

Be thankful for the opportunities, and beware of blunders

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Managers at Work
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As the holiday season gets into full swing and the end of the year approaches, it might be a good time to reflect on the things that are going right in business and inside organizations-what managers can be grateful for.

Here are some thoughts from Steven Blue, president and chief executive officer of the Miller Felpax Corp. of Winona, Minn., and author of two management books, "Burnarounds: Unlocking the Double Digit Profit Code" and a new one scheduled for release in 2011 called the "Ten Million Dollar Employee: When Your Company's Toxic Liability Meets Your Most Important Customer."

"I am thankful I have a terrific team. Not only in my company, but in my extended team that supports me. You should be thankful for your team too. Be sure and tell them that you are thankful for them this season. You wouldn't believe the boost it will give them when you say that. If you don't have a team you can be thankful for, what does that tell you? You got it, time to get a new team."

"Be thankful the economy has stabilized. This gives you the chance to take stock of your company and move it ahead. But move it ahead, don't just let it sit there bubbling along, waiting to see what the economy will do. Almost all of the economic indicators you see are lagging-so by the time you know what the economy will do, it will have already done it. Then it's too late. It's too late to position your company to capitalize on it. And yes, you can capitalize on a good or bad economy. You just have to know what it will do and make your plan."

"Be thankful that your competitors are lying in the weeds and hunkering down. How do I know this? That's what most companies are doing these days. Be aggressive, launch an attack on the weaker ones."

"You should be thankful if you are still standing after the recession. I saw too many companies 'economize into oblivion.' ... They got into a death spiral. Chop expenses, revenue drops; chop expenses some more, revenue drops some more. You get the picture.

"When business softens, that is the time to invest in your company. But invest smartly. Invest in sales and marketing. Invest in training and development. Prepare for the eventual upturn. And reflect on what you might have done better in the recession. Prepare for the next one. How will you position your company to not only survive the next recession, but get stronger through it?"

"Be thankful that you live in a country that supports and encourages a free market (even though the government may not act like it sometimes). That means you can change the future of your company. If you don't like the results you are getting now, change something. Take a fresh look at the key

factors that drive your business. And nothing is more key than your team. Your company is full of \$10 million employees. Most companies have a bunch of \$10 million toxic liabilities running around and only a few (if they are lucky) \$10 million golden asset employees. Many allow their most toxic liabilities to meet their most important customers. Now is a perfect time to clean up your employee balance sheet-remove the toxics and replace them with \$10 million asset employees."

And here are a few things that managers should absolutely not do in the New Year, Blue says.

Don't let your employees wonder what is happening to their company. "Tell them what you are thinking and what you are planning," he says. "Give them a sense of entitlement and a vested interest in the outcome. If you tell them nothing, they will assume the worst. This will not only reflect in poor performance but will also drive them to look elsewhere for employment."

Don't miss the opportunity to use these complicated times to sharpen your organization's focus, operational efficiency and cost controls. "Since necessity is the mother of invention, these are perfect times to tighten your internal controls. And when you come out on the other side, keep the focus and control you developed. It will boost your profit forever."

Don't make the mistake of not investing in training and development. "This will pay big dividends in the future, and it is a great morale boost for your key employees."

Don't neglect your network of suppliers, partners, alliances and other business associates. "They wonder the same things about you that your employees do. Now is the time to increase the frequency of communication. Now is the time to strengthen those bonds."

Don't assume that what worked in the last couple of years will work in the future. "In fact, it is a good bet it won't. You have to be ready to turn your business on a dime when the world changes around you. It's a whole new world out there, and you'd better be prepared to meet it."

Managers at Work is a bimonthly column exploring the issues and challenges facing managers. Contact Kathleen Driscoll with questions or comments by phone at (585) 249-9295 or by e-mail at kadriscoll@aol.com.

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