must have a thorough understanding of not only your services, but also what factors differentiate your company from its competitors.
2. **Be comfortable talking to strangers on the phone:** To be a successful, you must be at ease speaking on the phone with a lot of people each day. That means being upbeat, motivated, articulate,

persuasive, and persistent.
3. **Be able to handle rejection—a LOT of rejection:** Master motivator and salesman Zig Ziglar once said, "A clear rejection is better than a fake promise." Often, you can learn something from "no" that will help you get closer to "yes", so don't fear rejection—embrace it! It's a normal part of a sales person's job.
4. **Use a script:** To make sure you stay on track, use a script to describe your products' or services' features and benefits. Write down exactly what to say to the prospect, what responses and objections you can anticipate, and what you'll say to overcome them. The script will help you to control the conversation and to sound confident; learn and practice it until it no longer sounds like you're reading it.
5. **Record your conversations:** Get into the habit of recording your conversations **if it's legal**. If your state laws prohibit it, record just your side of the conversation. This enables you to identify what went right, wrong, and what you would change. Did you listen to the prospect and answer his questions, or did you talk over him?

WHAT TO SAY

- Your first sentence should identify who you are and the reason for your call. At my moving company, we said, "My name is Ed Katz, and I'm with Peachtree Movers. If you had to shift some furniture from one side of the floor to the other, who at your company would be responsible for contacting the mover? That's the person I'd like to talk to." Even if we knew they were moving, we never said, "I understand you're moving, and I'd like to talk to the person who is handling your move." To do so might start a firestorm if the company didn't want its employees to know they were moving.
- If your company sells office furniture, telephone systems, copiers, or computers, you might say, "My name is ________ with (your company name). If you needed to purchase more (or replace your company's product), who at your company would contact us? I'd like to talk to that person about a special offer we're running." You get the idea.

- Write down the top objections and what you can say to overcome them. For example, if they say, “We’re not moving,” you might ask, “Are you not moving because you’re renewing your lease?” If they say, “Yes,” you could say, “Most landlords install new carpet when you renew, and, therefore, you might need to move to temporary vacant space within the building for 90 days while they refurbish your space. I’d like to meet with you to show you how we can minimize the disruption of your two moves.”
- If they say they’re not buying more office furniture, telephones, or replacing their copier or computers, you might say the following: “If you ever found it necessary to get advice on this type of purchase, could I please be first in line to talk about your needs?” If they say, “Okay,” you could add, “I’m just curious, what would need to happen for you to consider buying more... (or replacing your product)? Okay, I’ll keep in touch and call you again in a few months to see if your needs have changed.” Listen to their answer and follow up on a regular basis and offer them a “special” opportunity, incentive, or discount.
- If you get a positive response, make an appointment for your outside sales person to meet with them. Don’t ask when they can meet with your “sales consultant”. Instead, tell them when he or she is available by giving the prospect two choices—a morning and an afternoon on a different day.

BOTTOM LINE: Whether your prospect is ready to move forward or wants to be left alone, be prepared to overcome their objections to enable you to keep their buying door and your relationship open.

I’d even rather give a speech than cold call!

CHAPTER 3

Baa-Baa! The Risk of Following the Followers

If customers perceive that you and your competitors offer the same “commodity” product or service, they typically make a purchasing choice based on price. Successful business owners know that competing on price alone is a loser’s game, so when you “follow the followers”, by copying their selling strategy, you’re only reinforcing negative stereotypes.

DOES YOUR SALES APPROACH GO SOMETHING LIKE THIS?

- After greeting the prospect in the reception area, you follow him into his office, sit in front of his desk and look around for something you can use to “break the ice”—a sport’s trophy or pictures of his hobby.
- If, for example, you see a football trophy, you might ask questions about it— when and where did he win it, etc.
- When he replies, you continue talking about football for the next several minutes, making sure he knows you’re really impressed with him and interested in football.
- Twenty minutes later, you conclude the superficial conversation when you take out your legal pad and ask, “Do you have any special concerns about your project, or when is the last time you hired a ___________ (or purchased your product)?”
- If you were a mover, he would spend the next 45 minutes with you while you took an inventory of his stuff. Along the way you would tell him about your company’s great reputation and that his move was “no big deal” because you could easily handle it.
- A few days later, you would email him a proposal that includes the price and a brochure.

The problem with this playbill is that it’s trite, boring, and identical to the one that most vendors use. Worse, it reinforces the fact that you’re no different from your competition. What if you were to blaze your own trail, break your industry’s selling mold and create a different strategy?

This is how we differentiated ourselves from the moving industry.

When making an appointment, we'd say, "This is how we work. For our first meeting, I'll only need 15 minutes of your time. For our second get-together when I give you our proposal, I'll need 45 minutes. Is that acceptable?" Our contact always said, "Yes."

When we met our prospect in his reception room, instead of letting him usher us into his office where he felt comfortable, was easily distracted by his computer, and would sit opposite us behind his desk, we differentiated ourselves after the "meet and greet" by asking for a quick tour of his entire office space so that we could get a "feel" for his move. While we led the way walking briskly throughout the area, we created a dialogue by asking substantive questions related to what we saw. For example, questions we might ask would be the following:

- Who is moving your plants, your employees or us?
- Who is moving your paintings, your employees or us?
- Who is moving your lamps, your employees or us?
- Who is packing your common areas, your employees or us?

The walk through with our rapid-fire questions averaged 10 minutes. At its conclusion, we'd say, "Now most of our clients just turn us loose so that we can take a thorough and detailed inventory of their furniture, electronics, and contents by ourselves. Is that what you'd like to do?"

Most did, but before we "dismissed" the client, we'd confirm that he would let us come back for a 45-minute second appointment to explain our estimate and proposal to him. If he said, "Just email it", we would tell him that as much as we'd like to do that, our company policy mandates that we must walk the customer through what we're all about. We'd add, "Since you've invested less than 15 minutes until now, and I'm requesting another 45, that's still only one hour of your time." Most of the time a prospect would agree to our second visit. If not, we'd shake hands and leave the office without giving him an estimate. On the way out, we'd say, "We're sorry that we don't qualify to bid on your job." (I promise that was our policy, and it became a great filter for the prospects that were not genuine or who were merely shopping for the lowest price.)

For our second visit, we asked if we could meet in his conference room. Our official reason was to enable us to spread out and show him pictures. Our real reason, though, was so that we could sit next to him when we made our sales presentation. By sitting next to him, we hoped to send a subconscious message that we wanted to partner with him when we handled his move. Sitting opposite from a prospect, such as in his office, can send a negative, subliminal message. Since we sit opposite when we play cards, checkers, or chess, it's more confrontational and adversarial compared to sitting next to someone.

We also differentiated ourselves by not giving our prospects a brochure. We didn't have one. Most brochures look like your competitors' and, therefore, reinforce that you're all the same. Besides, people don't read brochures, and if they do, most people don't believe what they have read.

Instead, we sat next to our prospect and handed him an 8 x 10 black scrap book with pictures that compared how we and our competitors handled moves. As our prospect turned the pages, we told our story about how we would minimize the risk of damage to his furniture, computers, and office space. We captured our prospect's attention, both mentally and physically, because he had to pay attention to know when to turn the picture-book pages.

At the end of our seven-minute presentation, we reviewed our estimate with him. *We didn't read it*; we just reviewed it in less than one minute. Reading it would diminish the value of the benefits we sold during our presentation. Instead of taking our allotted 45 minutes, we completed our sales presentation in 15. Our prospects were grateful to have the extra time back! Most vendors try to spend as much time with prospects as they can. We found that strategy totally unproductive for us and our prospects.

If you follow the herd, you may end up going over the cliff with them by being forced to sell on price. Do you see the advantage of breaking your industry's selling mold and creating one that sets you apart from the rest?

As you can tell from my description above, it doesn't take much time. And you're making the most of every single minute. Whether or not you get the business, you'll earn the prospect's respect. In my experience, that has always provided a solid return on investment later.

CHAPTER 4

Customers Are Always Right—Except When They're Not

Who hasn't heard the saying, "The customer is always right," along with its ugly cousin, "When the customer says, 'Jump', you should ask, 'How high'?"

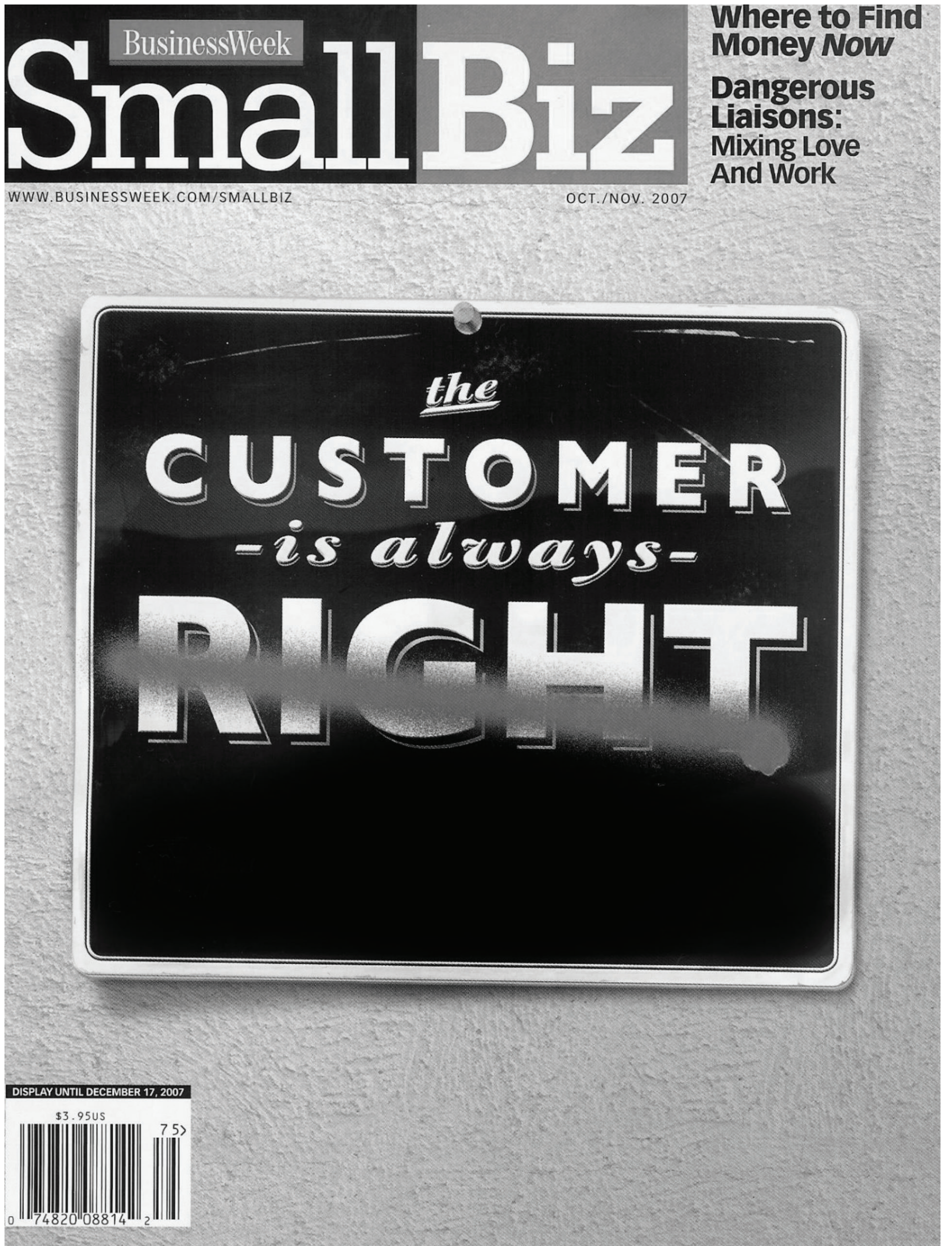
In my opinion, these clichés were probably written by customers trying to take advantage of a salesperson or a company. I could give you hundreds of stories in which this happened to my own company during a move, but here's one of my favorites, that happened *before* a move.

Over a four-year period, we had bid on two large office moves for one of the "Big Five" national accounting firms. We lost their first move because of price. Even though they told us they wanted to use us for their second job (since their first move had been a disaster), we lost that bid, too—ostensibly because we were too expensive.

Two years later—year 6—they asked us to bid again on their third large move. This time they assured us we would win the job because their second move didn't finish on time for the price quoted and had a lot of damage. Faced with that opportunity, would you have bid on their third move, believing that "the customer is always right"? Would you be prepared to do the proverbial high jump?? After two unsuccessful efforts, here's what we did—and it may shock you!

We told them we'd be glad to give them a bid for their upcoming move but only if they'd give us a $4,000 up-front retainer that we'd apply to their final bill after the move. They were shocked and complained that we were the only mover who asked for a retainer. They refused to pay the retainer, and, so, we didn't bid on the job. By the way—five months later they surrendered their licenses to practice as CPA's and went out of business because of their handling of Enron. It's probably just as well that we didn't get the job—chances are we might still be trying to collect payment for it!!

Moral of the story—customers are NOT always right, and it takes a strong backbone to stand up to unreasonable demands. You may lose a bid, but you never know when doing so helps you dodge a bullet—financially speaking, of course!



CHAPTER 5

How to Get Large Customers

Only after you have the skill and experience necessary to provide excellent service on small jobs, should you then target large customers. If a potentially large customer is using one of your competitors, the first thing you should consider is this: why would they fire your competition to hire you? The number one reason I've observed is that their present vendor takes them for granted. The vendor has gotten too comfortable and is often unreliable, late, unprofessional, inefficient, inflexible, irresponsible or unaccountable. Or sometimes they're even dishonest in their billing. So why wouldn't the customer cut them loose? Simple—the cost and fear of switching is often too great.

For this reason, if you try to take the entire account away at the outset, odds are you'll fail. No matter how bad their existing supplier is, the learning curve required with a new vendor can be overwhelming. Despite this, I have discovered a "backdoor" approach into winning all their business: use a white paper. Wikipedia defines a **white paper** as an authoritative report or guide that addresses issues and how to solve them. White papers are used to educate readers and help people make good decisions. They can be simple, yet powerful, and can provide the foundation for your sales approach, particularly cold calling.

To show you how this works, here's the white paper we used as office movers. It assumed that large companies are always moving personnel, departments, and divisions from floor to floor or building to building. Therefore, this white paper was written for them. After the white paper, we've provided an example of a fill- in script you can use to customize for your own industry and clients/prospects. We've also put it in this book's Appendix.

WHITE PAPER EXAMPLE

4 STEPS TO A SUCCESSFUL OFFICE MOVE

The office is moving, and it's your responsibility to choose the right mover. "Simple," you say, "I'll just Google 'office movers' and pick three vendors to bid on our job." That's the wrong approach. Unfortunately, you can't judge a mover's quality by its web site.

When searching for an office mover, you want a company that also offers a strategy that fits your company's specific needs—the more detailed—the better chance for a successful job. Look for a mover that has been in business long enough to have the experience to handle a job your size. Ask your bidders for a list of recent projects that are comparable to your projects.

Your goal is to accomplish your relocation as a hero and not end up as the scapegoat. So instead of playing "Russian roulette" on the Internet (and maybe with your career), ask other large companies that moved recently, or building managers at both your present and new locations, to recommend two or three companies to bid on your job. Tenants, especially those who have had bad experiences, will be glad to tell you about their mover. Property management people often have extensive first-hand experience with various service providers and can, therefore, help you start your selection process.

Have a decision-maker (not just an information gatherer) from your company meet with each mover during the selection process. Tell the mover about your needs and ask how he (or she) proposes to meet them. The same representative from your company should meet with all the movers. During the initial meeting, walk-through, or inventory process, determine whether you or the mover will be responsible for moving fragile items such as lamps, paintings, and plants.

After the mover's rep completes the initial survey, set a time for him or her to return and make a formal presentation. Ask for a Certificate of Insurance. The next step will be to interview the movers. Allow enough time for each mover to make a formal presentation and to answer the following questions:

1. **What type of moving cartons will you provide?**
   Similar in size to the Office Legal Tote, the plastic crate offers an efficient alternative to the conventional moving carton. Because of its strength and shape, the plastic crate can be stacked 4 high without crushing the boxes below or their contents. Stacking the boxes 4 high reduces your contents' volume by approximately 15%, lowering your total moving costs.

2. **How will you handle our computers and other electronic equipment?**
   The traditional way is to first wrap each computer component with two layers of bubble wrap (with the bubbles facing the bubbles) and then place the protected components into a container for safe transport. The problem with bubble wrap is you must first measure it each time before you can use it, and then tape it to secure it. Since it can only be used one-time, discarded bubble wrap fills landfills because it doesn't decompose.

   A better technique, using a device called Comp-U-Wraps, has all the advantages of bubble wrap but none of the disadvantages. They are faster and easier to use because each wrap is already loaded with two layers of bubble wrap with the bubbles facing the bubbles. The preloaded wraps are more efficient and require less skill than traditional bubble wrap because one size wrap fits every size computer component. They're reusable and last for years, and, therefore, don't fill landfills.
3. **How will you protect the office building from damage?**
   To protect carpet, a new product called Polynite covers carpet with lightweight plastic. It has all the benefits of Masonite® but is lighter, does not disintegrate, and does not leave behind a powdery residue that requires extra labor to clean up. Polynite is also lighter and does not break apart. Another device—called Mat-A- Doors®—protects elevator entrances and main building entrance doors.
4. **Will you furnish a list of your last five jobs?**
   Ask for a list of the company's last five jobs, with contacts and telephone numbers. Call all five contacts and ask the following questions:
   A. When did the job take place? If the move occurred more than 6 weeks ago, be suspicious.
   B. Ask how well the mover protected their furniture, computers, and copiers.
   C. Ask if the mover protected their offices against damage.
   D. Ask if the mover completed the job in the time allotted, and if the bill exceeded the prices quoted.

Finally, don't bother with "mass walk-throughs"; they do not save time. Having competing service providers attend the same meeting so that they all receive the same information at the same time undermines the entire selection process. Here's why:

- Bidders on a mass walk-through or meeting will be afraid to raise vital questions for fear of informing their competitors about how they propose to do the job.
- Mass walk-throughs also encourage unrealistically low bids by intimidating those who participate into second-guessing their competitors' bids.

If you follow the procedures outlined above, you will have taken a giant step toward being a hero—congratulated for a job well done—and not the scapegoat for all the things that went wrong.

End

Using our white paper example above, do you think you could write an authoritative report or guide that addresses client issues and how to solve them for your industry? To help you get started, pretend you're a client looking for a contractor, designer, architect, furniture dealer, or sign company. For your specific industry, what helpful hints should a client look for when evaluating someone in your industry? In your white paper, could you insert distinct benefits or differentiators that set you apart from your competition?

Once you write your white paper for your industry, here's how you can use it to get business. Launch your attack by "cold calling" all the largest companies in your city. (To get the contact information, subscribe to a lead source like ZoomInfo https://www.zoominfo.com/.) Once you get the correct contact, tell your sales professionals to SMILE and use the script below as a guide.

Using our White Paper—this is what we said and did as office movers:

1. ***"Hi, my name is ______________ and I'm with Peachtree Movers. Unlike our competition, we don't send information out indiscriminately. The purpose for my call is to get your permission to send you a white paper about office moving. May I please send it to you?"*** He always said, "Yes" just to get off the phone.
2. Before we hung up, we got the correct spelling, title and the exact address of the prospect and sent him our white paper—***4 STEPS TO A SUCCESSFUL OFFICE MOVE.***
3. A week later, we made a follow-up call and said, ***"Last week I sent you a white paper on the 4 STEPS TO A SUCCESSFUL OFFICE MOVE."*** Once he confirmed he received it, we said, ***"I just wanted to point out Step 2."*** For example, since we used Comp-U-Wraps, we'd say, ***"We protect <u>all</u> computer components with a patented computer wrap before we move them."***
4. **<u>Our goal was to meet with the prospect so that we could pitch him the benefits of using our company.</u>**
5. To get the appointment, we asked, ***"May I please stop by for 15 minutes and demonstrate our patented computer wrap?"*** Then we made the appointment.
6. Before we met with the prospect, we prepared for the face-to-face meeting. We took props such as a sample of Polynite, Mat-A-Door®, Comp-U-Wrap, and plastic crate. (You should create and take props with you, too.)
7. We rehearsed our presentation before we went to ensure that it was brief and that we were enthusiastic.
8. No matter how well the meeting went, we didn't stay longer than 15 minutes. (Better to leave the prospect yearning for more than for you to outstay your welcome.)
9. After we greeted the prospect, we went right to the chase—didn't waste time talking about the weather or other trivia. We asked, ***"I'm just curious, how do you presently move your computers?"*** We never criticized his present service provider because he probably hired him. We'd stand up, take control, and be excited. We said, ***"We have a patented method for moving your computers that minimizes the risk of damage to your monitors, printers and CPUs. Unlike our competition, we wrap every computer component with this reusable anti-static Comp-U-Wrap bubble wrap protection."*** We also showed him a sample Mat-A-Door® and told him how our Mat-A-Doors® repelled a blunt force and didn't fill landfills like cardboard does when protecting elevator entrances and main building doors. We told him the benefits of using our plastic crates and Polynite.

10. Ten minutes into our presentation, we hit the prospect with our "close by" saying, ***"What I'd like to do is give you a demonstration of our service. How about if you let us handle your next small move?"*** (This was a no- pressure, innocuous way to eventually get all his business. There was no overwhelming learning curve because we were only asking for one small move. Following the same process, could you ask for a small job, project, or sale?) The prospect rarely said, "Yes", on the spot. However, he would think about it.
11. Then, like clockwork, we called him once a month, **smiled** and said, ***"Are you ready for us to handle your next small move?"*** Eventually, our competitor messed up, and our prospect threw us a bone by giving us a small move. At this time of reckoning, we sent our best crew and rendered a superb service using our differentiators—Comp-U-Wraps, Mat-A-Doors®, Polynite, and plastic crates. Within time, we became his primary mover.

At first glance, this may seem like a lengthy, intense process, but it was amazing how quickly we got our sale's team buy-in after they used this method successfully. In fact, we took a major Southeastern telecom company's business away from four other movers, winning more than $1 million of business per year using this process.

You can have the same kind of success if you follow this process. Identify the largest companies in your market, write your industry-specific White Paper, develop your own telephone script, and meet with the largest companies in your market. If you do, I know you'll be happy with the results.

CHAPTER 6
Networking

What is networking? Most people define it as a venue where you go to get leads because either the attendees need your products or services, or they know of someone who does. Unfortunately, no one taught me how to network properly, and I, therefore, learned the hard way by attending that terrible School of Hard Knocks (again).

Since my business was in the moving industry, I was told the best way to get leads and customers was to join BOMA (BUILDING OWNERS AND MANAGERS ASSOCIATION) and the local Chamber of Commerce—their memberships would automatically get us more business. So, I joined both. Several months later, after sending my two salespeople to BOMA's monthly luncheons and the Chamber's "Business after Hours" events, I asked them if they had gotten good contacts and referrals from attending. I was shocked when they replied, "Nope, none!"

I was upset because I had made a huge investment in both memberships and paid extra for their meals, cocktails, and parking. Curious as to why I got no ROI, I went to the next BOMA luncheon without telling my sales team.

The doors opened at 11:20 a.m., and between then and noon, I met and exchanged business cards with six building managers. When it was time to eat, I chose a seat where there were several people I didn't know so I could introduce myself to them during the meal. As we started to eat, I saw the reason we hadn't gotten benefits from our memberships. At exactly 12:10, my two salespeople—not seeing me— rushed in and sat by themselves and looked like they had a great time talking to each other while they ate their meal.

And there it was...how could they get leads if they were networking with themselves? I was furious, of course, but instead of confronting them at the event, I went back to the office and put together a plan to fix the problem.

Here's what I did. At our next weekly sales meeting, I told my salespeople that I saw them at the last BOMA luncheon and that it was my fault for not teaching them how to network. "From now on," I said, "this is how you'll network."

1. You are to arrive at a networking venue at least a half hour before it begins.
2. You are not permitted to talk or "hang" with each other.
3. You are to introduce yourselves to other attendees whom you don't know.
4. You are to empty one of your side pockets to make room for the business cards of the contacts you make.
5. You are to keep a stash of your business cards in the other pocket to hand to the contacts you meet.
6. When asked about what you do, you will respond by saying, "We're the only office mover in Atlanta that offers the 'boxless move'." When pressed further to explain what you mean, you will reply, "We're the only company that moves your furniture without your office having to shut down and empty and pack up what's in the drawers before the move."
7. You are not to spend more than eight minutes with each contact. To end your conversations in a timely manner, shake the person's hand and say, "I know you're here to meet as many people as you can, so it was nice talking to you," as you move on to another contact.

To reinforce my new action plan, I role-played with both employees several times until they mastered the "drill". The results were amazing. Once they adopted these techniques, we no longer wasted their time or my money. Instead, we succeeded in getting great results from our networking memberships. We made tremendous contacts, got great leads, and ultimately won more business.

Knowing that I couldn't manage what I didn't measure, I had my sales team give me copies of the contacts' business cards at our weekly sales meeting. (They complained and said I didn't trust them. I told them not to take it personally because as their "sales manager", I was personally responsible for their performance and behavior, as well as their ultimate success.)

You, too, can use networking to get phenomenal leads. Before participating in a networking event, determine whether the event and attendees are the right fit for your product or service. For example, as office movers, we rejected an invitation to sponsor and meet monthly with a group that promoted tree planting in Atlanta.

Once you find the right group to join, develop an "elevator speech"—a differentiator that describes your unique product or service in 25 words or less. Use one like our "Boxless Move" pitch that will provoke a dialogue. Our contacts always asked, "What's a Boxless Move?"

HERE ARE SOME OTHER POINTERS FOR SUCCESSFUL NETWORKING

- Buy your own name tag instead of wearing the one you are given at the door. The labels they issue generally have too much information on them and are not user-friendly for other attendees. Their event name tags typically include your company's name in large bold font and both your first and last names in mice type, thereby making it difficult for people to read your name.

  Instead, wear a metal or plastic name badge that attaches to your clothing with a magnet that has just your first name in at least 48 font. This size badge will make it easy for people to read your name. (They'll get your last name and company information when you give them your business card.)

  Wear your badge on the right front side of your torso. For example, attach it to the right side of your jacket lapel or the right side of your shirt or blouse. When you meet and greet contacts and shake hands, their eyes will be able follow up your right arm to see and read your name tag in the event they didn't hear your name clearly when you introduced yourself. This size badge and placement also eliminates their potential embarrassment of not hearing your name or worse, not remembering you from a previous encounter.
- Arrive at least one-half hour early to the venue to enable you to meet people who are standing alone and not already talking and networking with someone else.
- Try to meet the singles who are standing in the four corners of the room instead of the center. Research has proven the people you want

to meet— the real power brokers, who are the best contacts—generally stand in the four corners. Therefore, try to meet them before moving on to people in the center of the room.

- Never, ever judge a person by his or her looks. It's easy to do in industries that are dominated by one gender—men! Don't assume that a pretty, young lady is merely someone's assistant, and, therefore, skip the chance to meet her. Dara Nicholson, whom I mention later in this book, was the Senior Vice President of Cousins Properties in Atlanta. She managed hundreds of thousands of square feet of office space in Atlanta. Passing her by, thinking she was someone's assistant would have been a terrible mistake—don't prejudge.
- When your contact hands you a business card, pick it up with both of your hands, raise it up so you can read it, and say his or her name and title. Then ask what he or she does at the company (if the title isn't completely obvious). This way you'll be sure to get the name correctly.
- Don't spend more than eight minutes with anyone. You're not networking to make new social pals. You're there to meet as many people as you can who either need your product or service or know of people who do. If you "work the crowd" for 45 minutes, you should expect to meet between six to eight people.
- Follow up after the networking event by contacting the people you met who might know of others who need your product or service. Instead of asking them to give you leads, try to pull them into your deals or give them leads. They'll appreciate your help and pay you back by doing the same for you.
- Follow up with the prospects who need your products or services by requesting an opportunity to meet with them.

Networking at events like the Chamber of Commerce will help you generate great leads and quote more jobs. But what about "networking groups" where you meet weekly or monthly and exchange or trade leads? The problem with joining a networking group is that most of the participants belong to more than one group. To participate in other similar groups, they must furnish leads—often your leads. That's the reason I'm against joining such a group because your leads often end up in the hands of your competitors.

Instead of joining a networking group, I recommend working with other service providers on an exclusive basis. **<u>What I'm about to share with you is confidential—it really is.</u> If you share this business model, it will lose its value.**

Here's the process: On a one-on-one basis, meet with other types of service providers who typically chase the same customers as you do. For example, if I were a mover, I would meet individually with an office furniture dealer, a telephone vendor, an architect, an office space leasing agent, a copier company, and a contractor.

During the meeting, I would propose working with each of them on an exclusive basis and promise never to share their leads with anyone else—ever! What I'd ask in return was the same confidentiality from them with the leads I'd give them. I'd warn them if I they ever violated this trust and agreement, I would stop trading leads with them. If they'd agree, I'd tell them I would give them "warm" leads— <u>companies that we had already contacted that confirmed they were moving</u> and, therefore, might need their product or service. In return, I would require them to give me similar warm leads and not merely lists of companies that might be moving.

I'd develop this confidential "single" relationship with one company from each industry mentioned above. I would not tell them I was working with any other vendors, but I would honor my pledge and give each of them my same "mined" leads on a weekly basis. They, in return, would give me their screened leads.

I did this at my moving company. We shared leads exclusively with each other. Because I was (probably) the only one who had this one-on-one arrangement with multiple vendors, I got more than 30 great warm leads each month. Since the leads we got were "filtered", I didn't have to hire a large telemarketing team to screen hundreds of cold leads that were nothing more than a list of companies that had leases expiring. Instead, I was given solid leads of companies that needed our moving services. This exclusive arrangement was our best source of leads.

CHAPTER 7

The Most Incredible Marketing Tool

Let me tell you something—if Home Depot does it, you should, too. When I buy something from Home Depot online, a few days later Home Depot emails me a customer evaluation form that asks me to judge the quality of my purchase. I liked this idea so much that I adapted it for my own company and called it the ***Mover Audit Form***. While mine was created specifically for the office moving industry, you can modify it for your own business, and then use it to ensure that you're providing the level of service your sales team promised. It can also become your most unique marketing tool. Let me explain...

We required all our supervisors to complete the audit form before departing the office buildings where they worked. Specifically, after they loaded their truck(s) and before they drove to the new building, the supervisors filled out the forms. Likewise, they filled out other ones at the end of the job before returning to our base.

The audit was a tool that ensured our crews followed our standard operating procedures during the move. Among the many questions the form asked were the following:

- Were you courteous to other tenants?
- Did you keep the bathrooms clean and inspect them before you departed?
- Did you install extensive building protection including **Mat-A-Doors®** to protect the elevators and main entrance doors and **Polynite®** to protect the carpet?
- Did you ensure you did not block other vehicles in the parking lot?

If all we did was file the completed forms, supervisors probably would have routinely answered "yes" to all the questions and gone their merry way. But that's not what we did. We mailed their completed audits to the respective building managers, and our supervisors knew it.

Here's where smart marketing came into play. After every move, we stapled our sales manager's business card to the completed audit and mailed it without a cover letter to the building managers. (See the

Appendix at the end of this book to see an example.) Most recipients were confused when they received the form for the first time, and it usually triggered a call to our company asking if we had mailed the form by mistake.

At that point, our sales manager always replied, "We hope it's okay with you that we sent it. As Certified Office Movers® by the International Office Moving Institute, we are required to act as guests in 'your house' so that we'll be invited back. To prove that we don't disrupt your building and minimize the risk of damage while we're there, we're required to complete the audit and copy you to verify that we 'walked the talk'. If you ever feel that we didn't do all the things we said we did in our self-audit, please let us know so that we can take corrective action."

If you were a building manager, especially one who didn't like movers in general because they disrupted your tenants and tore up your building, how do you think you'd react to receiving an audit from our company every time we set foot in your building?

Thanks to this form and our follow-up, our movers always acted professionally. In return, without even asking, most building managers recommended our company to their tenants that were moving. It was not uncommon for building managers from both buildings—the one our prospects were moving from and the one they were moving to—to recommend our company's moving services to them. Their recommendations primed our prospects to be predisposed to hiring us even before we submitted a bid.

Whether you're a mover or other type of vendor, do you see how easy it would be to adopt this process? Your audit might be called the "Furniture Dealer Audit Form," the "Contractor Audit Form," or the "Telecom Provider Audit Form." If you use it, and your employees "behave" like ours and don't disrupt the building, and if you send out completed audit forms to building managers, they'll probably recommend your company to their tenants that are moving and will need your services at their new location. Wouldn't you? In my opinion, using this form is a win-win for everyone—the building managers, your customer, and your company.

Trashed bathroom without an audit form

*Extensive building protection including **Mat-A-Doors®** and **Polynite®** with the audit form*

CHAPTER 8

Become Uniquely Known for Solving Your Customers' Worst Nightmares, and Your Sales Will Soar

Four years after starting my moving company, I couldn't believe how successful and profitable we were. With little competition, we "booked" (closed) almost every job we bid on and made a lot of money.

Everything was wonderful until "Goliath" showed up. At the end of our fourth year, a giant moving company that specialized in office moving opened a branch in Atlanta and nearly drove us out of business.

We couldn't compete against their size, pricing, or reputation. We had three moving vans; they started with 10. We had 15 employees; they had more than 50 experienced movers. We owned 50 4-wheel dollies; they had over 1000. Worst of all, our largest single move was only 16 truckloads—our new competitor moved Sears into their Chicago headquarters transporting hundreds of truckloads. Not only did they outperform us, but their rates were 10% lower than ours.

I tried everything humanly possible to survive. I advertised on the radio and in print media, I went door-to-door and handed out flyers, and I lowered our prices, but nothing worked. They say desperate people do desperate things—**and I was desperate**—so much so that one night I got down on my knees and prayed to God—a lot.

Call it a coincidence or what I believe was a miracle. **For the first time ever, I started listening to my customers—REALLY listening to them.** In the past, many of them used to complain about packing and unpacking the contents of their furniture before and after their move, and I, like my competition, ignored them and made them empty and pack everything. But when I prayed and started listening to my customers, I started thinking about the possibility of moving them without packing. I became obsessed with the "boxless move" and couldn't get it out of my mind. I started having visions of inflating airbags inside desk drawers and using a modified engine hoist with huge suction cups to lift heavy, fully loaded lateral file cabinets onto dollies for transport.

One year later, I rolled out my first two patented inventions—Space Gobblers and the Spider Crane. With these devices we were the only moving company in the world that could move our customers' contents ***in*** their furniture instead of moving their contents ***and*** their furniture.

With these differentiators, we uniquely solved our customers' worst nightmares and problems. No longer did our customers need to worry about lost or mixed-up files since they remained in the furniture during transport. We also eliminated most of the down-time—the non-productive time customers spend before and after a move, packing and unpacking. Our "boxless move" meant less discarded packing material ending up in landfills after the move.

With these devices and our already stellar service, our sales closing ratio soared. While the moving industry typically has very low profit margins, our gross profit climbed to 50% even after subtracting our labor, truck and equipment depreciation, packing material costs, and sales commissions.

What happened to "Goliath"? Our giant competitor went bankrupt 3 years later, and we, once again, became the major factor in the office moving arena in Atlanta.

Here's the takeaway: don't copy your competitors. Outsmart them. "Drill down" and try to identify your customers' biggest problems and nightmares (besides price). If you do, you might discover solutions that differentiate your product or service in the marketplace that will ultimately boost your sales and profits. By asking your customers questions such as, "In addition to a competitive price, what else are you looking for? Are there any problems or issues that worry you? Is there anything else we could do or offer to make your life better?"

If you examine the history of some of the most brilliant and successful business models, you'll see that half the battle of innovating is simply identifying the need. Back in 1978, Bernie Marcus and Arthur Blank came up with the Home Depot idea after they realized customers' worst experiences often occurred when they shopped for lumber and other building supplies. Even I remember being intimidated by an employee in a national lumber and building materials chain in the early 1970s, who was stocking shelves when I asked him if he could

help me with my purchase. His reply was he was too busy and couldn't stop for at least an hour. Not knowing what to do, I left the store without making a purchase (and the employee couldn't have cared less).

The Home Depot founders saw a need and jumped on the opportunity to revolutionize an industry. Overnight they created big box stores that offered a huge variety of merchandise at discount prices with store employees that were trained and helpful. As they say, the rest is history.

Could you do the same with your business? Talk to your customers, identify their needs, and take a chance on innovating. See if you can discover a technique, idea, or product that solves their needs and differentiates you in your marketplace.

Use a mission statement to get ideas from your employees. Do you know what a mission statement is? It's a short, succinct definition of a company's purpose. Does your company have one? Most I've read are what I call "psychobabble". They're vague, unspecific, and generally too long. Employees usually don't read them, and if they do, they probably don't understand them.

In my opinion, a good mission statement is the rudder that steers the ship. Without it, a company has no focus and drifts aimlessly without a clear purpose or goal.

When I owned my moving company, our mission statement was "To become the most user-friendly office mover in Atlanta." I randomly asked all my employees—movers, drivers, supervisors, salesmen, bookkeeper, and customer service employees, "What is our mission statement?" Because I asked them so many times, they finally learned it and could regurgitate it in their own words. When they repeated it, my follow-up question was, "Well, do you have any ways or ideas to make it easier for our customers to do business with us?" You would be amazed at the responses! Here are some examples:

- One of our supervisors, Dexter Cook, whom I write about in a later chapter, came up with a brilliant and safe technique for moving flat files (a.k.a. blueprint file cabinets) without having to remove the cabinets' contents—a huge timesaver for customers!
- Our bookkeeper, Lou Manos, said we could become more user-friendly to our large house accounts like Holiday Inn, Sun Trust,

and Rockwell if we sent them their invoices immediately instead of sequencing them in the order in which they occurred. We did, and our house accounts loved our special treatment!

- One of our movers came up with the ingenious idea of securing floor protection to the carpet by pulling another mover around by his legs.

These are just a few examples; as time went on, we continued to get terrific ideas from our employees on a regular basis. All because we created a simple and clearly understandable mission statement. If you have a mission statement, how's it working for you? After reading this chapter, is it time for you to consider changing it?

The "boxless move" eliminated packing

CHAPTER 9

Doing Good is Good for Business—Another Unique Marketing Tool

On August 27, 1992, I experienced a "close encounter of the strangest kind" that led me to develop another unique marketing strategy. That day, I saw hundreds of Home Depot trucks heading south down I-75 and I-85 through Atlanta. Seeing so many of their trucks at one time, I assumed they were having a huge convention in Florida.

I soon realized that the caravans had nothing to do with a convention, but instead, Andrew—Hurricane Andrew. Three days earlier that killer storm destroyed or damaged more than 75,000 homes and killed 65 people in South Florida.

To make matters worse, price gougers sold water, food, and building materials at highly inflated prices. In response, Home Depot raided its southeastern stores and sent building materials by truck to Dade County, Florida, the epicenter of the storm. Unlike its competition, Home Depot kept prices on plywood and other items at pre-hurricane levels and became a shining example of how to treat and help your neighbors during a crisis.

It was a public relations coup. For more than a week, the news media showed countless examples of evil price gougers capitalizing on the suffering and then compared their behavior to Home Depot—the community's new model citizen. Home Depot could not have purchased better goodwill or advertising.

That experience gave me a unique marketing idea. To strengthen our moving company's relationships with office building managers, I offered them a free disaster recovery program. Since it was before the Internet, I wrote the following letter to every building manager in Atlanta:

Dear (Building Manager):

Do you have a disaster recovery plan? What if there were a fire or flood in your building in the middle of the night or on a weekend? What would you do?

In addition to calling a plumber, an electrician, a contractor, a furniture dealer, and a janitorial company, you might need an office mover to salvage the furniture and help you recover from the disaster. But moving companies are closed at night and on weekends.

As a token of our appreciation for your continued support and recommendation of our company, we are offering you our free disaster recovery program. If you register your building with us, we'll give you a number to call—nights and weekends during nonbusiness hours—in case you have an emergency and need our service.

What will this cost you? Not one penny more than our already competitive moving rates for a move that time of day or day of the week. If you would like to enroll, please contact us…" (See our Appendix for the complete form.)

In other words, we offered the *program* for free but not our moving services— we'd charge our normal overtime rates for a move at night or on a weekend. Whether the building managers recommended us or not, we still thanked them in our letter.

We mailed more than 100 letters, and 37% of the recipients signed up. Something amazing happened two months later that increased our enrollment to more than 60%.

As an afterthought, I sent an additional 10 letters to our largest customers who owned their own buildings or leased several thousand square feet in multi-tenant buildings. One of those who responded and enlisted in our program was KnowledgeWare, Inc., run by the famous football quarterback, Fran Tarkenton.

Two months after they enrolled, on a Sunday evening at 6 p.m., I got a panicked phone call at home from KnowledgeWare. Our contact said she was desperately in need of our moving services. Her company had hired a plumber to install a water filter on their water fountain inside their office the day before. The plumber had done the work while the office was closed. You can guess what happened. Sometime later, the fountain sprang a leak.

KnowledgeWare was on the 10th floor of Tower Place in Buckhead—a popular office building that boasted many marquis tenants. It took until 5:30 p.m. on Sunday for the flowing water from their broken pipe to make it out their front door and travel all the way down 20 flights of inside fire escape steps (10 floors) to the lobby where the security guard saw it seeping from the stairway. He followed the path of the water up the steps until he saw the source. He called KnowledgeWare, who in turn, called a plumber, ServiceMaster, and me.

By 9:30 that night, we had a moving crew in their space shifting their furniture around while ServiceMaster vacuumed the wet carpet. Our Disaster Recovery Program worked for KnowledgeWare, and they were able to open for business Monday morning.

The following week, I recalled the incident in a follow-up letter and sent it to all the building managers. An additional 23% of the recipients enrolled in our Disaster Recovery Program. Because of the program, more and more building managers recommended our company to their tenants who were moving.

Regardless of your industry, do you see the value of having a Disaster Recovery Program? If you do, simply contact building managers, who could recommend your company, and offer them your own version of a disaster recovery program. Offer it to your largest customers and clients, too, so that you can cement your business relationship with them.

It was only a small (high-pressure) broken pipe

CHAPTER 10

How to Get Customers to Refer You—Without Asking!

Whenever prospects called our office for an estimate, we tracked their reason for contacting us. We wanted to know what drove customers to our doors, hoping we could leverage it to grow our business. To capture this information, we never asked the question, "Will you please tell us how you happened to call us?" We were afraid that they might say, "No."

Instead, we used a subtler question and said, "I'm just curious, did someone recommend us, or have we moved you before? We're asking because if someone referred you, we'd like to send them a thank you note." This worked 100% of the time—we got the information we sought. Some replied that it was because they saw us moving someone else or found us on the Internet. However, to our surprise, 71% of our business came from referrals and repeat customers. Apparently, we had a lot of loyal customers who recommended us.

What's amazing is that we never asked customers for referrals because I personally believe that's a turnoff. *When other service providers—especially insurance agents, told me their business depended on customer referrals (and wanted me to give them prospects), I rarely did. To be honest, I was afraid my friends would call me and complain about "siccing so-in-so on them."*

Whenever customers referred us, we thanked them by writing a personal thank you note and mailing it. We felt that a "thank you" email was a lazy person's way of thanking them. Our personally handwritten note simply said, "Thanks so much for recommending us to __________. Your support is greatly appreciated."

In addition to rendering a great service, I believe one of the reasons our customers referred us was because we tried to help them after the sale. We identified our biggest fans by sending all our clients an evaluation form after each job. I personally called the ones who gave us the highest ratings, thanked them, and then made the following offer: "If you ever need help in finding other vendors or service providers to solve any of your business problems, please give me a call, and I'll try to help you find the best ones." In effect, I became a resource like "Angie's List" for our happy customers.

Customers trusted our recommended vendors because we refused to accept kickbacks, commissions, or referral fees. This made us unique! We told our preferred suppliers that we would recommend them if they rendered a stellar service and did **not** pay us a compensation—no cash, no gifts, no free meals. We asked our customers to evaluate the service they received and tell us if we should continue recommending the vendors.

As part of our strategy, we had a preferred furniture liquidator, furniture dealer, local residential mover, long-distance mover, office movers in other cities, a contractor, a painter, a janitorial company, a sign company, and a printer. Our loyal customers were constantly calling us and saying, "We know you only do local office moves, but can you please recommend someone who you trust who can...?" After our recommendations, we'd ask our customers to let us know how the vendors performed, and we reminded them that we didn't accept payment from the preferred vendors, so there was no conflict of interest.

How do you feel about asking customers for referrals? Are you like me and find it a turnoff, or, do you think it's okay to ask? Just because insurance agents often ask for them doesn't make it right.

CHAPTER 11

The Art of (Closing) the Deal...According to Me

Ever since Donald J. Trump was elected President of the United States, the phrase "The Art of the Deal" has come into modern lexicon, borrowing from the title of his book. Politics aside, Mr. Trump does know a thing or two about closing a deal and the biggest takeaway is that you must accept that few deals are closed "on the spot". It's not a rejection, and it doesn't mean you won't get the business; it's just the way certain industries and companies operate—and there are ways to counter this reaction. Let me give you an example from my own career as a former owner of a large office moving company.

During my 24-year "reign" at Peachtree Movers, we did more than 50,000 office moves, and I can count on (only) one hand the number of moves we closed on the spot. Even when we were the only bidder, our prospects would say, "I want to think about it" or "We'll let you know something soon." For whatever reason, our clients stalled before awarding us the move.

Our subtle closing pitch—which was true, by the way—went like this:

"Unlike our competition, we 'book' and schedule moves on a first-come, first-serve basis since we have a limited number of trained, professional, experienced movers. Please, if you'd like to hire us, let us know as soon as possible so we can reserve our precious people resources for your move. We'll feel terrible if we're not able to schedule your move because you waited too long to award it to us."

This approach typically motivated our prospects to schedule us months in advance.

In contrast, the moving industry typically gives the impression that they're never at capacity because they have unlimited movers available. This is true for many moving companies, since most don't have ongoing training for their employees. In the moving industry, "OJT" is the norm; in other words, the typical mover/helper goes through "On the Job Training". We told our prospects that a supervisor can't train his crew on the job and run it effectively at the same time. What OJT really means is that movers learn how to do their job at the customer's expense (and peril!).

I'll bet most of my readers will take exception to my next point: when we bid on jobs, we only used the subtle closing strategy (above) on larger, more profitable moves. Those are the ones we wanted to schedule first and expend our capacity on, especially on weekends. We never used that pitch on smaller or marginally profitable moves. For example, if we bid on a small (less profitable) job such as 6 men and three trucks for five hours, we said nothing at the end of our sales presentation. The reason was simple; we wanted this type of prospect to call us at the last moment to schedule his move when we were already at capacity. Most of the time we were successful in convincing him to go at another time—Monday, Tuesday, Wednesday, or Thursday evening from 6 p.m. until midnight. We did this so that our resources were available for the larger, more profitable moves.

The bottom line is this: make sure your best prospects understand the risks and consequences of slow decision-making. You're not going to threaten them, obviously, but you're educating them on the potential pitfalls, including product shortages, delivery delays, scheduling conflicts, etc.

If it's a very profitable bid, use it as a great differentiator. Close the deal by letting them know you have a limited number of highly skilled and experienced employees. If it's true, you can add that unlike your competition, you don't pick casual labor up off the street and send them out to learn how to do the job at your customer's expense. If they'd like to hire you, they need to let you know as soon as possible so that you can reserve your valuable and precious resources for their job.

CHAPTER 12

After You Close the Deal, How to Collect What You Bill

You're familiar with the phrase "caveat emptor" (buyer beware), but have you ever heard the warning "caveat venditor" (seller beware)? Back during our formative years at my company, we did business on a handshake—that is, until we moved a law firm that nearly drove us into bankruptcy. Because of that experience, I'm sometimes accused of being cynical—and proud of it!

I remember how excited I was when we were awarded the job of moving a mid- sized law firm into a brand-new building in downtown Atlanta. It was a 20- truckload "shuttle" move—going from one high-rise building to another— commencing at 6 p.m. on a Friday, continuing all day Saturday, and finishing around 5 p.m. on Sunday. Since it was the only job scheduled that weekend, we had plenty of equipment and an outstanding crew.

My contact was a facility manager with prior law-firm moving experience. He and I had a great relationship and looked forward to working together. It wasn't until the beginning of the move that I found out that what should have been an uneventful weekend would ultimately become one of the biggest challenges in my short moving career.

At 7:30 p.m. on Friday, my supervisor called from the destination to tell me loaded trucks were backing up onto the street because they couldn't get into the new building. An hour later, I discovered why: our client, the new building tenant, had failed to secure a certificate of occupancy (CO). Since none of my trucks or equipment could recycle in a timely manner, the entire crew at both buildings—the old and new—stood around doing nothing until 9 p.m., when the fire marshal finally issued a temporary CO. By 11:30 p.m., when we stopped working, we had moved only three truckloads into the new building.

Saturday morning presented even greater challenges. When we arrived at the destination, I was shocked to find installers laying carpet in the main corridors— our only access into the offices. Not only did our trucks and equipment back up, but the gridlock caused us to handle their furniture two to three times before being able to place it. Because of all the disruptions, we didn't finish the move until 11:30 p.m. on Sunday. As we were leaving the building, the carpet installers thanked us for being so cooperative and accommodating in working around them the entire weekend.

The following Tuesday, I presented an invoice to my contact and explained why the final bill came to $22,000 instead of $19,000 as estimated. He told me we did a great job and would pass the bill on to the "powers that be". Six weeks later a letter arrived from the senior partner. I choked and had trouble breathing as I read it. He accused our supervisors of being unprofessional and blamed them for the move taking longer than it should have. He agreed to pay us the estimated cost of $19,000, but not a penny more. I tried to meet with him to present our case, but he refused. It wasn't until I sought legal help in collecting my money that I learned the importance of a contract.

Without a signed contract spelling out terms and conditions, I discovered I could not sue for interest, legal fees or court costs. Without a signed contract, my customer had no incentive to pay me. And that's what happened. During the five years it took to finally collect the full amount, we didn't have the use of the money, which really hurt our cash flow.

In the aftermath, I created a contract for every job called an "Order for Service", which included the following stipulations:

- The final bill is based upon the actual time and material—not the estimate.
- Net is due upon receipt, and the customer is liable for all collection and legal expenses, as well as interest in obtaining full payment.
- We are not responsible for unforeseen contingencies such as those resulting from construction activity, elevator failure or nonexclusive use of the elevator.

We started requiring customers to sign a contract prior to work commencing. Refusing to sign meant they had no intentions of paying, so I considered it a favor and, of course, we did not move them. From the time we implemented the contract in 1984 until the sale of my company in 2000, only six invoices went uncollected in full, and none of the amounts exceeded $3,000.

Does your company do business on a handshake? Do you have trouble collecting what you bill? Do you agree if a customer refuses to sign a contract prior to commencement of the work, you shouldn't do the job?

PART 2
Operations—The Harder Part of Business

CHAPTER 13

Treat Your Vendors Like Customers

As the former owner of a large office moving company, I learned a long time ago that our success depended as much on our service providers as it did on our customers. Imagine having a truck loaded with office furniture getting a flat tire at 10 o'clock at night 30 miles from your base. Then imagine how great it would feel knowing you have a stellar relationship with a tire company that's on call and provides road service 24/7.

In the course of my business, we had situations arise after normal business hours, and I thanked God every time that we had solid relationships with vendors who came to our rescue without hesitation. That's when you know why it's important to treat your vendors just like your customers.

I learned this lesson early on from a V.I.P. customer of ours—John Portman & Associates. In the 1970s, Portman developed the internationally famous landmark in downtown Atlanta called Peachtree Center. Whenever they leased office space in their complex or needed to move a tenant from one building to another, they gave us the moving contract. It was my contact in their office, Dara Nicholson, who taught me how to treat service providers. She did it by example: she treated ME as a valued customer instead of nothing more than a vendor.

She always acknowledged that they were not our only customer and did her best to accommodate OUR schedule if we weren't available on a specific date. Can you imagine? If we ever had a service failure, she told us in a calm and factual way without ruining our relationship. She never yelled or threatened us; she was polite and professional. Her treatment brought the very best out in us; it made us always try harder to render the very best service possible. Her attitude was certainly not the norm at the time, and we rarely see it even today. It was a powerful lesson that stuck with me, and I committed to paying it forward (before that term was even a "thing"...).

On top of everything else, John Portman & Associates always paid their bills in a timely manner. (There were times that I fantasized about sending some of our other customers to them for training.)

From our treatment by this V.I.P. client, I learned how to bring the very best out in our service providers. I nurtured our relationships by:

- Paying them immediately—upon receipt of invoice
- Clearly defining what my (ever-changing) needs were
- Never threatening or yelling at them—I was polite and professional
- Treating them with respect and integrity
- Telling them how much I appreciated their service (I really did!)
- Giving them realistic deadlines knowing that I wasn't their only customer

If you follow my business model and treat your vendors like your most valued customers, I'll bet you'll bring the best out in them and receive superior service.

CHAPTER 14

Warning: This Shape Test May Be Illegal

(Using it may be a violation of government regulations)

Years ago, I stumbled upon an interesting personality test based on shapes (triangle, circle, etc.). We used it for screening prospective "white-collar" employees. Even though we found it incredibly accurate, you shouldn't use it unless your labor attorney confirms it's not a violation of labor laws. When we first started using it, we still wasted a lot of time interviewing candidates. Our laborious interview process included describing the job, asking and answering lots of questions, and giving a tour of our facility. At the very end, if we were going to make an offer, we administered the test. Of course, if the interview went well, we ignored negative test results and hired the person anyway. Over time, though, we saw a direct relationship between bad test results and new hires whom we ended up letting go.

The last and final time we ignored the test results happened after we hired a young lady as an administrator. She was super intelligent and highly motivated, had excellent communication and computer skills, and had good experience. However, the shape personality test identified her as a person who would not listen or follow instructions. We assumed the test was wrong—because we liked her so much— and offered her the job. By the end of her first week of employment, we were so glad we did. She was a quick learner; her work was exceptional and exceeded our expectations.

At the end of her second week, though, we noticed a few minor incidents that concerned us. She started questioning the procedures she was supposed to follow and wanted to know why she had to do her job the way we trained her.

By the fourth week, her complaining and arguing got so bad that we fired her. That meant we had to start the interview process and subsequent training all over again. The only silver lining was that it validated the shape personality test results. In time we found the test was so reliable that we eventually administered it during the first five minutes of every interview. If an applicant "failed" the shape test, we apologized and ended the interview.

Would you like to learn more about the shape test? **(Disclaimer, we're not recommending that you use it.**) Okay, let's pretend I'm interviewing you. If I were, I'd place the shape test in front of you and say, "This is a 'game' to calm and relax you before we start the interview. There are no right or wrong answers— it's just fun to see what you like and dislike. As you can see there are five shapes: square, triangle, circle, rectangle, and squiggle." (Be sure to call it a squiggle and not a snake—most people don't like snakes.)

I would go on to say, "Without thinking, pondering, or analyzing, pick your favorite shape. Now pick your second favorite shape. Which one do you like the best? Which one is your second choice?"

That's it. That's the test we ultimately gave at the beginning of every interview. For fun, you can shape test your spouse, friend, or significant other—but you need to disarm them by assuring them that there are no right or wrong answers. Otherwise, they'll try to second guess the "correct" answers and invalidate the test results. The first choice is the dominant personality trait; the second choice is strong, too, but not dominant.

GOOD LUCK TO YOU–HERE ARE THE TEST RESULTS

- **Square:** These are people who like to follow procedures and rules. They thrive in a highly structured environment. (They make good bookkeepers.)
- **Triangle:** These are people who like power and have a backbone and spine and not afraid to make tough decisions. (They make good managers, CEOs and presidents.)
- **Circle:** These are people who like people and like to interact with other people and are outgoing and like to talk a lot. (They make good sales people and customer service representatives. You would not want a bookkeeper to be a circle because he or she would want to talk to his or her fellow employees too much and not meet deadlines.)
- **Rectangle:** These are people in transition or are making a change in life and, therefore, can be any one of the other shapes. They are wild cards because you don't know who they are. (Examples could include someone getting a divorce, changing careers, going through a midlife crisis, or graduating from school. They may not know what they want to do in life.)
- **Squiggle:** This is who I am. **Even worse, I'm a "double Squiggle." Squiggles** are people who we would not hire at our company! They are typically very creative—that's good—often referred to as "outside the box". The problem is they don't like to follow the rules and are, therefore, difficult to manage. They have extreme self-confidence and very high self-esteem. They question everything and want to know "Why do we have to do it that way?" Remember the administrator example at the beginning of this chapter? She was a Squiggle and a Triangle—the worst combination.

As a double Squiggle, I'm totally unmanageable. When I took this test, I didn't care about the rules. Since I didn't like any other shape except the Squiggle, I chose it for my first and second choice—not acceptable! Squiggles are risk takers and are good at marketing and advertising—not a fit at my moving company.

Karma—"What goes around..." My wife is a Triangle and a Squiggle. Every day <u>whenever</u> I go into the kitchen, she asks, "What are you eating now? I thought you were trying to lose weight." When she's not asking me that question, she inquires <u>at least several times a day</u>, "What are you doing now?"

(See the Appendix for a copy of the shape test.)

CHAPTER 15
How to Train Your Employees

I need to qualify this chapter before you read it. Since I've never taken a formal HR training course, what follows is entirely based upon my positive firsthand experiences with labor. During the 24 years that I owned my company, I had more than 1,000 employees. When you've had that many employees, you get to know people and learn what works and what doesn't. I realize that compared to "official" human resource practices, my recommendations might appear naïve and unsophisticated. However, since they worked so well for me, I'm taking the liberty of sharing them with you.

Let me start by telling you what I saw a few days ago at the exercise facility I attend. I watched a supervisor teach a new employee how to set the combination code on a member's locker, how to override and open it with a master key if a member forgets his combination, and then reset the combination. The process involved several steps in sequence. After showing the employee the steps, he asked her, "Do you understand, get it?" Of course, the new employee replied, "Got it!" Big mouth me—watching from the sidelines—jumped right into the training session and (rudely) corrected the trainer/supervisor and said, "That's not how to train someone!"

I told them about the time my older brother tried to teach me how to drive his Austin Healey stick shift sports car. He showed me the clutch, and while we were still parked at the curb, how to shift through all four gears. I never did drive his car because my brother was a terrible instructor. He impatiently gave me too much information at one time and kept asking, "Get it?" Not wanting to appear stupid, I always answered, "Yes" even though I didn't.

A few years later, I learned how to drive a big, 29,000 GVWR (Gross Vehicle Weight Rating) truck with a clutch and 10 gears from a professional instructor who knew how to teach. I believe the steps he used to teach me are the same ones your supervisors and managers should follow when they teach someone a new task. They are as follows:

1. **Tell the "student" what you're going to teach—describe it and diffuse pressure by not rushing.** In my case, my instructor explained that the truck had 5 gears with a 2-speed rear end for a total of 10. He said I would eventually learn how to split shift safely from 1st to 10th and then downshift from 10th to 1st. He cautioned me not to be overwhelmed because we were going to take as much time as necessary for me to learn.
2. **Validate the communication by asking the student to repeat what you just told him.** To ensure I was paying attention and understood, my instructor had me paraphrase his instructions. If your student knows you'll always validate your communication, he will stay focused and listen.
3. **Give the student a WIIFM factor—"What's in it for me"?** The WIIFM factor makes the student realize what the teacher is offering is worth his time to learn. My instructor motivated me when he warned that driving a truck can be very dangerous. Its heavy weight makes it hard to stop in an emergency—its large footprint difficult to judge distance.

   What do you think the WIIFM could have been for the new employee at my exercise facility? The supervisor could have said, "You're going to want to learn this because you might be the only employee on the floor when a member accidentally locks his valuables in a locker and forgets his combination. Imagine the consequences if you can't remember how to open it for him."
4. **Teach only one step at a time and don't waste your oxygen by asking, "Do you understand?"** Parcel out the instructions one step at a time. Instead of asking the student if he has got it, have the student perform the step *unlimited* times (no matter how long it takes) until he does it perfectly. Only after he masters the first step, should you go on to the second, then third, etc.

In my case, my professional truck driving instructor spent 45 minutes just teaching me how to use the clutch and shift into first gear. Only after I mastered it, did he then "introduce" me to second gear, then

third, fourth, and fifth. It wasn't until the second week—after I had driven more than 4 hours without an incident—that he taught me how to use the split shifter for the remaining five half gears.

CHAPTER 16

Building Your Management Bench Strength Through Cross-training

A few years after I started my moving company, I learned the importance of creating a depth of management by cross-training employees to fill every position at my company. I'm great at *teaching* operations, but at my core, I'm a salesman and not an operations manager. In fact, I hate operations—I don't like hearing employees complain about not getting enough hours, or getting too many hours without a day off, or having to run the elevator all day, or having to work outside on the ramp in the heat or rain, or having to be off by a certain time, or not wanting to work on a job with a specific fellow employee, or needing more money or a loan. Did I mention how I really, really don't like operations??

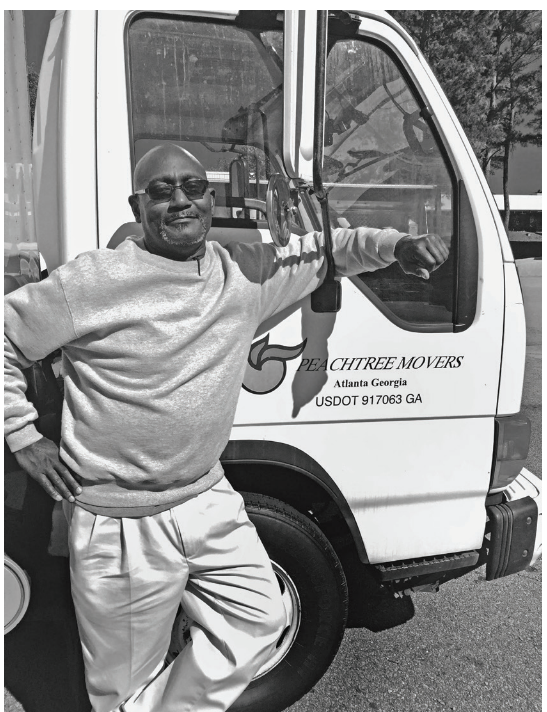
Therefore, my worst nightmare came true when my operations managers quit without notice. Before I adopted the cross-training approach, guess who got sucked into the black hole of operations? That's right, me, and I was miserable. Luckily, I stumbled onto the concept of building my management bench strength by cross-training employees to fill not just operations but every job in our company so that if someone quit, got sick, or went on vacation, someone other than I could step in and do the job.

For operations, I crossed trained a man named Dexter, one of our supervisors, to take over the job when the need arose. Dexter was my savior, my lifeline, my insurance policy who stepped in and ran operations until we hired a replacement. Dexter started working for us around 1980 at the age of 16 and is still working at Peachtree Movers training newbies and running operations.

What do you do when someone quits without notice? Are you forced to take over bookkeeping, customer service, sales, or operations? If so, I urge you to explore the process of cross-training because it sure gave me my life back when I owned my company. As a postscript, our depth of management made it a lot easier to sell our company in 2000.

The person who purchased my company was a former senior vice president of FedEx. Before he bought my company, he looked at more than 100 other opportunities. In every case except ours, none had an infrastructure—no written procedures or cross-training. According to him, he rejected them because if their employees quit after the purchase, he'd be left with just the hard assets. He said, "I could always buy the hard assets for a hell of a lot less money than paying for the company's assets and its goodwill that would be lost without its trained labor. Only your company, Ed Katz, memorialized every procedure and cross trained your key employees so that if I had to, I could replace them and maintain the high quality of service and our customers."

As part of our sale, I agreed to stay on for an entire month after the closing and work for free during the transition of the "buyer taking over the business". To my shock, though, the buyer told me just after the first five days that he didn't need me anymore. I couldn't believe it—my feelings were hurt; it was my baby—I started the company. I guess I had delusions of grandeur or maybe it was, instead, a testament to the strength of our infrastructure and cross-training.



Dexter, my guardian angel

CHAPTER 17
The 7 Most Important Words for Running a Business

Until I learned the seven most important words for running a company, my nickname was "No Life" because I had no time to myself. If employees had a question about anything, they simply asked me, and I'd give them the correct answer. As we grew, this process really got out of hand until one day I realized it had to stop.

It happened when I was in the men's room and one of my salesmen came in just so he could ask me a question. I was shocked—I couldn't even go to the bathroom without being interrupted. Enough was enough! I realized that my poor management technique had caused my employees to stop thinking for themselves. That's when I learned the 7 most important words that would give me back my life. Henceforth, whenever an employee asked me a question, I'd reply by saying, ***"I don't know; what do you think?"***

Initially, most of them didn't know how to reply and looked like deer in the headlights. However, in time, they realized they could not simply identify a problem or throw me a question; they had to give me three possible solutions.

Once I adopted this management style, I learned that my employees were very intelligent, and many times had better solutions than I. When I challenged them even more by asking which one of their three solutions was the best, they generally picked the right one.

How do you run your company? Is your nickname "No Life"? Do you empower your employees to think for themselves? If you don't, you might take my management style for a test drive. You may find that you get to your destination faster and without hitting as many bumps in the road!

CHAPTER 18
Validate Your Communications

I learned a long time ago never to ask a guy if he understands or knows something because whether he does or not, he'll always say, "Yes", just because he's a guy. Let me share a real-world example from five decades in the moving business.

Before I learned not to assume anything, I dispatched 20 men and 5 trucks one morning at 7:30 a.m. to Rockwell, a customer that was located nearly one hour north of our base. I naively asked the drivers if they knew how to get there, and they rolled their eyes and said, "Yes." (At the time, I guessed it was a silly question because we had gone to this location at least once a week for the past several years since it was our largest "house account.")

At 9:30 that morning I got a panicky phone call from our supervisor at Rockwell, asking, "Where's Lucius? We've been here since 8:45 and can't start because the job's 200 4-wheel dollies and other equipment are all on his truck." He said that Lucius drove the fifth (and last) truck in a convoy on their way to the job, and that Lucius got stuck at a red-light while the others turned onto I-75 South.

The incident occurred before cellphones—all we had to communicate with were pagers that went beep, beep, beep and displayed numbers, and pay phones. We paged Lucius 10 times with "911" on his display, but he didn't call back until 11 a.m., when he finally got to Rockwell. He explained that by the time he got onto the interstate, the other four trucks were out of site. While they took I-75 South and I-85 North to Rockwell, he got lost when he stayed on I-75 South. When he reached metro Atlanta's "perimeter highway" (I-285), he drove all the way around Atlanta until he eventually reached I-85 North, and then headed to Rockwell. In other words, he drove 50 miles out of the way during rush hour.

Moral of the story? NEVER ask anyone—especially a guy—if he knows or understands something because whether he does or not, he'll say, "Yes." While this story came from my experience in the moving industry, it's a lesson that applies to virtually every industry because, after all, they're all populated by HUMANS! You need to confirm every detail, and here's how.

No matter who you're dealing with, no matter what their positions or roles, ask him or her to validate the communication. In other words, ask them to recite back to you how they plan to do something or what they're supposed to do. In the case of our drivers, I should have asked each one to tell me what route he planned to use to drive to the location. Had I validated the communication, I would have discovered that one of the drivers really didn't know how to get there on his own, so when he lost sight of the other trucks, he got truly lost. I could have prevented the problem by having another mover, who knew the way, sit next to him in the cab.

So often in business, people seem to fall short of the mark—they miss performance or sales goals, they don't turn in reports on time, or they just fail to deliver. I have found that in most cases, the problem is communication, and more specifically, assuming that both parties share the same understanding of what was said or expected. Instead of assuming and hoping for the best, take a little extra time at the front end and **validate** to ensure that the job, task, or effort is successful.

CHAPTER 19
No Praise, No Please, and No Thank You!

I confess, I had an unusual childhood because my parents thought the sun rose and set over me. My (brilliant) parents thought I was wonderful and perfect. It was their "doting" that helped me become successful in business—their constant praise gave me the self-esteem I needed to blaze my own trails instead of following the followers. I thank them for giving me the self-confidence necessary to start a moving company and develop several successful patented inventions.

Because of my exceptional childhood, I believe that employees—**especially men**—who receive regular praise from their bosses for jobs well done, are more productive and more likely to stay with their company than those who don't get that kind of positive feedback. I saw proof of this in my moving company. My partner and company president, who also happened to be my wife (at the time), never said "Please" or "Thank you" to our employees. According to her, it wasn't necessary—she was the dictator, and she never praised them.

On the other hand, I always said "Please" and "Thank you" and praised them when they deserved it. As one of the owners, I believed my most important role was to provide a support function for our employees. I tried to help them become more successful by making their jobs safer, easier, and more productive. I know they were more loyal, satisfied, and happy because of the way I treated them. It's kind of a no-brainer, but it always surprises me when I see other owners and business leaders pay little or no attention to this basic but critical human need.

I gave our employees what my parents instilled in me—self-esteem and self-confidence. As it turned out, my efforts paid huge dividends. For example, over the 24 years that I owned my company, it was our employees who devised a better way to load a moving van, discovered a technique for moving blueprint file cabinets full safely with one of my patented inventions, and found a more productive way to secure floor protection to carpet.

Our employees knew I was willing to try anything to make their jobs better. They responded by giving me new ideas and were excited when I tried them. Morale was high at our company, and I attribute it in part to my appreciation and encouragement of our employees who, in turn, took pride in their jobs and in the company. Happy employees make happy customers!

Unfortunately, some owners, general managers, and bosses I know are like my former business partner. They don't praise their employees for doing good work. I think they are afraid to compliment them because they fear they'll then ask for a raise or try to take advantage of them.

However, based upon my good experience, I urge you to recognize and praise your employees. Doing this will encourage and motivate them to make your company even more successful. There might be one or two employees who will see your efforts as opportunities to take advantage, but in my experience, the benefits of treating employees well FAR outweigh the risks of treating them poorly.

Our employee devised a better way to secure floor protection

CHAPTER 20

How to Manage Your Employees

My experience with managers and supervisors in corporate America is that many delegate but don't manage. Once employees are trained, no one goes behind them to make sure they're doing a good job or following procedures. In the moving industry that's still dominated by male operations' managers, it's not uncommon for them to say, "I'm not going to babysit grown men. If he can't do his job, I'll find someone who can."

After a terrible incident at my company, I no longer tolerated that type of behavior. Here's how I learned that good managers go behind their employees they manage—they "inspect so they can expect".

Sometimes it's the little, seemingly unrelated events that can cause major business headaches. Maybe you can relate to a situation that occurred when I owned my moving company, especially if you have a fleet of vehicles!

One morning when we cranked our engines, one of our very expensive Mercedes Benz trucks threw a rod. This catastrophic event was not covered by the warranty even though our truck had low mileage and was only two years old. According to the dealer, we voided the warranty because we started the engine with very low oil pressure. Twelve thousand dollars later, I discovered what caused the problem—a breakfast from McDonald's.

I learned early on that some of our drivers, not knowing any better, would start their engines and keep them running while checking the oil. To solve this problem, I gave "ownership" of the problem to my operations manager. I required him to come in one hour early each morning (with full pay for the extra hour) and check each truck's oil and antifreeze, and then bang all four rear tires of each truck with a pipe to make sure they were not flat. To ensure that this procedure was followed, he filled out a form after completing each inspection. This method worked well for several months until we had the engine rod incident, so I was baffled.

After I confronted the operations manager with the dealer's explanation, he tearfully explained that several weeks earlier he had overslept and got to work too late to check the trucks. He still filled out the truck inspection forms (and got paid for the extra hour that he didn't work) but knew it didn't matter because the fluid levels were never down significantly on any one day. A week later when he got to work on time, it was pouring down rain. Knowing it didn't matter, he again filled out the forms but didn't inspect the trucks.

Eventually, his routine settled into arriving one hour early each morning, but instead of checking the trucks, he merely filled out the forms while he ate his McDonald's breakfast at his desk. Depending upon the weather, he said he checked the trucks on average once a week. Sometime between the last time he checked the oil and the morning of the incident, the oil was at a dangerously low level, causing the engine to throw the rod. Not only did he cause the ruined engine, but he fraudulently cheated us for all the pay for the hours he didn't work. I fired his a__!

In hindsight, it was my fault, too, because I should have measured him so that I could have managed him. In other words, on an irregular but consistent basis, I should have checked the trucks myself after he filled out the forms. If I had found any discrepancies between his forms and my inspections, I could have held him accountable and probably prevented the mishap.

It was just another very expensive lesson I learned from the School of Hard Knocks: it's not good enough to create good procedures and policies. It's your responsibility as a manager to ensure that those procedures and policies are being followed and investigate if you find out that they are not. Otherwise, it could cost you more than a truck; it could cost you a customer or your job!

As a result of this costly incident, I taught our supervisors and managers that they were ***personally responsible for the performance and behavior of the employees they managed or supervised.*** I also gave them authority commensurate with their responsibility. If an employee didn't listen, they had the right to remove him from the job (or what we called "clock him out").

If a supervisor permitted a crew member to veer from our standard operating procedures, and if something got damaged or someone got

injured because of it; I held the supervisor and not the employee responsible. I reminded everyone in leadership they needed to go behind all their employees and measure their performance.

I, too, went behind my employees on an *irregular* but consistent basis. In other words, I continually monitored their behavior but not on a predictable schedule— they never knew when I was going to show up and watch them do their jobs. In my mind, it had nothing to do with trust. It was merely my responsibility. My motto was the cliché, "It's nothing personal; it's just business".

My company had a great reputation for consistently rendering a high quality of service. I attribute that in part to our management style of going behind our employees "to measure so we could manage them". Here are three examples:

1. One morning I went into the office of one of our new salesmen and asked him if we were keeping him busy with lots of estimates. He smiled and replied that he had plenty of jobs to quote and had no complaints. I asked if he was busy that day, and he replied he was "covered up" with three estimates and one presentation. As I walked out of his office, I said, "Great, because I plan to ride along with you today." Would you believe a few minutes later he came into my office with tears in his eyes and confessed that he had told me a "little white lie". He said he only had one estimate that morning, but after lunch he planned to play golf the rest of the day. (He learned that morning not to "game the system" since he never knew when "Mr. Katz" would show up to measure his performance.)

   I didn't shadow him that day, but I did on the following Tuesday and then Thursday of the next week. After that, I rode along with him on an irregular but consistent basis.
2. One afternoon I sat behind my customer service employee, who sat in an open modular furniture area in our office. From where I sat, I could hear everything she said. One of her jobs was to track the reason prospects called us for estimates by asking, "I'm just curious, did we move you before or did someone recommend us? If someone recommended us, we'd like to send them a 'Thank You' note." To my dismay, she said, instead, "How did you happen to call our company for an estimate?" When she completed the call, I asked her what

the script was we had taught her when she was hired a year ago. She frowned as she regurgitated it perfectly. She was humiliated when I inquired as to her reason for changing it and gave me no answer. (I believe this management style is referred to as "The pain of doing it right is less painful than doing it wrong" and being humiliated by Mr. Katz.) To her displeasure, I sat behind her the rest of the afternoon and on other random days.

3. Until I came up with a new measurement tool and process, our evening warehouse crew had to clean the mess left behind inside our trucks by our crews who threw food wrappers, chicken bones, French fries, and discarded trash on the floor of their trucks. Without knowing any better, I held a meeting to correct the problem with all our drivers who also complained about the (anonymous) employees who trashed the trucks. I was so naïve because I thought I had fixed the problem when everyone agreed to "tighten up" and, henceforth, bring the trucks back clean—the way they took them out in the morning. Of course, after our meeting, nothing changed, and the trucks still returned filthy.

   I finally devised a simple measurement tool and process that ensured our trucks came back clean. I created a form that covered the following bullet points:

   1. Is the inside of the truck cab clean? Yes or No
   2. Are the fuel tanks full? Yes or No
   3. Is the equipment—rolling stock like 4-wheel dollies—stacked neatly inside the rear of the truck? Yes or No
   4. Is there any new damage to the body or the truck? Yes or No

   I held another meeting with all our employees and appointed our customer service assistant the task of meeting our returning crews *on an irregular but consistent basis* with the new form in hand. "The new rules of engagement were" that when she walked up to a returning truck, the entire crew was to open all the doors including the large rollup door behind the "box", stand next to their parked truck and not talk to her. Drivers, who were not always supervisors, were given the responsibility and authority to ensure their crews brought the trucks back clean. If a crew member didn't listen to the driver, he would be reprimanded by his supervisor.

   As an information gatherer, our customer service assistant merely inspected the truck and completed the form. If item numbers 1 – 3 were "Yes", and item number 4 was "No", everyone could leave. However, if any were negative, the driver had to meet with me.

   Once we adopted this measurement technique, I rarely had to meet with (and humiliate) our drivers because our trucks came back in pristine condition. As a side note, the service manager at the truck dealership that maintained our trucks, later pointed out to me that he judged his customers' management quality by the cleanliness of the trucks he serviced. He added, "We can tell you run a tight ship because your trucks are always spotless when they come into our shop."

Related to this measuring process is one more important concept—deadlines. Whenever you give employees an assignment, give them a clear deadline, too. Whenever I assigned a project to employees, I'd ask them how long it should take to complete it. No matter what timeframe they gave, I always added a few extra hours or days to their guesstimate.

Giving just a deadline won't always work unless you also monitor (and measure) the progress being made during the period. Don't wait until the completion date to ask for the results. Instead, visit your employee regularly to see the status and progress of the work. This will enable you to determine if it will be completed on time and if he needs help.

Finally, I'm always amazed when a company tells his customer that a project manager (PM) will be running his job. In my opinion there is a huge difference between a PM and a supervisor, even though many companies believe they're synonymous.

In the moving industry, a supervisor runs the crew and is personally responsible for the performance and behavior of each team member. As mentioned earlier, to be responsible, he must have authority over the movers. His job is to ensure that no employee gets hurt, that there is no damage, and that the job finishes on time for the price quoted. He typically runs jobs that finish in just one day.

On the other hand, a PM runs jobs that go over several consecutive days, weeks, or months. Instead of running the crew, he is the liaison between the customer and the moving company.

I define a PM as someone who does the following:

- *Measures* so that he can *manage*...determines if the job is on running on time, behind or ahead of schedule.
- Has excellent communication skills, since he talks directly to the customer's top people as well telling the crews' supervisors what they need to do each day within a Scope of Service.
- Communicates daily with his base to determine the number of supervisors, workers, skill and experience, equipment, and material needed for the next day's work.

Let me illustrate how this plays out in the moving industry. If, for example, a phase of a job that's supposed to end in 21 days is going to finish at noon on Day 9 instead of 6 p.m., the PM doesn't let the crew return to the base early. His job is to keep the momentum going to allow leeway in case there is an unforeseen contingency that might slow the job down sometime in the future.

Therefore, as soon as he realizes it's going to finish early that day, he asks other client department heads if they'll "help their company out" by changing their move date and time to move that afternoon. Before he can approach them, though, he must measure the number of truck loads he can move between 1 p.m. and 6—let's say at least 5 loads—and then identify departments that have an approximately similar volume. Just because the various department heads work for the same company doesn't mean they want to help by changing their move to that afternoon. The PM often needs to talk to several until one (does him a big favor) and says, "Yes". It's a delicate and diplomatic managerial dance.

The PM's fulltime job of measuring and communicating prevents him from having time to directly supervise the crews. That's the reason it's important to differentiate between the roles of a supervisor and a project manager.

As I stated at the beginning of this chapter, my approach to training and management may not follow generally acceptable HR practices, but they sure worked for us. Hopefully, they'll help you, too.

CHAPTER 21

How to Make Peace Between Operations and Sales

One of Einstein's most famous quotes defines insanity as, "doing the same thing over and over again and expecting different results". In business, it's often referred to as working hard but not working smart. Does your Operations team accuse Sales of "overpromising", or grossly underestimating time, costs, or materials, and does Sales attack Operations for performing jobs poorly or not executing orders properly? No matter what industry you're in, this vicious cycle is often a symptom of the insanity that Einstein described. The good news is that it doesn't have to be this way! Let me explain.

Before I created an accurate estimating formula for my company, I used to hate to go to work because I often got caught in the crosshairs between these two adversaries. Sales would tell me that they'd been trying for months to get this "big customer" to let us do a test job for her so that we would have a chance to win a lot more of her business. However, after the lousy job "we" did for her yesterday, we'll never be invited back. When I talked to the crew, they wanted to know which sales person did the estimate, because they weren't taking any more of his jobs out. According to them, there was a lot more work to do in a ridiculously limited time frame.

Since I was not willing to use drugs or alcohol to deal with our constant chaos, I examined other service industries to see how they estimated their jobs. To my surprise every other industry—**except ours**—based their cost estimates on man- hours along with a **clearly defined Scope of Services.**

When I finished my analysis, I took Einstein's advice and changed the way we estimated jobs. Once we adopted a man-hour estimating formula coupled with a detailed Scope of Services, we saw amazing results. Seemingly overnight, 97% of the time jobs finished on time for the price quoted and suddenly the Operations vs. Sales infighting stopped. If a job did run over, the finger pointing went away because the formula enabled us to identify if the job had been underestimated or if it was a service failure.

If you want Operations & Sales to make peace, you must determine the root cause of their animosity and fix it. One of the best techniques to create harmony between them is to create a Scope of Services (SOS) for every estimate or bid. The SOS should clearly define who is responsible for what for both the customer and your workers. It should be reviewed with the customer before the job and with your supervisor during dispatch. **Validate that your supervisor understands the SOS by asking him (or her) to paraphrase the tasks** and provide a copy to take out on the job. If the customer doesn't follow his SOS responsibilities, and your crew must perform additional work, your supervisor can get a *Change Order* signed after he shows the customer his copy of the SOS and before he does the work.

CHAPTER 22

How to Reduce the Risk of Litigation and Claims

WARNING: STAY AWAY FROM OUR WORKERS!

Pretty blunt, huh? If you are a service provider in any industry, I urge you to verbally **and in writing** insert a similar warning (in legalese) in every customer contract. After I tell you "the rest of the story", you'll know why our "Order for Service" (a.k.a. contract) included this disclaimer:

CUSTOMER WARNING—FURNITURE MOVING IS DANGEROUS. *Instruct your employees to stay a safe distance from the movers. Tell them not to touch, grab, push, pull, bump, or catch the furniture during the move.*

And here's why...

One Friday evening, a moving company was working in an office building in Fairfax, Virginia, for a Fortune 500 company. Included in the move were 60 fireproof file cabinets weighing nearly 800 pounds each. Three movers were using the "shotgun" or "Philadelphia method" of cantilevering a heavy cabinet onto a 4- wheel dolly with a second dolly.

The "shotgun" method for placing cabinets onto dollies

When they started placing the 22nd cabinet onto a dolly, the supervisor's sweaty hands caused the cabinet to slip. The movers did what they should have done— they scattered—saving themselves from injury. However, at the same time, the customer contact, who was standing next to the cabinet, threw himself in harm's way. Fearing the supervisor would be crushed by the weight of the cabinet, the contact tried to catch it as it fell. Unfortunately, it landed on his foot, flattening it like a pancake.

You probably think this is the end of the story with the injured party collecting workers' compensation for the rest of his life—but not in America! The injured victim sued the moving company for $7.5 million, alleging that the only reason the accident happened was because the moving company was negligent. The plaintiff said the shotgun method was not safe and should not have been used to move the cabinets. According to the plaintiff's expert witnesses in the 3-day trial-by-jury, the movers should have used an appliance hand truck or tipped the cabinets onto their backs instead of using the shotgun method.

Appliance hand truck

Tipping a file cabinet onto a dolly

At the end of the first day of the trial, the defendant's insurance company offered to settle the case for $1 million. The plaintiff would still receive his employer's workers' comp insurance for all his medical bills but would get an additional $1 million tax-free for his pain and suffering. Apparently, he believed the insurance company would never have made the offer unless it thought it would lose the case. He, therefore, rejected the settlement.

I was the only expert witness who testified for the defense, arguing that no matter which of the three ways you move fireproof file cabinets, there is a tremendous risk of injury.

Before I tell you the verdict, I want to share the advice the defendant's attorney, Geoffrey S. Gavett, of Gavett, Datt, & Barish, P.C., gave me at the end of the trial. He counseled that service providers should always verbally and in writing warn customers to stay away from the workers during a job. Think about it; if you're a contractor, painter, or roofer, your ladder or scaffolding could fall and injure a customer. If you're a lawncare company, your lawnmower could propel a stone and injure a customer. If you're a carpet installer, the customer could trip over your tools or the carpet. And of course, if you're a mover or furniture dealer, furniture could fall onto the customer during transport or handling.

After three days of trial and after deliberating for only two hours, the jury found in favor of the defendant. Thus, the plaintiff received only his state's limit of workers' compensation.

The best way to avoid litigation is to avoid the causes for it. There's no such thing as an ironclad contract, but by including a "stay away from our workers" clause in every service contract, you'll lessen your risk of being sued and let customers know you're not taking any chances.

WORKERS' COMPENSATION CLAIMS

Workers' compensation claims can be a huge business expense, not only in insurance costs but also in lost work time and productivity. Let me give you a couple of examples from my own industry—moving. The statistics aren't pretty.

- According to the U.S. Bureau of Labor Statistics, as of March 2015 (the latest statistics I could find) employers spent an average of $.79 per hour worked for workers' comp in the moving industry, compared to $0.45 for all occupations.
- Days away from work (DAFW) are also a costly result of worker injuries (and illnesses). In 2016, injuries in the moving industry accounted for 18 percent of the total DAFW in the manufacturing sector.

In any industry losing a key employee due to an injury, for even a short period of time. can hurt your production and capacity. In my experience, there are typically three reasons workers get injured on the job:

1. **It's a random (or freak) nonrecurring accident.** Ask yourself if there is anything you could have done to prevent the injury from happening in the first place. If an injury is not recurring and is merely an accident, it's probably not worth worrying about. However, if the "accident" happens more than twice in one year, I urge you to drill down and find out the cause.
2. **Your employee(s) are careless, are not trained, or are not following the best practice methods you taught them.** The easiest approach to determining the cause of an injury is often the least effective. When I didn't know any better, I used to query the crew as a group as to how the accident happened. Most of the time their response was simply that they didn't know or didn't see it happen. I quickly realized that a better approach was to ask each crew member in a one-on-one private setting. This, too, didn't work well because most of the time they did not want to narc or tell on a fellow employee.

   I eventually stumbled upon a technique that worked well. When I met individually with an employee, I'd say, "I've spoken to some of your other crew members about how the accident happened, but I wanted to get your side of the story." To my amazement this scenario often got them to open up and give me the information I needed. It helped me identify employees who either needed more training or who needed to work for someone else because they were careless and didn't care about safety, our company, the customer, or their job.
3. **Your process is flawed.** When no one was to blame, I turned my investigation to our processes. I did this by either observing my employees during actual jobs or having them demonstrate their techniques in our facility. (The former was much more effective than the controlled environment in our warehouse.) When I started my moving company, back injuries were one of our most common recurring problems. Even I hurt my back on a move when I lifted something on the job. After visiting and observing several moves, I identified the "hot spot"—where most accidents were likely to happen. We pushed most of the furniture to our trucks on 4-wheel dollies. This process eliminated lifting and carrying, and, therefore, minimized the risk of employee injury. However, once we got to the truck, we lifted the furniture off the dollies and stacked it onto the truck. It was this loading process that appeared to cause most of our back injuries.

Over time we developed a much safer way to load our trucks. We purchased several hundred 4-wheel dollies so that we could keep the furniture on the dollie on the floor of the moving van. In other words, we only floor loaded our trucks—no more stacking or lifting. This "floating" method had several benefits:

1. We loaded our trucks much faster since we didn't need to waste time filling every nook and cranny (empty space) in the truck. This labor savings offset the cost of using more trucks on the job since they carried less volume.
2. We virtually eliminated potential crushing damage to the cargo since we no longer stacked furniture.
3. We significantly reduced the incidence of back injuries since we no longer lifted, carried or stacked furniture on the truck.
4. Without lifting, carrying, or stacking, our employees didn't get tired as fast as before.

If you have recurring injuries on your jobs, try the three-step method that worked well for us. Your employees, clients, and your CFO will thank you! Related to workers' comp accidents are general liability claims. A bad claim's experience ratio can hike your deductible as well as your premiums.

GENERAL LIABILITY CLAIMS

A couple of years after I started my moving company, I bought a brand new, red Cadillac even though I couldn't afford it. This was while I was a devoted attendee (and star student) in the School of Hard Knocks when "I didn't know what I didn't know". In those days our company had very few rules or procedures, especially in operations.

One afternoon during an office move, one of our drivers backed up his truck at a suburban office park right into a parked (thank God, unoccupied) ***Cadillac***. The accident barely put a scratch on our rear bumper but totaled the car. My insurance company paid to replace the car but subsequently tripled our deductible and raised our premiums.

This was our second accident involving a truck backing up "blind". The Loss Prevention/Loss Control department of our insurance company told me that, effective immediately, we were prohibited from backing up any company vehicle without a "spotter". I naively inquired what they meant by that word. In a condescending tone, they told me never to back up without having someone stand at the rear corner of the truck to guide us back!

What sounded like an easy procedure to adopt was initially difficult to implement. Most of our drivers chose to ignore our new backup policy. They continued backing up "blind" until I told them that if they backed up a company vehicle without a spotter and had an accident, they would become my new business partners.

As my new business partners, they would share in the cost of our deductible since they chose to violate our company's policy. However, if they backed up with a spotter and had an accident, I still wouldn't be happy, but they would not be required to share the cost of our insurance deductible. They got it—once they were given a specific consequence for a bad choice they were about to make—they made the correct choice and used a spotter.

I reinforced this policy by using the following example. I asked our drivers, "If it's pouring down rain and you need to back up your truck and your coworker refuses to spot you because of the weather, what should you do? Backup without a spotter so that you can continue the job, or shut down the job and not back up?" Even in a situation like that, I told them not to back up and to report the worker's name and behavior to their operations manager.

After we adopted that policy, we never had another accident again from backing up blind in the remaining 22 years that I owned the company. Now I'm not saying that buying an expensive Cadillac before I should have is what caused the mishap that opened my eyes to the importance of proper procedure. But it has been my experience that Karma has a way of teaching us lessons. And I have my diploma from the School of Hard Knocks to prove it!

Does your company own trucks? What is your policy concerning backing up "blind"? Would you consider adopting our "spotter" policy? How about wheel chocks, do your employees use them?

Spotter

In 2004 in a northern suburb of Atlanta, a moving van (not one of ours, thankfully) parked in a level cul-de-sac to do a residential move. The driver of the three- person crew pulled up to the customer's house, accidentally put the gear selector in neutral (instead of "Park") and forgot to engage the emergency brake. While he and his crew were inside the house getting their paperwork signed, the truck rolled silently backwards killing a 13-year-old boy who had his back turned toward the truck.

This accident could have been prevented if the driver had chocked his truck. The driver was subsequently charged with manslaughter, and the moving company— his employer—settled their case out of court.

The incident—showing the company's truck, name, and logo—was on all the local television station news channels at 8 a.m., noon, 6 p.m., and 11 p.m. for the next four days. By the fourth day, they showed interviews with the victim's relatives and classmates.

When I owned my company, wheel chocks were not an option—they were mandatory. If a driver parked his truck without using a wheel chock, he was subject to a reprimand or being fired—no exceptions. All our trucks had Allison automatic transmissions. That meant a driver could accidently park in neutral and forget to engage the parking brake.

We learned early on that drivers hated using the heavy, "nasty", and always damp black rubber dock wheel chocks. To make our policy more "user-friendly" for our drivers, each truck carried two lightweight plastic chocks in the cab. They were simple to handle and easy to keep clean.

If you own trucks, will you consider adopting and implementing our policies for spotters and wheel chocks? I hope you do.

Wheel chock

CHAPTER 23
Wanted Dead or Alive! Handling Employee Theft

Employee theft comes in many forms. One form is called "shrinkage" in the retail industry. Employees or contractors can steal a company's intellectual property, private customer information, or industrial secrets. Then there's the employee who shakes a vending machine hoping to get some free snacks. How does your company handle thievery?

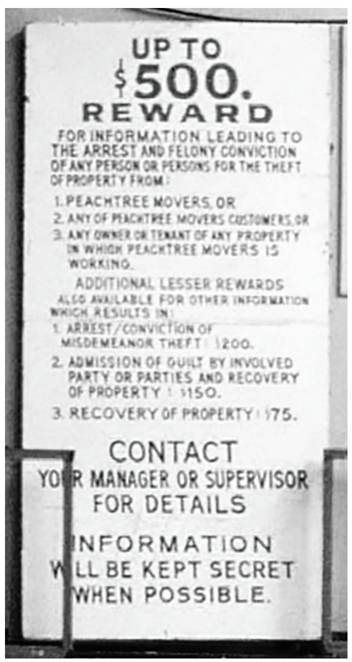
When I owned my moving company, we paid up to a $500 reward if an employee let us know about another employee who stole. At our dispatch area, we had a 4- foot by 8-foot billboard that said, "Up to $500 Reward for information leading to the arrest and conviction of any person for the theft of property from our company, our customers, or our employees." You may think our policy was a bit "Big Brother" but it worked, for the most part.

However, we once had a situation where our employees' lunches were being "stolen" from our breakroom refrigerator, apparently by another employee. It happened so often in a short period of time that I took drastic measures and stepped up the anti-theft bounty ultimately to $3,000. I wanted the thief caught and out of our company (and, I fantasized, dead or alive). I knew that if he stole from our employees, he would steal from our customers when given the opportunity. Even with the high reward, lunches were still vanishing, and morale was sinking.

One morning after all the morning crews had been dispatched, I walked through the breakroom and saw one of our employees, who was not scheduled to work until after lunch, hiding behind the breakroom door that was partially closed. I yelled, "What are you doing? Why are you hiding behind the door?" (I thought I had caught our thief.) He never replied even after I asked him again. Instead, he slowly raised his arm and pointed at the breakroom tables with his finger. It was there that I saw the reason for his strange behavior. He hid behind the door after he planted his lunch on the table as bait in the hope that he'd catch the thief and get the $3,000 reward.

We never did catch the crook. However, after raising the bounty and everyone suspecting and watching everyone else, one of our employees turned up "missing in action" and quit without notice. Suddenly, the lunches stopped disappearing. We suspected he was the thief and skipped because there was so much pressure on catching him. With our "narc" policy, we found that most thieves were lazy and preferred to work for movers that didn't have a reward policy like ours.

In addition to causing untold, internal morale problems, nothing can ruin your company's reputation faster than an employee who steals from a customer. Be vigilant and don't be afraid to institute stern policies to prevent or deter this kind of behavior. (See the Appendix section of this book for a better copy.)



What is your policy if your employees are accused of stealing from your customers? Here's how we handled "alleged" thefts on the job.

A customer called one afternoon and demanded I go to her place of business because our employees had stolen $200 cash from her employee's wallet. I dropped everything and sped to the job site. When I arrived, I saw my movers huddled near a wall in a reception room. Before I could

talk to them, the customer rushed into the room and yelled, "One of your movers stole my secretary's $200 cash from her wallet, and we want it back!" Rather than react and possibly escalate the situation further, I softly called my supervisor aside and asked him what happened. He explained that while they were working on the other side of the floor, the customer rushed up to them and accused them of stealing her employee's cash from her wallet. He remembered seeing the employee sitting at her desk but didn't notice a purse or wallet. Based upon his knowledge of his crew, he didn't think any of them stole the money.

What would you have done in this situation? Would you have reimbursed the victim's $200 and continued the move? **I did not!** I told our crew to go back to work and asked the customer if anyone saw the movers steal the wallet. "Of course not," she shrieked (as if I were stupid), "but it had to be them because they were the only ones near her office at the time of the theft." She dragged me by the arm down the hall and pointed to her assistant, a young lady who was sobbing and was the alleged victim. She said her assistant left her wallet on top of her desk while she ran to the ladies' room. Upon her return, she checked her wallet, and the money was gone. To me it seemed strange that a person would leave her wallet unattended in the first place, especially since we (always) covered "valuables" during our pre-move instructions. In writing and in person, we always covered security by saying that all valuables such as money, coins, jewelry, and alcohol are to be locked up out of sight.

I surmised that one of two things happened: Either one of our movers stole the money or the victim made the story up to get a "free" $200. To get to the truth, I told the customer and the victim our policy for dealing with theft.

1. I instructed the customer to call the police and fill out a police report.
2. I added that we were going to give lie detector tests to our 7 movers, who were working on her job, as well as to both her and her employee.
3. I told her if any of our movers failed the test, we would pay for all the tests and reimburse the victim for her loss. However, if they all passed the tests, the customer would be required to pay for the tests (at $125 each), and we would not reimburse the "missing" money.

What do you think happened next? The sobbing victim stopped crying, wiped her face and said, "I don't want to cause any trouble. Don't worry about the money. I'm sure a friend will loan it to me. We don't need to get the police involved or take lie detector tests. Just forget it. I guess I shouldn't have left my wallet on my desk in the first place."

In my opinion, our theft policy flushed out the real suspect—the alleged victim who probably had pulled the same stunt in the past with another mover or service provider and had got "free" money. In other words, I don't believe that her money was stolen in the first place.

Moral of the story: Have an anti-theft policy in place and USE IT! Otherwise, you could be paying out false claims and worse—allowing your company's reputation to be damaged unfairly. In this online, 24/7 "Yelp" world, even a single instance of appearing to be at fault (if your crew is genuinely innocent) could ruin your business overnight!

CHAPTER 24

Your Government at Work (To Get You?)

As a former owner of a company with employees, I learned a long time ago that our government does not have our back. Instead, I believe it can be our adversary.

If you Google the EEOC (U.S. Equal Employment Opportunity Commission), you'll find: "We are looking for people who may have been affected by the unlawful discrimination..." Wikipedia defines the EEOC as: "The EEOC investigates discrimination complaints based on an individual's race, children, national origin, religion, sex, age, disability, sexual orientation, gender identity, genetic information..." Neither Google nor Wikipedia mention that the EEOC works on behalf of the alleged discriminated employee for free. The "poor" employer must pay his own attorneys for his defense.

For the 24 years that I had my company, I thank God that we had only one close encounter of the worst kind with the EEOC. Ninety-nine percent of our movers— including our supervisors—were African American. I didn't favor "blacks" over "whites"; it's just that most white blue-collar workers didn't like the racial mix at our company, and, therefore, rarely applied for a job. Since we had "diversity" even before the term was invented, we were shocked when we got sued by the EEOC for discrimination. Our only female mover, who was also African American, alleged that we discriminated against her when we promoted an African American male over her to become a supervisor.

To be eligible to become a supervisor at our moving company, you had to meet the following requirements:

- Must have a valid truck driver's license
- Must be able to load a moving van
- Must be able to run a moving crew
- Must be able to communicate effectively with the customer

Our defense against the lawsuit was the following:

- Not only did she not have a valid truck driver's license, but she didn't even have a license since she never drove a car. (The EEOC countered by asking us if we ever offered her an opportunity to learn how to drive and get a license.)

- Since she was "vertically challenged" (a.k.a. short), she couldn't become a loader because one must be tall enough to place furniture pads over the top of furniture like a large executive desk with an overhanging top that's resting on top of a 4-wheel furniture dolly. (The EEOC demanded proof of this.)
- Her communication skills were poor and, therefore, would make it difficult for her to communicate with our customers and fellow employees. (The EEOC interviewed our supervisors to compare her communication skills with theirs. Their finding was that hers was no worse than the people they interviewed.)

The charges got worse three weeks after our attorney filed our defense when we were hit with another lawsuit. The same employee through the EEOC alleged that we reduced her work hours and retaliated against her for filing the original discrimination claim. Although it was not true, it gave the EEOC agents an excuse to come to our office and go through all our personnel records. It felt like a witch hunt against us.

During their audit, they expanded their search into other nonrelated issues. For example, they asked us where we filed the medical records of our employees. I found out later that if you file those medical records in the same file folder or drawer as the personnel records, you could be in violation of potentially divulging "privileged information" about your employees. Thank God (again) that we had a labor attorney the year before tell us to keep the medical records locked up in a separate non-personnel drawer with limited access.

Five weeks and $12,000+ of legal fees later, we won the case and were vindicated. Our woes and expenses, though, were not over. Apparently when a local EEOC office finds for the defendant employer, the case is automatically forwarded to the Washington, DC office for another review. Three weeks after that, the case was ultimately dismissed.

Because of this traumatic experience, I became paranoid about HR issues at our company. From that day forward, we kept a labor attorney on retainer all the time. Whenever a personnel issue occurred, we'd call him and get his advice.

My advice to you is to do the same. Whatever it costs, I believe it's a good investment. The dividend is it may save you headaches and a lot of money if you ever get sued.

Another HR issue, that apparently is much more prevalent than you would imagine, is sexual harassment.

For you naïve men who don't know, most normal women perceive us as "pigs" and joke about it behind our backs. They believe most of us would do anything— anything for a "roll in the hay with them". Why would I be talking about this in a business book? The reason is that "*PIGS*" sometimes do stupid things in the workplace that can cost them their jobs, their wives and kids, their reputations, fortunes, or even their companies.

In my job at Peachtree Movers, I found this phenomenon was more common than you can imagine. As a former office mover who had handled or had overseen more than 50,000 office moves in 24 years, I got to see what everyone else did for a living. For 24 years, I got to meet and get to know people who worked at our client/companies. During those years (I sold my company in 2000), I heard more than my fair share about some male bosses and supervisors who had sexual relationships with their subordinates.

While there are far-reaching moral consequences for this kind of behavior, I'm not here to judge. BUT I am here to warn my fellow "pigs" that you are crazy to flirt, date, sexually harass, or have any kind of inappropriate relationship with a subordinate or co-worker unless you want to become another poster child for the **"#MeToo"** movement. Or worse—you could potentially lose your position, your family, or—if you're a business owner—your company!

It should go without saying that workplace relationships are risky; but given the steady diet of salacious news stories about this very topic, apparently it DOES need to be said. Here's why (and to keep it simple, "she" or "her" also refers to either "he" or "him" in the points below).

1. If your relationship sours and you break up, she still isn't out of your life because you work together. You'll still see each other daily and that can become very awkward and painful. Remember the movie *Fatal Attraction*?
2. Like it or not, dating a subordinate can lead to a sexual harassment

lawsuit. Are you prepared if your employee files a lawsuit after your allegedly consensual relationship ends?

3. If your employees perceive you're giving "her" preferential treatment because she is your significant other, it could lower morale and lead to a discrimination lawsuit.

According to the law, sexual harassment prohibits "unwelcome" sexual advances. You would think if the participants are in a "consensual" relationship that "she" could not prove sexual harassment. However, how does the employer prove the relationship was consensual? What if she argues that she was forced to participant for fear of losing her job, pay raise, or promotion? In other words, their relationship only appeared to be consensual. Are you scared yet? Don't do it— don't date one of your employees!

To be fair, it's not only men who harass. There have been lawsuits here and there charging women employers with sexually harassing male subordinates, as well as same-sex harassment suits. But most cases involve male employers/employees vs. female employees, co-workers, or subordinates, as men still dominate the management ranks at most companies.

Over the 24 years that I owned Peachtree Movers, I confess—I had opportunities to have relationships with female employees. The ones who flirted with me thought I was clever, witty, and smart—they laughed at all my jokes. Even though I was flattered, I never got involved with them. I was "Mr. Katz" to all my employees, and I kept it strictly business.

If you need proof that I'm right, just look at what happened to these famous people. The head of Restoration Hardware "retired" suddenly when it was revealed that its chairman and co-chief executive, 54-year-old Gary Friedman, had an intimate relationship with a 26-year-old female employee. Mark Hurd, former CEO of Hewlett Packard, was fired for having an "inappropriate relationship" with a HP Contractor, who was also an "adult" movie actress. I could list hundreds of cases like these but the last one I'll mention is Brian Dunn, who made $10 million a year running Best Buy. While married, he was forced out of Best Buy for cheating on his wife with a female co-worker.

With so much as stake, my "fatherly advice" is don't have an inappropriate relationship with an employee, or you could end up paying dearly.

CHAPTER 25

Find—and Keep—a Good Banker!

Most businesses survive on a line of credit or loans to maintain cash flow. That's why you'd better have a great relationship with a good banker who sees your business as a relationship, not simply a transaction.

As a former owner of a moving company that only did office moves, we had a lot of debt, since we had no C.O.D. revenue. Between our line of credit and our long- term truck debt, we had more than $1 million of loans with our bank.

From 1988 until 1999, we were with the same bank. We knew we had a great relationship with our banker because we never missed or were late with a payment. We thought our banker was our confidante—someone we could trust and confide in. That's why we were shocked when our bank seized the $45,000 in our operating checking account and called in our loans just because we told our banker that my partner—my wife—and I were getting divorced. To our dismay, because we were honest and volunteered the information, we were punished by our bank. Our attorney said that every bank loan has a clause that states that a bank can call a loan if at any time it feels "insecure" with the borrower. Our bank exercised that right, and we were totally out of money.

If it hadn't been for our former loan officer with a previous bank, we would have been forced to close our doors since no other bank would loan us money. On a spiritual note, one of the reasons I believe in Divine Intervention is because a week earlier, this gentleman had started a new commercial bank and was looking for customers. Since we had a prior banking relationship and he knew and trusted us, he loaned us money when we really (really!) needed it. Thanks to him, we were able to stay in business and sell our company, Peachtree Movers, a year later.

CHAPTER 26

The Keys to a Successful Invention

In 2009, while I was teaching my IOMI® office moving seminar to a moving company in Denver, a student brought up my invention, the Spider Crane. The device enables movers to transport lateral file cabinets safely with the contents remaining in the drawers. Before I had a chance to tell my class that I was the inventor, another student jumped out of his seat and yelled, "I hate the Spider Crane." I never did tell my class who invented it.

Over a 20-year period, I sold only 50 Spider Cranes. Even though the end users— the companies being moved—loved the crane and its "boxless move", most of my moving company customers that bought the device didn't use it.

On the other hand, my more recent invention, the Mat-A-Door®, is very successful. Why is that? I think it's because the Spider Crane wasn't user- friendly, unlike the Mat-A-Door®. The Spider Crane was heavy and difficult to maneuver, required a lot of training and experience to operate, and was slower than moving the cabinets empty. Like my other invention—the Comp-U-Wrap for moving computers—the Mat-A-Door® is easy to use. Movers love both devices and many office moving companies use them on every job.

What's the bottom line? An invention apparently has a much better chance of becoming successful if it's easy to use. Earlier in this book I gave you the reasons I became an inventor. If you'd like to know more about how to take a concept or a dream to an actual invention, please read on.

Here's the path I followed:

1. I told my wife, friends, and employees about my idea of moving office furniture with the contents remaining inside. Everyone—including my wife—thought I was crazy. They put a negative aura around my idea. Believing them, I tried to erase the concept from

my mind. The more I tried, the more obsessed I became with the "boxless move".

My advice to you: Keep your cards close to your vest and tell no one about your invention. If you tell them about it, your friends and relatives might be negative, too, and throw cold water on your enthusiasm.

2. Identify who can make a prototype of your invention. I called several steel fabricators in Atlanta and asked if they could build a prototype crane for me. Most told me they only handled production work and couldn't design or build one of anything. With persistence, I finally found one who agreed to build it. Unfortunately, they charged me a fortune to design and build my first Spider Crane because I never got an estimate from them.

   My advice to you: Get a firm price from whoever builds your prototype before placing the order, so you don't get ripped off, as I did.

3. To make my Space Gobblers, I contacted the only waterbed manufacturer in Atlanta, who agreed to make two customized miniature waterbeds the size of a pillowcase. Since I never gave them a deadline, it took them several months to make them.

   My advice to you: In addition to getting a price before you place the order, negotiate a realistic deadline with your fabricator. Then call and visit them at least once a week to move the project along so that it finishes in a timely manner.

4. Test the prototype of your invention before using it. To show all the naysayers they were wrong, I set the Spider Crane and a fully loaded lateral file cabinet (weighing 800 pounds) in my warehouse, in front of my employees and my wife. It was so quiet you could have heard a pin drop. I lowered the two giant rubber suction cups over the top of the cabinet, turned on the vacuum pump, created a vacuum of minus 19 inches, and started hoisting the cabinet off the floor. The demonstration ended as soon as it began when the vacuum cups bowed (bent) the top of the cabinet, making it look like a Conehead from the movie with the same name. Everyone in the room burst out in uncontrollable laughter, and I was devasted.

   My advice to you: Never, ever test a prototype in front of an audience. Only after you have had a successful test, should you share your project with anyone. With a lot more prayers, I ultimately overcame the bowing problem by switching to rigid (instead of pliable) rubber vacuum cups. And the experience taught me a great Biblical lesson—always be humble and never brag or boast.

   Seven months later, I finally got my first two prototypes of my Space Gobblers. Without an audience, I tested them, and they worked perfectly.

5. After my baptism by fire with my horrific Spider Crane experience, I humbly rolled out my new inventions. Instead of blasting the marketplace with print media and radio advertising (back in 1982 there was no Internet or email), I tried a unique approach. I contacted several facility managers of large companies in Atlanta that were always moving like Southern Bell (now AT&T), Rockwell International, and US Sprint (Sprint). I asked them if I could please meet with them because I was thinking of developing new inventions for making office moves much less disruptive—hoping to get feedback from them. When I met with each one, I didn't tell them I had already perfected the devices. They all gave me very positive comments about how a "boxless move" would eliminate the problem of mixed-up and lost files and reduce the amount of nonproductive employee downtime before and after a move.

   Two months later, I contacted each of them again. I thanked them for all their help, told them I took their advice, and let them think that because of them, I was able to develop the inventions. I asked if they would like a free demonstration; only Southern Bell agreed to it. At their world headquarters in downtown Atlanta, my movers "dollied up" two of their fully loaded 5- drawer high, 42-inch-wide lateral file cabinets with our Spider Crane in front of their 12-member facility associate team.

   They loved it so much that when their annual contract came up for renewal two months later, my moving company got most of their moves, totaling more than $1 million per year. Both Rockwell and Sprint didn't want a demonstration. Instead, they simply hired us to handle all their moves for the next several years. In the case of Rockwell, it totaled several million dollars.

My advice to you: Once you know you've got your invention perfected, solicit help and feedback from prospects and customers who can benefit. Then go back to them when you roll it out and give them the credit for helping you make it successful. Ask them if you can give them a demonstration, and then ask for their business.

CHAPTER 27

What I Would Do If I Started My Company Today

Wise men say that hindsight is 20-20, and I've had lots of time to reflect on what I would do if I were to start a company today. So, I'm going to share the key things I would do the same or differently if I knew then what I know now!

LEARN YOUR BUSINESS BY WORKING FOR SOMEONE ELSE

If you're thinking about starting a company, start by working for someone else who's already in the same business. For seven months before I opened my company, I worked for a small mover, learning every aspect of the operation. I thought—correctly, as it turned out—that working for a smaller company would give me a better opportunity to get exposure to sales, customer service, and operations, where a larger company might pigeonhole me into one specific area. My first "assignment" was working on the back of a truck as a mover/helper. Soon I was promoted to driver, then salesman. Eventually, I opened a new office for them as their general manager in Griffin, GA, 50 miles south of their main office.

> ***Lesson:*** *Working for someone else gave me and will give you the opportunity to see if you really like the business you're planning to start. You'll also be able to copy and duplicate in your company what worked during your internship and try to improve what didn't.*

GET TRAINING

Before going out on my own, I got a little formal training, and that's what I'd do again. But this time, I would get a LOT more training if I were to start another company. Back in 1976, there was no International Office Moving Institute—no IOMI® to teach me how to estimate moves accurately and perform them with a minimum risk of damage. Thirsting for knowledge, I contacted the largest and most successful office mover in the world—in Washington, DC and convinced the head of their company to let me shadow him and their movers for a week.

I was fascinated with the techniques they used to perform large moves. I learned how they created a human conveyor belt by passing the furniture down the line (a.k.a. the "bucket brigade") and their floating method for loading a moving van by keeping the furniture on the dollies on the floor of the truck. Back in Atlanta, I hired a sales consultant who taught me how to make sales presentations using a picture book to tell our story. The book was a great differentiator in our industry because my competitors all used fancy but boringly similar brochures.

Lesson: *Today, there is no excuse not to get formal training in how to run a business. If you have the time and money, getting an MBA degree before you start would be valuable. If that's not an option, take business courses online. One of the best online sales courses for every industry is taught by Jeffrey Gitomer, https://www.gitomer.com/.*

GO SOLO—OR GET A BUY-SELL AGREEMENT

I know of so many businesses that failed because one partner worked much harder than the other, but they split the profits equally. This caused a rift between them and often led to conflict, litigation, and sometimes business failure.

Not knowing any better, I started my moving company in 1976 with a 50/50 (coequal) business partner without a buy/sell agreement. In my mind, the arrangement was a perfect match, since my partner and I were close friends, and he was smart and honest and a good person.

My next mistake was to assume that my partner would be there on a regular basis and would step in to help whenever I needed him. Since I was the operating partner, we agreed that I would take a salary of $10,000 per year—my partner would not take a salary. However, we both would share equally in the net income or profits before taxes.

I soon found myself working 12 hours a day, 7 days a week, especially on holidays (when we did our largest office moves). After reading the other chapters in this book, you know how often I suffered through terrible trials and tribulations. I needed help running the business, but my business partner was MIA—he was always traveling out of town, hunting new deals for himself.

By 1980, I was at my wit's end. I was averaging 80 hours a week—running the company by myself without any help from my partner—yet splitting every dollar of profit. As much as I liked him, I finally realized our arrangement was inequitable and, to me, the only fix was for me to buy him out of the business.

He was blindsided, shocked, and angered by my buyout proposal and refused to sell. My personal attorney told me "we" had made a huge mistake when we formed our partnership. To save money on the front end (and because we were such good friends), we never signed a buy/sell agreement that would have enabled either of us to buy out the other.

My only option was to use a shotgun—figuratively speaking, or course. With the shotgun method, I gave my partner the following ultimatum, "Either you buy me out or I'll buy you out for $90,000—either way, we're no longer going to remain partners!" My offer was good for only one week. On the 8th day without a response from him, I made him another shotgun offer for $5,000 less than the first. (Without a deal, my plan was to lower the offer by $5,000 each successive week.) Finally, at the end of the third week, he accepted my offer of $80,000.

The cost of the buyout was a lot more than $80,000, though. My legal fees were astronomical, and my former partner and friend never forgave me—to this day. I lost a dear friend for life.

Lesson: *Do not form a partnership without clearly defined roles and expectations and absolutely* ***do not form any business relationship without a buy/sell agreement.*** *It doesn't have to be complicated, but it must provide a buy/sell structure that's relatively painless to execute. Think of the agreement as a premarital or prenuptial contract between business partners. It also covers the death of a co-owner and can be funded with a life insurance policy.*

CREATE AN INFORMAL ADVISORY BOARD —AND LISTEN TO THEM!

Once you launch your "adventure," create an informal board of directors— successful business people in your community who can give you free advice from time to time. I engaged three to help me—Dick Jackson, president of First Union Bank, Charlie Loudermilk, founder of Aaron Rents, and Lon Myers, one of the top office building managers in Atlanta.

Lesson: *One of the benefits of having advisors who knew nothing about* *my industry was that they gave me fresh ideas that were totally "outside the box". While I was bent on copying my competitors, my advisors helped me focus on the needs of my customers.*

DRESS FOR THE ROLE

When I started my company, I dressed like everyone else—very casually. I wore blue jeans and a company t-shirt, called myself "Eddie", and drove a Toyota Tercel—one of the cheapest cars in the market. It was Mr. Myers, my building manager advisor, who told me that image is everything. He said companies don't trust movers because they often overpromise and underservice. He correctly observed that many underestimate jobs and prevent companies from opening on time following their moves, damage what they move, and then deny claims.

He criticized my casual attire, saying that not only must we render a stellar service, but also, I needed to look successful and professional so companies would trust me. I took his advice and the results were amazing.

Lesson: *Even though I was only 38 years old, I became "Mr. Katz" instead of "Eddie", sold the Tercel and (at Mr. Myer's urging) bought a gray Cadillac and wore a tie and three-piece suit on sales calls. While my competitors made fun of me, our business and success soared.*

USE SOCIAL MEDIA—CAREFULLY!

Back in 1976 when I started my company, there was no such thing as social media. If I were to start ANY company today, I would do what I do now almost every week. I would immerse myself in social media and write blogs to get noticed so that I could build relationships with influential people like you. I'd post them on Twitter, Facebook, LinkedIn, and Google to get the best exposure possible.

Lesson: *Don't ignore social and technological changes. Don't make the mistake of thinking that new communication channels are fads or millennials' toys. Keep your core business thriving by understanding that no matter how good you are, it's worthless if buyers can't find or interact with you. It's all about reaching customers in the channels which THEY (not you) are comfortable. That said, be cautious—social media can make or break your business with one unfortunate, off-color, political posting. Stick to your business.*

CHAPTER 28
Find Your Best Job After You Retire

Have you ever thought about what you will do when you retire? As a graduate of the School of Hard Knocks, of course, I never planned for my retirement. In 2000, at age 55, and, as part of my divorce settlement, I sold my moving company and was immediately out of a job. And I lost my reason for getting out of bed every day! With nothing to do, I took a (mandatory) leave of absence for the next few years. What did I do during those years? I honestly don't remember. I'm sorry to report that I apparently "vegetated" and didn't do anything. I don't recommend this strategy!

By 2006 I couldn't stand the boredom and loneliness anymore—I needed to add meaning to my life. I found purpose by creating a goal—to try to raise the quality of service in office moving worldwide. I hoped to capitalize on my extensive career experience and decided to expand what was really a very part-time business into a full-time operation.

In the past I had taught one or two office moving seminars a year to movers who wanted to diversify into office moving. But as a part-time endeavor, it was never a significant income source.

By then I was 61 years old. With a dream and vision, I contacted the largest moving companies that had multiple branches and offered them my IOMI® Certified Office Mover® training seminar. A year later I signed up the largest privately-owned moving company in the USA—GRAEBEL. For the next two years I traveled all over the country teaching their employees at their 30+ branches my office moving seminar.

After completing the Graebel training, I was hired by two other national moving companies, and that kept me busy for two more years. I was overwhelmed with joy because for the first time in my life, I loved my job. My "retirement job" gave me more satisfaction than any job I ever had before. I could also see positive results of my work. My IOMI® training and certification programs were making a real difference by improving moving practices, which reduced worker injuries and accidents, and better protected customers' property. My moving company clients appreciated my training, and their customers loved the higher quality of service.

Being "street wise", I planned for the next chapter in my life. When I saw the economic downturn coming in 2009, I planned for another possible forced retirement—this time from my IOMI® training seminars. I figured that if companies were trying to survive and struggling just to make payroll due to the recession, the first thing they'd cut would be training, and I was right. I went from teaching three seminars a month to two a year. BUT…before I could fall into "hibernation" again, this time I planned for my second post-retirement job.

While I was working fulltime teaching my seminars, I dabbled in residential rental property, and I liked it. I took a real estate investment seminar with John Adams, a famous real estate guru in Atlanta (http://money99.com/1-2/about/). Shortly after my fulltime IOMI® "roadshow" ended, I found one of the best short-sale real estate brokers in Atlanta. We looked at what seemed like more than 100 houses. I bid on many of them and ended up buying several—not to flip but, instead, to invest and get income.

By 2013, at age 68, I was getting bored again because rental property management is part time. Fearing a return to my wasted retirement of 2000, I launched my biggest project ever—putting my 3-day in-person office moving seminar online. I spent the next three years writing a script for the entire seminar, reorganizing everything, updating the pictures, and doing the voiceover. In 2016, I rolled out the only interactive, online office moving training seminar in the world. (http://www.officemoves.com/training/index.html)

Even though it has become very successful, it, too, is part-time, so I'm now writing this business book. With all these part-time jobs, I keep busy by exercising six days a week and seeing a personal trainer twice a week. I also mentor (for free) several of my younger seminar clients on a regular basis. Many of them love to learn from my experience and think my advice is "gospel". I'm grateful when they adopt what I "preach" and see how I change their lives and make them better.

So, after reading my retirement history, what are you going to do? Are you going to drift into retirement without an action plan or become proactive and take control? If you do, your post-career life can give you more satisfaction than your present job. All you have to do is start thinking about it; find your personal purpose and explore all the opportunities that await you. I promise that if you follow this business model, you, too will end up like me—wanting to work until your dying breath.

APPENDIX

Cold Calling Script
Office Building Audit Form
Disaster Recovery Memo and Form
Shape Test
Reward Poster

COLD CALLING SCRIPT

From Chapter 5

1. ***"Hi, my name is _____________ and I'm with ____________. Unlike our competition, we don't send information out indiscriminately. The purpose for my call is to get your permission to send you a white paper about ______________. May I please send it to you?"*** He'll always say, "Yes" just to get off the phone.
2. Before you hang up, get the correct spelling, title and the exact address of the prospect and send him your white paper.
3. A week later, make a follow-up call and say, ***"Last week I sent you a white paper on ____________________________."*** Once he confirms he received it, say, ***"I just want to point out*** (your differentiator)."
4. **<u>Your goal is to meet with the prospect so that you can pitch him the benefits of using your company.</u>**
5. To get the appointment, ask, ***"May I please stop by for 15 minutes and demonstrate our*** (your differentiator)?" Then make the appointment.
6. Before you meet with the prospect, prepare for the face-to-face meeting. If you can, create and take props with you.
7. Rehearse your presentation before you go to ensure that it is brief—be enthusiastic.
8. No matter how well the meeting goes, don't stay longer than 15 minutes. (Better to leave the prospect yearning for more than for you to outstay your welcome.)
9. After you greet the prospect, go right to the chase—don't waste time talking about the weather or other trivia. Instead, ask, ***"I'm just curious, how do you presently*** (buy furniture, hire contractors, etc.)?" Never criticize his present service provider because he probably hired him. Stand up, take control, and be excited. Say, ***"We have a unique process (or product) that*** (give him the benefit of your service or product). ***Unlike our competition, we*** (describe your differentiator)."
10. Ten minutes into your presentation, hit the prospect with your close by saying. ***"What I'd like to do is give you a demonstration of our ser-***

vice (or sell you a sample of our product). How about if you let us (sell you one office of furniture, or build a small office for you)?"
(This is a no-pressure, innocuous way to eventually get all his business. There is no overwhelming learning curve because you are only asking for one small job or sale. The prospect will rarely say ***"yes"*** on the spot. However, he will think about it.)

11. Then, like clockwork, call him once a month, **smile** and say, ***"Are you ready for us to handle your next small project?"*** Eventually, your competitor will mess up, and your prospect will throw you a bone by giving you a small job or project. At this time of reckoning, send your best crew and render a superb service using your differentiator. Within time, you'll become his primary vendor.

OFFICE BUILDING AUDIT FORM

From Chapter 7

(Your Company Name)
OFFICE BUILDING AUDIT

Tenant (your customer)_______________________________
Date(s) of Job____
Worked on Floor(s)___________________________________

[ ] Did not block building parking lot
[ ] Were courteous to other tenants
[ ] Kept bathrooms clean and inspected them before we left the building. We did not leave our trash behind in the building.
[ ] Did not use building dumpster to dispose of our trash
[ ] Protected lobby entrance doors and passenger elevator entrance(s) with building protection
[ ] Protected building's and/or tenant's main entrance door(s) with building protection

___________________________/___________________________
Supervisor's Signature / Date

DISASTER RECOVERY MEMO

From Chapter 9

(Your Company Name)
MEMORANDUM

DATE:
TO: BUILDING OWNERS & MANAGERS
FROM: (Your Company Name)
RE: DISASTER RECOVERY PROGRAM

Do you have a **"Disaster Recovery Plan?"** What if there were a fire or flood in your building in the middle of the night or on a weekend? What would you do?

In addition to calling a plumber, an electrician, and a janitorial company, you might need (service provider from your industry) to salvage the furniture or office space and help you recover from the disaster. But companies are closed at night and on weekends.

If you sign up for our program, we'll give you a number to call—nights, weekends, and holidays. This means you will have a way of contacting us who, in turn, will try to contact our crews in order to service you.

What will this cost you? Not one penny more than our already competitive rates (or prices) for a job of that time of day or day of the week.

If you are interested, please fill out the bottom half of the enclosed response sheet and mail it to me. Retain the access information (top part of the sheet) for your records.

DISASTER RECOVERY FORM

From Chapter 9

(Your Company Name)
DISASTER RECOVERY PLAN REGISTRATION

Important Contact Information

Contact Name	*Position*	*Work Phone*	*Emergency Phone*

I hereby authorize the following people to request our services on behalf of

1. ____________________
2. ____________________
3. ____________________
4. ____________________
5. ____________________

Company Name ____________________

____

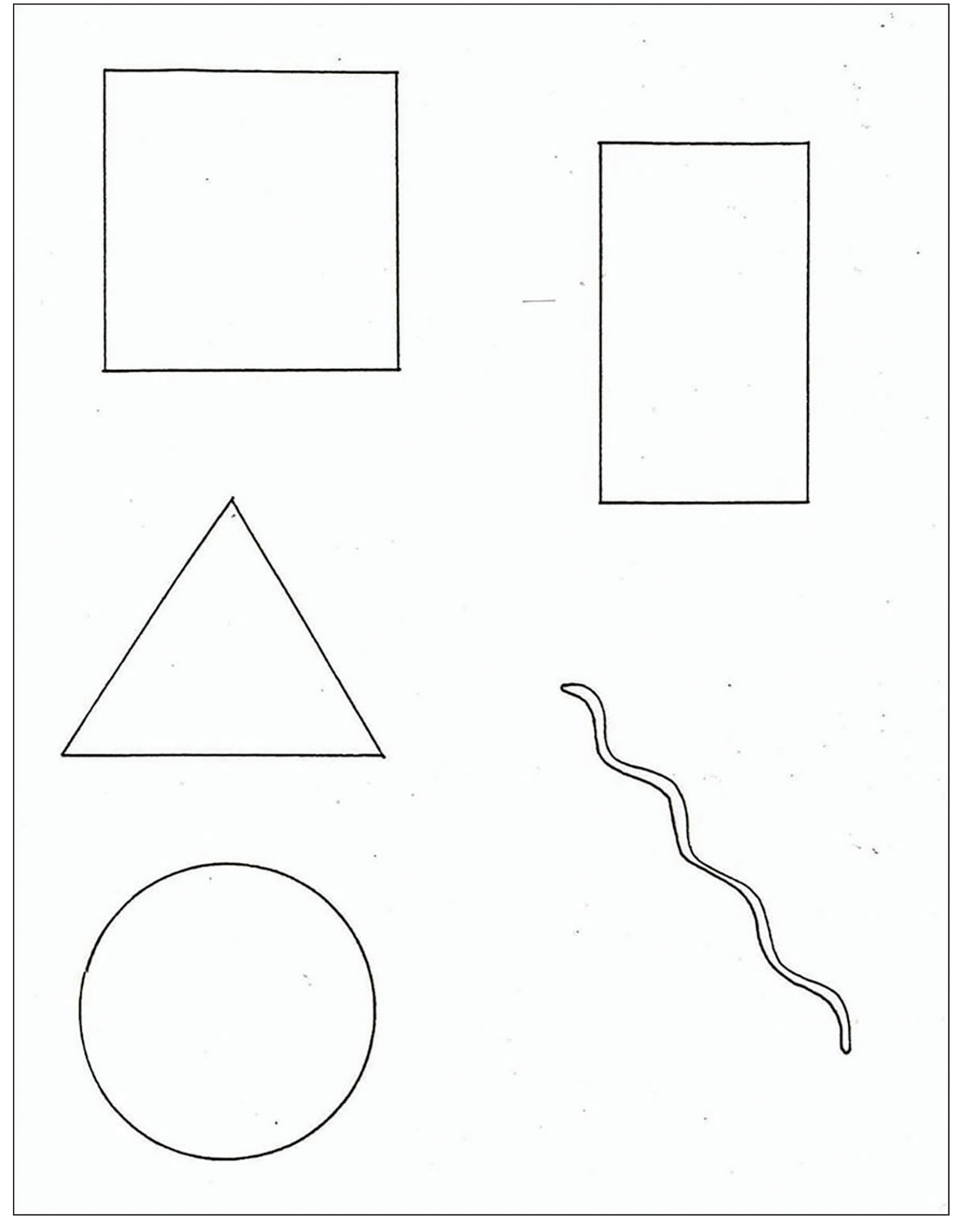
Authorized Representative **Title**
(please print)

____

Signature **Date**

SHAPE TEST
From Chapter 13

- **Square:** These are people who like to follow procedures and rules. They thrive in a highly structured environment. (They make good bookkeepers.)
- **Triangle:** These are people who like power and have a backbone and spine and are not afraid to make tough decisions. (They make good managers, CEOs and presidents.)
- **Circle:** These are people who like people and like to interact with other people; they are outgoing and like to talk a lot. (They make good sales people and customer service representatives. You would not want a bookkeeper to be a circle because he or she would want to talk to his or her fellow employees too much and not meet deadlines.)
- **Rectangle:** These are people in transition or are making a change in life and, therefore, can be any one of the other shapes. They are wild cards because you don't know who they are. (Examples could include someone getting a divorce, changing careers, going through a midlife crisis, or graduating from school. They may not know what they want to do in life.)
- **Squiggles** are typically very creative—that's good—often referred to as "outside the box". The problem is they don't like to follow the rules and are, therefore, difficult to manage. They have extreme self-confidence and very high self-esteem. They question everything and want to know "Why do we have to do it that way?"



REWARD POSTER
From Chapter 22

$500.00
REWARD

FOR INFORMATION LEADING TO
THE ARREST AND FELONY CONVICTION
OF ANY PERSON OR PERSONS FOR THE THEFT
OF PROPERTY FROM

(YOUR COMPANY NAME), our Employees, or
Any of our Customers, or
Any Owner or Tenant of any
Property in which we are working.

ADDITIONAL LESSER REWARDS
Also Available for other Information which results in
Arrest/Conviction of Misdemeanor Theft: **$200**
Admission of Guilt by Involved Party(ies): **$150**
Recovery of Property: **$150** Recovery of Property: **$75**

CONTACT YOUR MANAGER OR SUPERVISOR
FOR DETAILS

SOURCES WILL BE KEPT CONFIDENTIAL WHEN POSSIBLE
INFORMATION WILL BE KEPT SECRET WHEN POSSIBLE