

News and Views

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A Note From Joel

I know you are coming off a busy and no doubt successful Spring. This is a good time of the year to reflect on what has gone well and not so well this season and get a head start on acting on that knowledge to **close that loop**.

Welcome to the new electronic version of News and Views, the Kraft/ODA newsletter. Our new look and style are designed to broaden our reach to our clients and their employees. Let us know what you think.

I believe you will enjoy reading the articles in this issue.

Bill's take on customer retention makes some keen points for all of us. Clyde provides needed explanations on the big "D" discipline. Andy reminds us of our responsibility to sell.

We have also included the latest news from our clients; I'm sure you will recognize some names you know.

As usual, our seminar schedule is featured as well as some information on a Senior Manager program.

Enjoy your Summer.

Joel McFadden

Who's Job is it to Sell in your Organization?

By Andy Trosper

Nearly every organization has a sales team or at least people that carry the title of Sales Person. It may be an inside position that uses the telephone as a primary source of contact; it may be an outside representative that is visiting clients and customers at their own locations. In reality are these the only people in your organization with the responsibility of selling your goods and services to customers and clients?

If you think the answer to this question is yes I must ask you to step back and observe the process of any prospective customer as they arrive at or come in contact with your business. Who greets them? What is the first contact they have? Are they left to wander or is someone assisting them? Do cashiers converse and add on sales or just "ring up the merchandise?" While sales people are paid to be the ones generating the most business and orders, everyone that is employed by your organization sells in some way.

Let's really look at the sales process. When does selling begin and when does

it end? Aren't we all selling ourselves and our companies in everything we do? How many of your people take that attitude when they greet a customer either over the telephone or in person? Do ALL of the people in your organization have the skills and training to properly represent you, your products, and services? If not, why not?

Recently an owner said to me "I want everyone in my organization to be a salesperson. I want them to contribute to growth of the top line. We are faced with margin erosion in every department. Competition is getting more difficult and customers have more choices. If the company is to maintain and improve growth and profits then everyone must participate." I found this to be an exciting and invigorating statement. This owner realizes that everyone can grow sales. Everyone has a potential impact upon your customers. Your sales people are professionals and should be your best at creating a positive buying experience. However all employees have the opportunity to increase the

sales within your organization.

Here are some tips for making sure you maximize your selling process:

- ~ Make sure everyone understands the importance of EVERY customer contact.
- ~ Make sure everyone on staff has an orientation and training plan.
- ~ Make sure everyone knows and understands what your company mission and goals are.
- ~ Instill a feeling that every customer your employees come in contact with has the potential to be a buyer. It is up to every employee to maximize the potential.
- ~ A customer is everyone's responsibility, not just your sales persons.

Each customer contact is a potential purchasing or sales opportunity. Everyone on your staff needs to understand the importance of that contact. On average a satisfied & happy customer will tell 4-5 other people they know about a positive buying experience, however, a dissatisfied customer will tell an average of 9-12 other people they know. How do you want them to feel and speak about your business relationship?



Employee Discipline

by Clyde Vadner

After seven years in the trenches of the food business and forty nine years in management one way or the other in many kinds of businesses, I am convinced that most of the problems in the work place are caused by the wrong application of discipline by a manager or supervisor at any level or by lack of discipline in the first place.

To begin with, discipline is not a bad word. We have turned it into a negative thing by mishandling, but the true definition of the word is “education”. While I am not considering your employees as your children although there is a parallel, I submit that when your children do something that endangers them physically or morally or career wise, you may lose your cool in the act, but you are truly attempting to pick them up as carefully as you can and put them back on the correct path before they hurt themselves or someone else. You are not doing an employee any favor by allowing them to do poor work or harbor a poor attitude. One day in the future they will meet up with someone who demands positive work and they will not be able to accomplish it. That’s a much greater punishment than correction in their early performance could ever be.

I am not simply considering discipline as something that managers do for their workers, but rather something that applies all up and down the chain of command. Presidents need discipline by the Chairman of the Board now and then because none of us are perfect, not even the folks at the very top. I do acknowledge that the need occurs most often at the

lower levels and for that reason our front line supervisors are the men and women who especially need to be well trained in the application of corrective counseling. In contradiction to that need, I know that many companies do not even consider their front line supervisors as members of the management team when in fact they are your spokesperson to the troops and the ones who operate where the basic objectives are in action.

There is a very simple rule for discipline that to me is cast in bronze. It’s called, as many of you know, “the three P’s” because each word begins with that letter. It’s **“Prompt, Private and Progressive”**. Discipline should be applied as soon as your gut jumps and you even suspect that something is wrong. That’s the time to get your employee aside and explain that you “think” they need to change something in their performance, get their feelings about the situation and reach an agreement to improve. The discussion should be private as much as possible so that you are not destroying their self respect.

To be effective, discipline must be fair and consistent, not only by an individual manager, but by all the members of the team. Each of your front line supervisors, whatever you title them, must apply the same correction for the same problem. The best way to provide this consistent discipline is to teach it in their early indoctrination as a member of manage-

ment and role-play it often in your daily or weekly foreman meetings. Role-playing is usually embarrassing in front of your peers; sometimes true fun and a great way to see who knows the right way and who does not. The most productive “roles” are simply a replay of the things that happen every day.

The third “P” is necessary if the overall discipline is to have any teeth in it at all. If the poor behavior continues, then the penalty must become more severe and must finally result in termination. Termination, however, is not the goal of discipline. The goal is to grow the employee and improve their performance for the sake of the employee every bit as much as for the company. It’s true “win, win” situation if there ever was one.

Sometime in a quiet minute with your employees, ask them what they have a right to expect from you. It will not be very long into that discussion before someone will say, “to tell me when I am making a mistake so I can fix it”.

When you are not doing that for your people, in a calm and professional way, early in the occurrence of their errors, you are not providing them with the help and guidance they need to be the kind of quality employee the company needs if it is to grow and succeed.

Discipline should be applied as soon as your gut jumps and you even suspect that something is wrong.



Customer Retention Rules to Live By

By Bill Drexler

Part I

Retaining customers starts with understanding *why* they buy in the first place. Eight of ten people will make a decision based on the perceived quality of your work & how they feel about your ability to meet some personal, emotional or logical need. Only one in ten buys on price alone.

Customers don't care what kind of mower you use, whether your blades are sharp or how many other jobs you have to finish by the end of the day today. They do care if you are there when scheduled, that their property looks great when you're done or that they have time to go to their daughter's soccer game since you save them the time and effort of taking care of their lawn. They buy looking for answers to a need; they stay because of *trust*. People are looking for a relationship - not just a contract.

Consider this, The American Society for Quality (ASQ) reports that over 80% of customers leave because: "The company had an attitude of indifference" (68%) or they "Were unhappy with the product or service" (14%). Other reports show that:

- Only 1 of 25 customers will tell you that they are unhappy.
- 96% will go away and 91% will never come back.
- Happy customers will tell 4-5 people while unhappy customers will tell 9-12 people.

It costs between 5-6 times more to attract a new customer than to keep an existing one.

So what conclusions can we make about customers?

- People buy from and stay with companies when they feel like they have a *relationship* with someone who is reliable and responsive. Someone they Trust.
- People buy the *benefit* of using your products and services. They buy from *you* when they feel good about your solution to their needs.
- The best source of new customers is referrals from current happy customers.

- They may not tell you how they feel about your service.
- Keeping customers happy can be very profitable, losing them is very costly

The implication for an owner, manager, supervisor and employee is simple. Stick to the fundamentals.

While gimmicks may work in the short term, they won't make up for poor service, bad quality, rude employees, poor reputation and lack of trust. Here are some rules to live by:

1. Excellent employees lead to excellent service.

Your people are the ones who are managing the business at the front line, the point of execution. Therefore, your job is to hire the right people, make sure that they are fully trained and that they have the hard and soft tools to do the job.

Your hiring process is essential to keeping customers. Here are some hiring tips:

- ~Create a comprehensive hiring process. Don't cut corners, don't settle, find the best people.
- ~Hire for attitude, train for skills. You can teach skills but you can't teach attitude.

~Keep them happy. People are motivated when they are meeting their personal goals. Find out what makes them tick and help them get it.

~Make sure that they understand

that customer service is your top priority. Reward the behavior that you want repeated and give feedback on poor behavior.

2. Be someone people want to buy from.

Remember, people are buying to fulfill a need but they are also buying you, therefore:

~Have the heart of a servant. Your customers want someone who understands their needs. When your mindset is to serve, you will find ways to keep your customers happy.

~MBWA. Manage by Walking Around. MBWA means be to be visible and accessible. It is important to stay in tune with your employees and your customers. Go to the job site, talk to *all* of your employees, talk to your customers. Listen, listen and listen some more, then use the information to make your business better-continually.

~Be Trustworthy. Customers are looking for someone that they can trust. People can spot a phony in a second. Being trustworthy starts with integrity, character and competence. Integrity is saying what you'll do and doing what you say. Character is being honest and consistent while modeling the behavior that you want from your employees. Competence refers to your technical and business skills. Leaders are constantly working on themselves.

Look for Part II of this article in the next issue of News and Views.

People buy the *benefit* of using your products and services. They buy from *you* when they feel good about your solution to their needs.



Special points of interest:

- We are working a new website that will be operational shortly. We will let you know when it is online.
- Kraft Associates is one of less than 150 businesses that are members of both ANLA and PLANET.
- If you have anything you would like to see in the newsletter, please send us a note or an email.

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OUR MISSION:

Our Mission is to serve Entrepreneurs in the achievement of their personal goals through their organizations. The Entrepreneur is the force of our society that maintains a culture which will assist people in the achievement of their individual personal goals through their jobs. This Mission is carried out in an atmosphere of honesty, trust, and love for each other.

OUR PHILOSOPHY:

We believe that the most important asset of an organization is the human asset and the development of that asset is both a moral obligation and financial gain on the part of the ownership.

News From Our Clients:

~ Jim Morgan of Ireland Gannon Associates has recently won the Landscaper's challenge for a property in New York City. Tune in and see the results on HGTV later this year.

~ Marc Weinstein of Oak Grove and The Laurel Group has recently joined Sal Masullo of Ireland Gannon on the Board of the Long Island Nursery and Landscape Association.

~ Dodds and Eder, Inc. won the 2005 Merchandising Award for best use of accessories from the trade magazine Casual Living.

~ Dodds & Eder, Inc. Landscaping Group won a LINLA Gold Award for Environmental Enhancement.

~ Midwest Groundcovers' Peter Orum has recently been serving as President of ANLA.

Kraft Associates/ODA, Inc.
Seminars

MANAGEMENT SEMINARS

FALL 2005

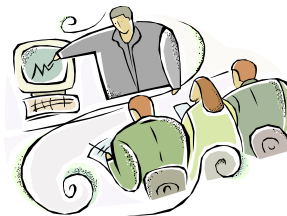
Long Island, NY

Begin with Excellence
(Recruiting & Selection)

September 27—28—29, 2005

K. A. S. H.
(Training & Communication)
October 18—19—20, 2005

Controlling Excellence
(Management & Motivation)
November 15—16—17, 2005



Senior Manager Seminar

Fall 2005

Location:

Historic Inns of
Annapolis

November 8—9—10

MANAGEMENT SEMINARS

WINTER 2006

Begin with Excellence
(Recruiting & Selection)
January 2006

K. A. S. H.
(Training & Communication)
February 2006

Controlling Excellence
(Management & Motivation)
March 2006