

Getting Your Business Unstuck

Ellen Rohr and Barry Moltz

Ellen: Hey, it's Ellen Rohr, The Plumber's Wife turned Business Makeover Expert and welcome to Business Makeover 2014. This is our opportunity to stop and think about what we really want and springboard into aligned action. Twenty-one experts, 21 days, that's all it takes to create new ways of thinking, to get unstuck, to create new habits, to have more success and I've got lots more in store. So check your email every day, there are all sorts of cool things coming your way.

I love these interviews. It's so much fun to dream big and release that which isn't working and embrace new more productive thoughts and actions. This next speaker is perhaps the most appropriate speaker I could have picked for Business Makeover 2014 because Barry Moltz is an expert at getting unstuck.

Now, I met Barry at panel, he is a mutual friend with Melinda Emerson. I love her and loved him instantly. By the way, Barry, Melinda puts a crown on you every time we talk about you. She loves you so much and I feel in love with you when we were on a panel together. Barry is fun, energetic, he pulls no punches and he is super, super successful.

I want him to tell his story, but he has founded and run small businesses with all sorts of success and with lots of failure for more than 20 years. After successfully selling his last operating business, Barry has branched out into a number of entrepreneurship-related activities. He's an Angel Investor and he's a former advisory member of the Board of Angel Capital Education Foundation. His first book, *You Need to be a Little Crazy: The Truth about Starting and Growing Your Own Business*, describes the ups and downs and emotional trials of running a business. This book has been translated into Chinese, Russian, Korean and Thai. He also wrote Bounce, *Failure, Resiliency and the Confidence to Achieve Your Next Success.*

He is nationally recognized as an expert on small business and has given hundreds of presentations to audiences ranging in size from 20 to 20,000. He's a member of the Entrepreneurship Hall of Fame and he's a great radio guest and television star. He's been on CNBC's 'The Big Idea' with Donny Deutsch – love him – MSNBC's 'Your Business', NPR's 'The Tavis Smiley Show', and he hosts his own radio show Business Insanity. You know, you are a fun guy, Barry.

Welcome to the program today.

Barry: Ellen thanks for having me.

Ellen: I like that you will embrace the successes and the failures, so why don't you take us on a little journey. Emphasize the moments in your life where you had to reinvest yourself or you found yourself stuck. Talk to us about your story to get us warmed up today.

Barry: I think one of the hardest parts, Ellen, is that you're taught that every year you'll be more successful and every year you're going to make more money and it doesn't quite work out that way for most of us. I left college in 1981 and immediately got a job with IBM and had a great rising career with them for 10 years. I left there to become director of sales for one of my customers, got a fancy office, a teakwood desk and a Green Back leather chair. I had my own assistant, her name was Denise. So I was excited about all of this, but then a year later I was fired.

So here I was. I left my job after 10 years and then I was fired a year later at my new job. Then I started another company with two guys I met from a classified ad in the Chicago Tribune -- not a good idea, Ellen, to meet your business partners as part of a classified ad – and then they fired me a year later.

Ellen: Ouch!

Barry: So here I am, I have all this success and all of a sudden I'm out on my butt. I'm expecting my first child and it is just panic.

Ellen: That hurt. I just felt the one-two to the gut blow of that. What did you do?

Barry: Fortunately, then I started a business with a husband of a woman that I knew from college. That was a very, very successfully-run business and we sold it in 1999 during the Internet Bubble. When we sold it my wife said all right, that's it. Let's pay back the bank the \$1.3 million we owe them and you don't start another business for the next 10 years.

Ellen: I'm sorry for laughing, but that's awful.

Barry: You can get me back. Don't start any more businesses. You go out and you speak and you write and you don't do anything else for 10 years. So that's what I've been doing since 1999, really now helping small businesses get unstuck because everyone has success and failure. You know, Ellen, success is not a straight line and the sooner we accept that, the sooner we'll be able to let go of our failures, learn whatever we can, as I said in my second book, bounce and see what the next action is we can take to get us closer to the next success.

Ellen: Well, I'm going to guess that a big part of your rebound strategy is your sense of humor. When we first met we were going to this panel together and I don't know who you are, but I'm the elevator with you and you started to make me laugh. Then I put together oh, we're going to the same conference and then we have breakfast together. I finally get to the conference, I look in the mirror and I've got mascara all down my face. All I've done is laugh. What a great way to start my day.

Have you always had a sense of humor, a sense of the absurd about the ups and downs?

Barry: You know I really believe that in this world if you don't have a sense of humor, if you don't have dreams, you get nightmares. I think that every small business owner, sometimes the absurd thing that happens, Ellen, you've just got to laugh at it to get through and be able to let go. You could never make this stuff up.

Ellen: Right. This is where I'm down to anymore; at least we'll have a story. This may blow up in our face, but at least we'll have a story. **Barry:** Exactly.

Ellen: So, when you got the job where you got knocked off and then you found the partners and that didn't work out, one big hiccup can collapse someone, but to have two in a row like that. **Do you remember that moment where you said I'm getting back in the game; I'm going to change this?**

Barry: Well, I remember the moment when I had to tell my wife we had lost all of our wedding money. Yes, I remember that part very, very well. That did not go over pretty well. But I think when you have a child and you see the beginning of new life, you realize that you can be reborn again. What I knew at that moment was that I had to do business with someone that I knew, I like and I trusted. I decided at that point it really wasn't important the kind of business I was in, Ellen, what was most important was the people that I did it with. That was the first very, very important learning to be successful in small business, that it's not about the idea, it's about who you execute it with.

Ellen: I love that. I've been in situations where I knew right from the get-go that the person I was in business with might not do me right. I've been in situations where I've known that and I have done it anyway for the experience, but I don't know if I would do that again. What do you think?

Barry: I think it is a very dangerous scenario because, again, business is all about people. It's not really about whatever the idea is and if you think upfront, Ellen, during the honeymoon phase that you see some danger signs that this may not work out, well guess what. Later on when everyone is not on their best behavior and the chips are really high, it's going to be a problem.

Ellen: So when you decided to go back into business after you sold the Internet company... What was the business by the way, what did you sell?

Barry: Well, I sold the business. What we sold first were very technical software products for a mailer catalogue. This was before there really was the Internet and they were search engines and eventually sold those software products over the web.

Ellen: Okay.

Barry: We got bought by a traditional catalogue company that was trying to get access to the Web and if you remember in 1999 anything on the Web was worth something.

Ellen: So then there you are going phew okay, I got out of here with my skin intact. I can pay back the bank, we've got some wherewithal and your wife says do me a favor, let's just think about things before you jump back in there again.

How did you reinvent yourself at that point? Did you put a business plan together? Did you keep a journal? What did you do to discover how you could play next or serve next?

Barry: Well, I definitely started to keep a journal because one of my concerns at that period of time, remember its 2000 and everything is really high and frothy. There's the Internet explosion and everyone thinks you get rich by starting a business and I wanted people to understand that, again, it's not a straight line. That there are good parts about having your own business and there are difficult parts about getting through.

So I wrote my first book about all my experiences over the 10 years of having three businesses and that was really comical *You Need to be a Little Crazy: The Truth about Starting and Growing Your Own Business*. That's when I started talking about the good things and the bad things and,

Ellen, people were very relieved to hear the bad things because people mostly focus on success stories and they don't focus on the past failures that it really took to get there.

Ellen: It isn't a straight line. You read biographies and talk to successful people and they're almost happy to share like I made 17 mistakes for every one thing I did right. There is this don't worry about the failures, that's where you're going to learn what you should do or not do, but not to give up on your dreams and ideas. Were there other people in your life, mentors, books or other voices that helped you during the tough times?

Barry: Yes. Well, listen, you have to have mentors. That's probably the single most important thing people need is someone to go to for some outside advice, so I had several really great people. Then, also, I started reading a lot of business books and that really helped as well, just to put my mind in a separate place. One of the problems, Ellen, is when we fail we really get stuck in that place. We start to wallow, we start to cheer the darkness and we really need things around us to get us unstuck and move us to a different place so we can take an action and move on.

One of the problems in our society is people think there's always something to learn from failures, so I can't leave this place until I figure out why failure happened to us and what it all means. Sometimes at the point of failure it means nothing. Sometimes it just sucks, but sometimes you can learn later on. The most important thing is learn what you can and take another action to put yourself in a different place. It's bad to be in a place of failure because desperation smells and no one wants to do business with someone that smells.

Ellen: I love that. Somebody told me once you can take out the garbage without digging through it. If that's not serving you...

Barry: Exactly.

Ellen: Do you love that? It seems like you've really been able to keep a sense of perspective by keeping your sense of humor. What were some of the books, share with me a couple? I'm a big student of reading. I love to read and I love to get people's recommendations. What were a few books that hit you between the eyes?

Barry: One of the things that I really liked was a book called *Growing Your Business*. I'm trying to remember the name of the author. Paul Hawkins, that's right.

Ellen: Oh yes, the Smith & Hawkins guy?

Barry: It was wonderful. He wrote a book a long, long time ago and this book is from 1988, right? It talked about growing a business. It was part of a 17-part PBS series. I love what Paul laid out in the book, which was really a vision of how you can create a company that really reflects your values. I realized at that point what I was really put on earth to do was to make a difference in people's lives by either running or advising people on small businesses. That's the way that I was going to make my contribution.

Ellen: I love that. It does, it gives it something more. But you're a money guy, I mean, you like to make money. These things are not at odds with each other, are they?

Barry: Well, no. Listen, I think a lot of people say well, you know, success isn't about making money. Well, guess what, it is one of the factors because if you don't have money then you can't do these other things. What I always say, Ellen, is that success is being able to support your family at something you love doing. So money can be one of the goals, it's not the only goal.

Ellen: But it's the air that the business is going to breathe. I mean you're not going to be in business long and we need to address that without getting overly worked up about it, too. So maybe someone who is listening today is listening in because they go you know what, 2013 went by like that. Before you know it it's going to be the end of this year and if I don't stop and change things are not going to get any different and any better for me. I'm going to listen to what these experts have to say.

That's what I was envisioning as I put these interviews together. So if someone is on the phone and they're feeling stuck, they've been doing this for years and they're starting to give up on some of their dreams, what are some of the tactical things you do with your clients to help them get unstuck?

Barry: I think one of the first things is too many people treat their business like it's a job. It's kind of interesting, Ellen. They got into their own business because they didn't want a job, but then all of a sudden it feels like a job because you have to work all the time. You have to have enough money to support your family. You just feel so connected and the business is all about you and they never really make enough money so they can be independent from the business.

So the first thing you have to think about, as Carol Roth always says, is you're not really creating a job, you're really creating a business. What that's really about is how can you add value, how can this business operate separate from you. It all just can't be about you. If you go on vacation the business still should operate and you still should make money because if you don't you're never going to sell this business to get the ultimate windfall.

Ellen: When people say yeah, that's what I want, I want a business that runs without me, what rocks do they put in the road to keep that from happening? They may think that, they tell me that, but then they're still doing the same thing over and over again.

Barry: Yeah, they never set up an organizational structure, Ellen, to really support it. When small businesses start out, obviously, the organizational chart is just a single dot and then as they add people it's very much hub and spoke with the owner or the founder at the center. Everyone is talking through them, so nothing gets done unless it goes through the owner. While that may make your ego feel good, it does not create a business it only creates a job. You have to have a hierarchical kind of organization for anything to really work. Try to hire the best people, people that are good at things that you're not good at and guess what, you have to pay them some money. I believe in this world you pay for what you get.

Ellen: Well that dovetails with my message, which is you have to charge more than it costs. So if you're going to get good people to come work with you, you have to get real about what you're going to need to charge so that you can pull this whole thing off. Which leads us to, how do you get yes. I know you talk about all areas of business. Another place that people get stuck is in sales. They get stuck in being the low-cost provider or blaming their customers for not allowing them to make their dreams come true. Let's talk about getting unstuck when it comes to your mindset around sales.

Barry: Well, it's kind of interesting because a lot of people think they'll always be able to sell their way out of every situation, right? That there's some white knight coming in and they're going to save you and that's the next customer or that's the next product you're going to sell, but people have not changed around their thinking about what sales is really about. Ellen, what they do is they get stuck in something called 'the double helix trap' and it works like this.

Sometimes their business is really busy and sometimes it's slow. Sometimes it's busy and sometimes it's slow. When things are slow they're all aggressive in doing their sales and

marketing campaign, but guess what, here it comes. They finally get some business from their sales and marketing campaign and what do they do? They stop doing any sales and marketing, exactly the thing that brought in that new client. As soon as they have fewer clients, then they start doing sales and marketing again and so their business stays flat.

They don't put together a sustainable sales and marketing campaign, which is really, these days, about showing value to the customers, giving them something of value that is not necessarily related to selling your product or service, but helping them along the way so they'll remember you and they'll be able to find you when they're ready to buy.

Ellen: As you say that you struck a cord with me for a minute like people think they're going to get unstuck with the next sale. I've seen this over and over again with my clients and this is what happened to my dad. My dad had built a very good business, but then really didn't change with the times. He was a heavy equipment dealer and as his customers changed and his competition changed he did not. He always held out hope that he was going to make one more, big sale, but not change the way he did anything and it was really heartbreaking towards the end of his career and the end of his business life.

I'll ask this next question. For you it's about systems, isn't it? Putting in processes that allow you to discipline yourself to do that marketing, to do the measurements, to do the things that need to be done so that you can get a consistently better result, is that fair to say?

Barry: Yes, there's no question. You have to think about why is McDonald's one of the most successful franchises in the world. Some people think it's the Big Mac, which is pretty darn good, right Ellen, or those French fries, but it's really about the process.

Ellen: I like the fries. I do like the fries.

Barry: Because they have the same process no matter where you go. Whether you go to a McDonald's in Boston or you go to one in L.A., it's the same process and that's what's made them successful. One of the biggest problems we have in small business is that we have ad hoc processes. We don't have set processes set up for each one of the areas of the business to make sure that things go well. In fact, you have to see those processes really as one of your sustainable competitive advantages because things come and go all the time.

Ellen: I can hear that that's probably your career in the corporate world and your career working with bigger businesses. You can see that that's what's missing in a lot of small businesses is they act small.

Barry: There's no question. What they do is they let today's emergency dictate today's plan, right?

Ellen: Yes.

Barry: They don't have a plan when they start every day or every week or every month. It's like all right, let's just see really what comes up and they're not really heading to any goal. I think Yogi Berra said if you don't know where you're going any road will take you there. Well, yeah, but it's not going to be very successful for you.

Ellen: And I think just keeping the vision in mind, the big picture, putting a plan in mind. As an Angel Investor you must hear some pitches. You might be visiting with people and you say okay, so what's your great idea. Tell me some things that you've learned from being an investor in

terms of hearing what someone else's business idea is and the mistakes and great things you've experienced in that role as a venture capitalist.

Barry: First of all, I'm no longer an Angel Investor because now I'm Angel Investing in my sons' college education.

Ellen: Your sons are adorable. I saw them on your Facebook page, oh my.

Barry: When I was an Angel Investor for most of the last decade, people would come up to me and say Barry, guess what, I only need \$1 million to make this company successful. I'm like yeah, I only \$1 million, too. People say hey, it's about my idea. I don't want someone to steal my idea. I kept on saying to them, Ellen, they've already stolen their idea and they stole my next one. Again, it's really about execution. Any investments that are made in startup businesses or even maturing growing businesses are made because of the people and because of the management team involved, not really because of what the company does.

Ellen: That's true. People will say I really don't want to share this idea or I couldn't get through the initial nondisclosure, but by this time already someone else will have that idea and they're going to take it to market. It seems like even on that show 'Shark Tank'. **What do you think of the show 'Shark Tank'?**

Barry: Well, I love 'Shark Tank'. I happen to know three of the people on it. They've been very good to me, Barbara Corcoran and Mark Cuban and I just did an event with Daymond John. I think it brings a great awareness, it gets people very excited and it shows just how tough it is to get investors. I think one of the worst things that happens and, in fact, I was just writing about this in my new book. One of the worst things out there is when we get news reports that Snap Chat was offered \$3 billion from Facebook and the guy sold the company two years ago. I think that hurts small business owners everywhere because guess what, Ellen, it's not going to happen to you. That's a one in a billion chance. I think that people really have to focus on step-by-step processes, interim steps to get to where they really want to go.

Ellen: One of things I like about 'Shark Tank', I know it's edited for entertainment and God bless them, but they do ask really great venture capitalist questions like have you made any sales. Are you capable of asking for the sale? How much have you sold? Even if it's a modest amount, it shows that you can do that. They do look for the people. You'll see them take a pretty baloney idea, but they like the person and they'll say I think we could help package this or do something else. They look for a willingness to sell and if the product is desirable, if it's going to fill any need in their marketplace, and mostly do I want this person to put some money behind. I think that underlines what you were just saying about people are more important than the idea. **Barry:** There's no guestion about that.

Ellen: Let's talk about if you want to hire people. I think this is a big issue. You know I work in the plumbing, heating, cooling, electrical, chimney sweeps. We knock on people's doors. We do dirty jobs. These are my people. I'm going to stereotype for a little bit, but these businesses are often family businesses. We might hire our wife or put her to work as a slave or the son comes into the business or something like that, but hiring people is scary. What if I can't keep this person busy?

Let's talk about hiring a person, paying them well and increasing their productivity because they'll hire someone and then they won't release anything to them. I've asked you a bunch of questions in that paragraph, tackle it as you see fit, but let's talk about hiring.

Barry: It certainly is one of the most difficult parts of any small business owner's job because guess what? You really can't create a business for yourself instead of a job without leveraging

other people working for you. If not, you're just doing everything yourself and there's only so many hours in a day and there's only so much you can charge, so hiring those first handful of employees is very difficult.

One of the problems that many of us face is when they go and interview people they're desperate, they've got to hire anybody and the interviewer, you as a small business owner, you talk way too much. You know something, Ellen? You've got to shut up and you've got to listen to what people are saying. There's two things, one, you need to hire for attitude first. Will they fit into the culture of your company besides the skills? It's easy to find the skills, but will they fit with you and then test them in those attitudes or skills.

My favorite question to ask people when I'm hiring them is, tell me about a time when... So if I'm hiring a salesperson I'll say tell me about a time when you were able to land a new account and get the specifics. If I'm hiring a customer service person I say, tell me about a time when you were able to turn around a customer and they bought from you again. Many people can speak in generalities, but folks have a hard time giving you specific examples if they really didn't experience those things.

Ellen: So now you've hired somebody and you're nervous, fingers crossed, there's a new kid on the team.

How would you get them on board? What are some of the things you to do get them productive?

Barry: I think the big thing is you've got to make sure that there is some kind of onboard process. You know many small business owners say okay, here's your desk. Go for it. That's it and they've got to really figure it out. You've got to make sure that you have a job description, what you'd like them to do, what the expectations are, what does success look like and make sure you're monitoring that person, initially every single week.

I thought it was very, very interesting. Not too long ago, there were these great news reports that said that a lot of large corporations are doing away with annual appraisals of their employees because guess what? That doesn't work anymore. Things move too fast, so you've got to be checking in with new employees every single week and every employee, at least on a monthly basis, to see how it's going.

Ellen: I totally agree with that. That annual review so often turns into a poop sandwich and a plea for a raise. It really becomes non-effective. You know a poop sandwich is the boss saying I love you, but here's why I hate you and here's why I love you and it just gets confusing.

Barry: Exactly.

Ellen: We haven't talked to them all year and now we've got to say something so we load it all in. Then the employee is always angling for a raise because there isn't a clear career path laid out. No transparent salary ladders aligned with the organization chart. I know these things sound kind of formal and corporate, but what's the harm in imposing a little more of that into small business. From what I can see that's how you grow, right?

Barry: Well again, there should be some structure. Just thinking that you're going to evaluate people on an annual basis and they're going to be happy or that's going to mean anything, that's really a big disillusionment.

Ellen: You've got a compelling bullet here that I wrote down. How to increase your personal productivity and your staff's by 100%. I love this idea that we're going to get unstuck, we're going to grow and we're going to make something happen. How do we increase our productivity by 100%? **What are you talking about?**

Barry: First, you have to realize that being busy, Ellen, is not the same thing as being productive. Most small business owners are really, really busy, but the question is are they productive, are they getting critical things done for their business that moves that business forward to whatever goals they have. I would tell you that we live in an interruption-based culture and, in fact, we live in such an interruption-based culture and we love to multi-task that we go looking for interruptions every single day. We can't stay focused.

Ellen: Like Facebook?

Barry: Like Facebook, email and twitter alerts and all sorts of other kinds of things. I mean I battle it every single day myself. So I tell people that the first thing you have to do if you want to be productive instead of just busy is the night before decide two things that you've got to do, that you've got to get completed before you open up your email, check your Facebook, answer any phone calls and do those two things first. They should be things that take, together, approximately 90 minutes.

Now, why do I say two things? Well, you can get started on one thing and perhaps you realize it's a lot shorter than you thought or maybe it depends on someone else completing their thing so you kind of get stuck. So think of the two things because when you get those two things done then the rest of your day is guaranteed to be productive. For example, I do a lot of writing. I'm in the middle right now of writing my fifth book, so I do my writing the first 90 minutes of every single day when I'm in town so I know that at least that goal, the most important goal between now and the end of the year is going to get done.

Ellen: I love that idea because suppose I say I'm going to spend all day on this, I screw around for all but 90 minutes anyway.

Barry: Absolutely.

Ellen: I might as well collapse that day into the 90 minutes because I'm going to be telling people I've got to do this all day or I'll be getting coffee or I'll be going for a run. I mean I will expand the task into the time allotted, right? So I love that. Get the first 90 minutes and have two things in case you hit a rock on the first one, you get stuck or it only took a minute to get that one and now we work on the next one in 90 minutes and we feel good about our day. Production makes you feel better too, doesn't it?

Barry: There's no question. The worst thing to do is say guess what, I wasted this day. It's a problem because there are so many interruptions that really come your way. You've got to turn off all those beeps, buzzes and clicks that really interrupt you. In fact, if you're not good at it you can actually get software you can set that won't let you access all those things for a certain period of time if you need something to help you out.

Ellen: Get out. It's like a little leapfrog kid alert thing where you can't get on the iPad for too long?

Barry: No matter what platform you use, there are tools out there that will prevent you from getting on the Internet or opening up your email for a period of time that you set and the only way you can actually turn it back on again is to reboot your computer.

Ellen: Now, that's an imposed discipline. You said at the beginning of your day you work on your writing because that's your current project right now at the beginning of the day. **Are you a calendar guy? Are you self-disciplined?**

Barry: Well listen, I have appointments that have to get done every single day or if I'm on the road there are places that I really have to be. I keep a very, very short to-do list because I only list out every day what the A's are for that day. I think one of the biggest problems people have with to-do lists is those to-do lists go on forever. If people just keep rewriting them, what's the sense? If it's not an A for today it's nothing.

Ellen: So the night before you're going to get your day lined up. What are the two things I'm going to do first thing in the morning and then as the day progresses these are the things I'm going to consider a priority.

Barry: Absolutely. Or, I might put on the calendar that I've got to make sure I prepare this presentation on this certain day so I can send it when it's due.

Ellen: All right, so you keep yourself from getting last minute and overwhelmed. Tell me a story. I always love success stories. Tell me a story about someone you've worked with recently who has gotten unstuck and describe what the process was for them. **Can you recall one?**

Barry: Sure. I work with a gentleman who for many years has been doing a personal social media consulting business for large law firms. This was a very, very good business for him, but the problem was it was basically a consulting business and so when you bill by the hour your earnings are really maxed out. Working with me – well, I mean he did most of the work – we were able to set up a software system that now he can take, basically, Product Ties, his consulting business, so other people can actually use it to work with many other law firms. So he moved from being a consulting business to a product business that has a lot more leverage.

Ellen: You know what I love about that story is -- for my people, too -- there is this open spot in the industry for someone to become an expert who could sell their information, who could monetize their expertise in ways that are beyond just doing it with their own two hands. You know what are the things, if you are a homeowner, before you'd buy a house? You'd be the one to have that really slick, fun book that would help a kid who is 22 years old buy his first home.

I just put on my Facebook page that my son bought his own house at 26. I didn't even wake up until I was 35, Barry. I'm so impressed that my kid did this, but it was a nail-biting experience. So if you were in that industry as a realtor or a home improvement specialist, what are the things you could share with that target market that would make things easier. So as niche down, you can find ways to use your skill set in new and creative ways. You helped a lawyer. Who would think of that? That was good.

Barry: I think you mentioned a very key word, which is niche. I think one of the problems is that so many small business owners, they're so desperate for customers or clients. They want to be everything to everybody and that's really the wrong strategy. You have to niche down and you have to really be great at doing a handful of things that people have pain and that you can solve.

Ellen: Let me ask you a touchy question now. What if the reason I'm stuck is because of my mother, my dad, my husband or my kid. What about the family issues that can cause a lot of challenges in your business. **How do you deal with these when you run across them in your consultancy?**

Barry: You know I consult with a lot of people that have family businesses and I will tell you that the relationships that people have in their family businesses among each other really reflect the relationships they had while they were growing up. I think the first thing you need to do is you need to get together and you need to actually identify that and really call that out. One of the biggest reasons that many family businesses do not survive going from the second generation, second to third generation, is they don't do a good enough job of defining the role that each one of the family members has and who actually reports to who. It just really becomes a circle where everyone is kind of doing whatever they want to do and there really is no organization.

Ellen: Have you done this before, you recommend like a clear-the-air conversation, you bring everybody in a room and say we're not leaving until we start to hammer out some of these issues?

Barry: Yeah, we try to say let's talk about what the common goals are. Let's talk about the issues. Let people in a short period of time get upset at each other. Let's get all of that stuff out and you'll be surprised what comes out. People say well, you know Joe, 10 years ago when you said XYZ, I was really upset. I'm like 10 years ago, really?

Ellen: Yes. Oh, some of this stuff can go on, especially in a family business. It doesn't necessarily have to be family members. In small businesses sometimes they feel like family, you know one of the guys that's just been here forever. When it's time to let someone go, though, maybe some ideas for that. Sometimes we legitimately get stuck because we have a partner we've outgrown. Maybe it's a family member, maybe it's not. How do you counsel people through those situations that it may be time to move on?

Barry: Yeah, I think that is really important. I think after a conversation you really can see are you meant to be together, is that employee meant to be there or what kind of value do they really add to it. You've got to make sure upfront that you've put together a good partnership agreements that talk about what happens if you guys need to get divorced or if someone dies or something along those lines. People don't think about how they separate out before actually they come together.

Ellen: And as someone who has been fired, I have too, I can say that proudly, for me it was one of the best things that ever happened to me. I got fired once upon a time, Barry, for smoking pot in the job.

Barry: There you go.

Ellen: I'm not proud of it, but I've got to tell you.

Barry: I've done a lot of things that I'm not proud of, but at least when you get fired it is some kind of release. I remember when I was fired from that company where I was only there for a year. It was really very, very stressful. You know something? I didn't really enjoy being there. So when I got fired while it was very difficult financially, it was actually a relief.

Ellen: Okay, it's time for me to move on.

Barry: Most people know it's not working.

Ellen: Yes, that's true. It shouldn't come as a surprise to them or you, especially if you get rid of this yearly review and you start to have real conversations with your team members about shared goals, individual goals, are they aligned.

Barry: This is a very important point, Ellen, because remember people stay when their personal and career goals are matched the the company goals.

Ellen: I love that. I'm underlining that. People stay when their personal goals and career goals are aligned.

Barry: With the company goals and when they deviate that's when people leave.

Ellen: If we took the time to find out what our family members who work with us or employees who work with us personal goals and career goals are will make all the difference.

Barry: There's no question, you just have to ask. So many times people just don't take the moment to ask and if you ask your employees what they think you'll be surprised.

Ellen: They really will solve all your problems for you. Once upon a time when I started Benjamin Franklin, The Punctual Plumber, I was the president of the organization. There was one employee, me. I worked with a group of venture capitalists and I did not know what I was doing. I was the wife of a plumber so I had a deep respect for the people who did that work, but I got in the truck and I road along. I said I know I'm a chick.

I know this is an industry where there aren't a lot of women. I don't know what I'm doing, technically, but I do respect you and am deeply impressed by the kind of work you know how to do, so what would you do if you were me? In my position, how would you move forward here? That's why I was good. I had no idea what I was doing. I didn't have another option really, except for kind of get people on my side and let them know that together we could make something happen, but what I found is that the people who were the frontline people solve all my problems.

Barry: Right. I think what people have to understand is that it's okay to go ask for help, right? So many times people don't want to do that out of many kinds of things.

Ellen: Like we're supposed to have it all figured out because we're the boss.

Barry: Exactly.

Ellen: I love this. This has been a really fun conversation. Now, I have to segue here for a minute. You have made a really wonderful offering available. I said the rule had to be it was \$97 bucks because that's all I could remember and you put together a very generous package. I love your sense of humor. I love your sensibility. I love your experience and your willingness to go through the ups and downs. How can we get more of Barry today? Tell us about the package you've put together.

Barry: Well, what I put together is a six-part video series on really how to get your small business unstuck with workbooks and things to take you through six different areas that include sales, marketing, customer service, managing of people, finance, productivity and social media. So you go through it at a self pace and its six hours that really can change your business permanently in 2014.

Ellen: And you usually sell this program for \$297.

Barry: It's \$297. Ellen, you convinced me to cut the price by 68% for those who are listening, so it's going to sell for \$97.

Ellen: It just made the math easier for me.

Barry: There you go.

Ellen: I appreciate it and it created a terrific value for those who want more of you in their life. They will be well served to have you on their team. I'm delighted. So if you're listening, go to <u>BusinessMakeover2014.com/moltz</u>. Then you'll find the information and you can get in touch with Barry and the product listing will be right there.

Barry, before we say goodbye today, I know you were anticipating this phone call and you probably had some things that you wanted to say, what have you yet to share with us today that you wanted to make sure we got a taste of?

Barry: I just want to make sure that people realize that small business is difficult. Everyone goes through trying times, but one of the most wonderful things that comes out of owning your own small business is really getting through the difficult times, going out there helping your customers and being able to support your family. The challenges, in the end, are really what makes it fun and guess what, you are not alone. Don't be afraid to reach out and get some help. You'll be surprised how many people will reach back and offer you the help that you truly need.

Ellen: You are so wonderful. When I was talking to Melinda Emerson I said I'm going to Barry. He's going to be on the program, too. She started to talk about you and the way she talked about you made me think I aspire to have someone talk about me like that. You are really a wonderful person of character, integrity, joy, hope and humor and I appreciate that you were here today on this program and that you're one of my new BFFs.

Barry: Thank you. Ditto right back to you.

Ellen: We'll keep in touch as we go. Thank you for playing another episode of Business Makeover 2014 is wrapping up, but I'll see you tomorrow. I wish you love, peace, prosperity and freedom. Thank you for joining us.