THE CUSTOMER WHISPERER I BY GREG BILLINGS

Motivating Employees in Difficult Times

s I look out the front window of my store, I see the abandoned lot of our local Hummer dealership. The faux military Quonset hut showroom now presides over yellow-striped asphalt and the mini-mountain where the ubiquitous monster jeeps were once displayed.

My employees see the empty lot, too. They remember the shiny Hummers that also used to be parked in our lot while their owners shopped here. They talk about it among themselves.

How can we keep our employees positive, secure and motivated in the face of hard economic realities and a deluge of bad news? We can do it by becoming employee whisperers. Just like being a customer whisperer, it requires calm, assertive leadership and a little planning.

Last year, John McCain and his advisor, Phil Gramm, were mocked when they suggested our economic problems were largely psychological. Of course these problems are *partly* psychological. Psychology plays a major role in economic behavior. People make decisions based on emotions and use logic to rationalize their decisions. Don't think for a minute that emotionally driven mass hysteria isn't real. But rest assured: It is ephemeral, passes just as quickly as it appears and can be managed.



MANAGE ATTITUDE

We can't manage the entire nation's mood, but with a little effort, we can minimize the effect of bad news on our staff. Since employee attitudes are contagious, their effect on our customers is powerful and immediate, so we have much to gain. Here are a few simple and specific steps you can take to improve the

atmosphere (or "vibe" if you sell guitars) in your store.

Create a refuge from the 24-hour news cycle. If there's a TV in your store tuned to Fox News, turn it off. Replace the bad news with a DVD showing product demos or a concert. If someone has Rush Limbaugh or Al Franken squawking out of a radio, change it to music. If your staff is monitoring the news online, stop them.

Consumers go shopping as much to be entertained as they do to fulfill a tangible need. Your store needs to be a magical place, a refuge from the

realities of everyday life. Don't let the real world intrude.

Lead the discussion. If your staff wants to kick around the issues of the day with their morning coffee, use the opportunity to direct the conversation into positive territory. And if you're the guy preaching a falling sky, cut it out.

Here are a few talking points you can use:

- Most failed businesses are the victims of their own bad management, not the economy. Circuit City was a poor knockoff and provided lousy service. The same is true of Linens 'n Things and Mars Music. We should be glad they're gone.
- Don't worry too much about vacant storefronts. Retail space has increased faster than retail sales for more than a decade. An adjustment was inevitable, and eventually, the empty space will be occupied by productive businesses.
- Remember: 91.5 percent of people who want jobs still have them compare that to 95 percent in the best of times. And 99 percent of families aren't dealing with home foreclosures.
- In 1970, it cost 28 minutes of work at minimum wage to buy a gallon of gas. Today, it only costs 22 minutes.



- Economic cycles aren't new. They are not pleasant, but they are necessary. Like forest fires, they clear out dead wood and stimulate new growth. A business that uses downtime to increase its efficiency and refine its focus will reap benefits in the next wave of prosperity. Make sure your business is one of them.
- A paper loss on your 401(k) is only a real loss if you cash it in. Stocks go up and down, but over time, markets recover and grow. Only fools sell at the bottom or obsess about paper losses. If you trust your pension plan administrator and aren't retiring soon, it might be a good idea to back away from the computer screen and just check your balance monthly. Better yet, quarterly.
- The recession may be ending. The average length of a post-World War II recession is 10 months. This one, while worse than most, started in December 2007, and it will be nearly a year until the experts know exactly when it ended.
- The price of every musical instrument, from a Stratocaster to a Steinway, costs less in inflation-adjusted dollars now than at any other time in history. The quality is better, and interest rates are low. It's a great time to buy.
- People's fundamental desire to play musical instruments hasn't diminished. Actually, NAMM-funded research shows the opposite.

An employee whisperer will quickly figure out how to change the daily buzz from doom and gloom to the joy of making music and the opportunity music gives us. His purpose isn't to win an argument. His purpose is to change the subject. Intervening in the group conversation on a regu-

lar basis can change the general tone of the discussion over time — and shorten the discussion, too.

Be proactive. Ask your wettest blanket if he has heard any good news lately, and ask again every time he starts to pour out the cold water. Over time, your staff will come to respect you and dismiss him as a whiner. Your status will grow, and you'll start to hear your people spreading the "good news" to your customers.

If you have a grim reaper on staff that you can't turn around, fire him. It will boost morale for the entire staff. A recent research project in the National Football League found a team's poorest players had more impact on overall performance than its all-stars. Pro teams are always cutting their weakest players. Similarly, you can't afford to keep people who drag your team down. Apply the same discipline to your supplier reps.

MANAGE DOWNTIME

Beyond guiding the discussion and quashing downers, there are simple and effective steps you can take to raise spirits (and maybe generate a little cash). Here are a few suggestions.

Keep everyone busy. Activity is a strong motivator, and idle hands ... well, you get the point. Plan an event, student competition, clinic, talent show or food drive. Get everyone involved in painting the store, cleaning out drawers and throwing away clutter. Workers who go home exhausted do not have time to complain or worry.

Retail is detail. Sam Walton, Wal-Mart's founder, was famous for saying, "If you 'Activity is a strong motivator. Plan an event, student competition, clinic, talent show or food drive.'

have time to lean, you have time to clean." If sales are down, your store should look immaculate, amazing and ready for business. Customers are more likely to approach a clerk who's building a display or cleaning than one who's standing around or talking to other employees. Burned-out light bulbs, crooked frames and missing price tags send a message to customers that a store is in trouble, the staff doesn't care, or both.

Go on a treasure hunt. Sell unused, unneeded supplies on Craigslist. It will keep people busy, reduce clutter, bring in a little income and, most importantly, bring people into your store. Old computers and monitors, posters, and those dusty fake plants might find a buyer. Posting on Craigslist is free, easy and gets your name in front of consumers. Consider donating proceeds from these sales to a local charity. Use other proceeds to throw a party for the staff or buy awards for contests.

Train, train, train.Practice, practice, practice. Use slow time to refine everyone's

selling skills. See "The Customer Whisperer" series of articles. They can be downloaded for free at *Music Inc.*'s Web site, musicincmag.com.

Find a reason to celebrate. Have a Thursday night customer calling party. Order in pizza and soft drinks. The first person to make a contact wins a prize and gets to ring a bell. The first person to get an appointment for Saturday gets a bigger prize and also gets to ring the bell. The first person to make 25 calls gets the grand prize and gets to ring the bell really loud! This may sound goofy, but it's effective, fun and cheap.

Take advantage of what the industry has to offer. Use NAMM programs, such as Support Music, Vans Warped Tour, John Lennon Educational Tour Bus, Weekend Warriors, Sesame Street Music Works and Wanna Play? These are turnkey, proven programs and mostly free to members. NAMM has done most of the work for you.

Never let them see you sweat. If you've got problems with the bank, a supplier or a floor plan company, keep it to yourself. Smile often, and reassure everyone that things are going to be OK. Because they are going to be OK. Your staff looks to you for leadership, and employees will respond to your style as much as your substance.

When you change the attitude of your staff, you change the mood of your store, and your customers will respond. It's not hard, and it's not expensive. It's just a matter of calm, assertive leadership, and that is one job you can't delegate. MI

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