
NAMM Idea Center

Do It Today, Be Ahead Tomorrow

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10 Do It Now Ideas & Action Items To Implement In Your Business



Left to Right: Progressive Music Center students during 2009 MusicTech Summer Camps

The economic realities we all faced in the past two years changed the way we think about, conduct, and oversee our businesses, but one thing is always certain; business is forever changing as new technologies and efficiencies come in to the market place and customers embrace new trends.

We still have standard ethics and practices plus a general course to navigate, but the way we reach out to our staff and employees and how we interact with the end user of our products and services will take new routes and fresh ideas to get us there.

You may have heard some of these ideas before, and you may have a better way of doing these, but they are worth repeating and using. The following are 10 ideas that I use in my businesses every day, and you can implement and use these right now as well.

1. Map Out What You Want, When You Want It & How To Get It (or How to Get There)

There is no GPS in business, which can be half the fun of being in business. Get in your car and just drive the back roads and old highways without your map and you will see the local sites, people and places that really make up the backbone of community businesses. It's a shame that Wal Mart looks like Wal Mart no matter if you are in North Carolina or Kansas. If we were all generic we would all eat the same food, wear the same cloths talk the same way and be the same generic clones of each other. I say No Thanks! I want to be different and I want to be an individual store or music school. This is what separates you - *you* do not look, or act like the box stores that have the same look no matter what town you are in. Aggressively blaze your on trail and never the generic route everyone else follows and you will be credited with being the first one there.

2. Be Sociable

If you are not good with social media like Twitter, Facebook and Myspace, or simply don't have time to learn it, update it and keep it fresh, then delegate it to the most web savvy person in your business. Keep the sites updated and use social media to build community and relationships with existing and potential customers. Social media is today's newspaper - use it to your advantage. But remember, social media is not a replacement for human interaction for relationship building, but a tool that is in your pile of tools to get the job done. Always go in with the attitude that you will:

- a. Establish five new customer relationships today in your shop, in person.
- b. Personally contact five existing customers today and check in with them. How are they doing, how was their holiday? Don't try to sell them anything! Just check in with them. That's what my friends do and this is how relationships are built. My friends, even the ones that own or manage businesses that I use their products don't try to sell me something when they call me. They just call to see how I am doing.

3. Delegate, But Make Sure You Always Pick Your Own Weeds

You may pay to have someone update your Facebook, Twitter, Youtube accounts, clean the toilets, sweep the floors, handle inventory, manage the schedules, but *you* need to be diligent about picking the weeds out of *your* business before they spread. I once had a teacher that was good with his students, but terrible with the parents. His mouth was set on offensive auto pilot and four letter words rolled out of it as easy as we drink water from a glass. What's worse is the fact that he could tell some really tall tales and his "stories" seemed to get crazier as time went on. After several complaints from parents, and many more from my staff I finally fired him without having a replacement teacher or game plan in place. I did it knowing that we would probably lose students, which we did, but I also knew that many of his students would start to see his true colors when he did not have our managers running interference and taking up for him to parents and students. This guy's attitude and problems outside of work were spreading and bringing my entire organization down. The mood in the shop was terrible when he was there and everyone was tired and worn down having to deal with him. We kept an open dialogue with his students, even the ones that left and eventually we regained many of the ones that left. Without my shop fertilizing his roots with growth from new students he quickly faded away and we moved on weed free.

4. Always Move Forward & Do Not Live in The Past

The old saying is we learn by our mistakes, but many people do not commit the lessons to memory and move on. If the problem you are facing is truly fixable and everyone can continue moving in the right direction then by all means revisit the past to build the future. In most cases if you pull up the past often enough you may find that your past was the best method of doing things, so...

5. If It Ain't Broke, Don't "Fix It"

Seriously, leave it alone! To many people mean well, but they always have to have something to do. Spend your time working on weak parts of your business and not necessarily reinventing the entire business.

6. Work Smarter, Not Harder

If you have a choice to dig a trench that is 100 feet long, 4 feet deep and 5 feet wide with a spoon, a shovel or a backhoe which would you use? I've seen lots of people use the spoon. Stop, think and then decide how to use RPMs to get your best end result.

RPM: right **R**esources, the right **P**erson and the right **M**ethod for the job at hand. The right person that is qualified to pick the right tool for the particular job will use the best methods *with* that tool to get the job done *right* the first time. Keep that person doing that job so you do not have to worry with it, then move forward to the next task at hand. However, don't be surprised sometimes if the right person for a job at hand is you (See Example 2).

7. Take Ownership

More and more people pass the buck, and this happens mostly because employees think they will be in trouble or have to face severe consequences if they mess up. But the buck stops with you. By taking a leadership role in any given situation you teach employees to step up and take ownership and not pass the buck. One day a customer came into one of my studios for her daughter's first lesson. The client was mistakenly double booked for 4 - 4:30 on a Tuesday afternoon, and the teacher they had been assigned already had a student at that time. It was an honest mistake. Whoever booked the lesson was looking at another teacher's schedule that had the 4 - 4:30 open lesson time and booked the client thinking they had booked the student with a different teacher. The person I had working behind the counter started trying to figure out who booked the lesson instead of figuring out how to correct the problem. I stepped in and took ownership of the problem and simply said, "Ma'am, I am the person that double booked your lesson time and I apologize". I quickly explained how it happened and then looked at the schedule and got her lesson scheduled on the correct day at the correct time. By taking ownership of the issue I taught my employee that accidents happen, to take ownership and then solve the problem as quickly as you can. Customers want service, not excuses. Business owners want employees that can resolve a problem and take ownership. Give them the tools to do this through proper leadership skills.

8. Loose The Battle, Win The War

My company offers a pretty straight ahead, no nonsense lesson make-up policy that allows students to make up a missed lesson for sickness, family emergency, if we are closed due to inclement weather and major holidays. It's been a good policy and we generally have 95% compliance. However, I once had a client that was upset that we did not offer make-up lessons when they missed so their

daughter could attend the movies with friends. I looked over their lesson history and found that they were there just about every week, always paid on time and we never had any issues with this family. I explained that we would offer the make-up on this occasion, but in the future we needed to adhere to our policy since it was fair for everyone. I paid the teacher for the make-up lesson and the missed lesson, but we kept a client happy and she is still taking lessons with us to this day - \$3,500 later.

9. Simplify Your Billing & Your Processes For Your Clients

I subscribe to the old philosophy of Keep It Simple Stupid, or K.I.S.S.

We operate on a monthly basis where we debit all tuition once per month, prorate lessons only if a student starts mid-month and offer a simplified lesson make-up policy. There is no fine print, no complicated cancellation policy and we make sure all clients have copies of everything they agree to when registering for lessons. On the other hand I do have formulas for figuring out our Cost Per Lesson (CPL), teacher/staff raises and other cost of doing business scenarios. These more complicated programs are running in the background of my business and never out front. The idea is to make the business run as seamless as possible for the consumer and leave the complicated stuff out of the equation. Bottom line: There is no need to complicate issues and confuse your clients and staff with lots of “rules and regulations”. Leave that to the other complicated businesses like Wall Street and the SEC.

10. Know Your Fixed Costs Versus Your Variables & Good Deal When You See It

Two people walk onto a Honda auto dealer’s car lot and both purchase a new Honda Accord. Both cars have identical interiors/exterior, but the price negotiated is off by a few hundred dollars because one customer was a great negotiator and the other decided to take the first offer handed to him and just be done with the entire car buying process. The same two customers bring their cars back to the same dealer for oil changes and maintenance, and they both pay the SAME costs. Auto dealers know that the repair shop has fixed costs and the sales lot is the unknown. Your lessons will be a fixed cost with residual income for years to come, no matter how much gear you may/may not sell.

10a. The Most Important Topic During This Session

This is the time to take advantage of the best commercial real estate market in the past 20 years! If you are in the process of looking at expanding, opening or negotiating a lease now is the time. Always remember, everything is negotiable! Ask for a cap on your annual rent increase or CAM costs. Instead of a 4% annual increase can you cap it at 2%, or better yet can you cap the annual increases for the duration of the lease if you sign say a 7 year deal in place of 5 years?

This is also a great time to take advantage of advertising rates and media buy-ins. In my market cable television is losing ground to iTunes, Hulu and other web based entertainment service providers, but not everybody has canceled their

cable service. I bought into a package deal that put a 30 second advertisement on several top cable channels during prime market times and it was 60% less than what I would have paid only two years ago. It never hurts to ask and negotiate, especially during this economic downturn. Now is **THE TIME** to position your self for BIG GAINS down the road.

Extra Stuff...

Have Fun, Be Different

Don't be scared that your ideas will not be accepted by your teachers and staff. I've often said that I may come into staff meetings with 20 ideas that I run by everyone. They may only like 1 idea or they may not like any of them. It only takes one good idea to start a trend. However, I am always thinking what I could do to be different. Not just better, but different.

Bonus

Look at the big national stores and chains for ideas. I like to check out sporting goods stores, surf/skate shops and other businesses outside of MI for inspiration. I also look at how my studios can move more efficiently and stay on top of trends faster than the big boys. Being small has it's advantages, so use them in your favor. Know your customers by name, know their preferences, and know how to react to their problems quickly for the best resolve.

Stop worrying about what you can't control and work on what you can control. The economy is going to go up and down and there will always be times of lows and highs. What you can control is the way you are prepared and are preparing for these times of uncertainty. Stay liquid and lean with enough cash reserves on hand to get you through 8 - 12 months if needed. Keep an eye on the bottom line daily, weekly, monthly and annually. Is it time for a tuition increase? Is it time to renegotiate your lease agreement for better rates? I am always thinking about how I can save myself a penny because they add up over time.

Double Bonus Materials

Finally, here's some bonus material that I like a lot. I'm from North Carolina, a state rich with hard working farming families that use country wisdom to get things done. We also like our old school phrases and I personally like to use lots of phrases in my business everyday. I find it puts people from all corners of the globe at ease and my co-workers love them (and repeat the often). Here are few to use in your own shop and life. Go ahead, try one when you get back to work next week and see how it goes.

*Your fences need to be horse-high, pig-tight and bull-strong.

* Keep skunks and bankers at a distance.

- * Life is simpler when you plow around the stump.
- * Words that soak into your ears are whispered..not yelled.
- * Meanness don't just happen overnight.
- * Forgive your enemies. It messes up their heads.
- * Do not corner something that you know is meaner than you.
- * It don't take a very big person to carry a grudge.
- * You cannot unsay a cruel word.
- * Every path has a few puddles.
- * When you wallow with pigs, expect to get dirty.
- * The best sermons are lived, not preached.
- * Most of the stuff people worry about ain't never gonna happen anyway.
- * Don't judge folks by their relatives.
- * Remember that silence is sometimes the best answer.
- * Live a good, honorable life. Then when you get older and think back, you'll enjoy it a second time.
- * Don't interfere with somethin' that ain't bothering you none.
- * Timing has a lot to do with the outcome of a Rain dance.
- * If you find yourself in a hole, the first thing to do is stop diggin'.
- * Sometimes you get, and sometimes you get got.
- * The biggest troublemaker you'll probably ever have to deal with, watches you from the mirror every mornin'.
- * Always drink upstream from the herd.
- * Good judgment comes from experience, and a lotta that comes from bad judgment.
- * Lettin' the cat outta the bag is a whole lot easier than puttin' it back in.
- * If you get to thinkin' you're a person of some influence, try orderin' somebody else's dog around.
- * Live simply. Love generously. Care deeply.

Keep in mind that this is YOUR business and you want it to be fun, so relax and enjoy it every chance you get.

Billy Cuthrell has worked in the music products industry for over 20 years as the the owner/ operator of Progressive Music Center, which he opened in 1992 in Greenville, North Carolina. Cuthrell is a partner in askourmusicians.com and consults to various clients in the music industry through MPI Consulting. He can be reached directly at billy@ppdsonline.com