

GETTING NEXT-GENERATION CEOs OUT ON SALES CALLS CAN BE A TOUGH SELL IN ITSELF

It's Monday and the president of an industrial laundry sits at a desk covered in stacks of papers. Grandpa moved the company into the building, which is more than a hundred years old. Today it houses a state-of-the-art facility.

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"What do I work on?" the president asks. "Operations, putting the new boiler in, or making sure the internal ISO audit gets properly documented? Or do I focus on that new sales presentation that Ralph the sales guy wants me involved in, or call new customers to see how they feel about us?"

The president's decision is critical to his company's success. This executive grew up in the business. Sales and service are a bit too "touchy-feely" and he does not like the sound of "No." But the sound of an operating laundry lights him up. So, he reaches for the ISO audits.

That is the wrong answer. A lot has changed since Grandpa's time. Manufacturing is shrinking. Health care is expanding, but that is not the company's traditional market. Competition is fierce. The marketplace perceives that all laundries provide pretty much the same service. Then the question is, "Which uniform and mat vendor will give me the best price?"

From the customer's perspective, getting a new vendor is always a risk. But a small, nimble, family-owned launderer that provides a personal relationship with the owner is a differentiator in the marketplace over a big national company. If I know I am not just another faceless customer but can call the owner to discuss any issues, or sit across from them and relate business person to business person, that can be decisive in my buying decision.

In a quarter-century of coaching and counseling industrial launderers, I have seen them grow and prosper most when owners got their entrepreneurial juices flowing by making presentations, talking with customers and seeing business opportunities and niches.

Second and third generation CEOs of family businesses get too attached to the nice offices that preceding generations helped build by taking risks and selling. One industrial laundry CEO told me he didn't feel "comfortable" getting out with customers. I had to tell him, "Comfortable has nothing to do with business."



CEO offices are a lot less comfortable once they are aware of the opportunities they're missing and dangers they're risking by not getting out to sell. As a business owner, I may not like experiencing customer concerns about pricing and long-term contracts, but I can no longer live in denial and will be better able to deal with these issues.

The third-generation owner of one industrial laundry thought the key to continued success was operations, which he liked, not sales. He didn't keep up with the evolving marketplace in issues like simplified billing, customer preference for shorter contracts (or none at all), direct leasing to customers of uniforms from the manufacturer, and changes in his local market.

But as I worked with him on his business plan, he became convinced that an essential element had to be his involvement in sales. After being coached in how to fill his unique role, he now goes out with his sales force 2-3 times a month, calls customers directly for lunch, and hosts tours of his new plant. And the launderer's website emphasizes the family nature of the business, featuring the owner's bio, photo and personal commitment.

To take personal accountability for growing the business, successor generation CEOs often need professional sales training so they can sell directly and also competently manage their sales force. What's often unnecessary is the bogeymen that keeps CEOs from selling: the dreaded cold call. Others can bring in warm leads. Then the CEO can come in and close the deal because they have the credibility.

What about the time the owner spent on operations? Smart hiring should fill this gap: it's typically easier to find great operational leaders than sales leaders who will fit the company culture and be successful.

I am hardly asking family owners of laundries to do away with your sales forces and marketing resources. I am saying that, given the current and future business environment, as the owner, you play a critical role in the sales and marketing strategy. You have the potential of giving a face to your company. You can be its Dave Thomas, Orville Redenbacher or Lou Gentine.

Do not let the touchy-feely aspect of sales and customer services deter you. Do not hide in the operational side of your company. Go out into the light and let your presence be known in the world of your customers and prospects. It will make a difference to your company's health and well-being. CSC



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