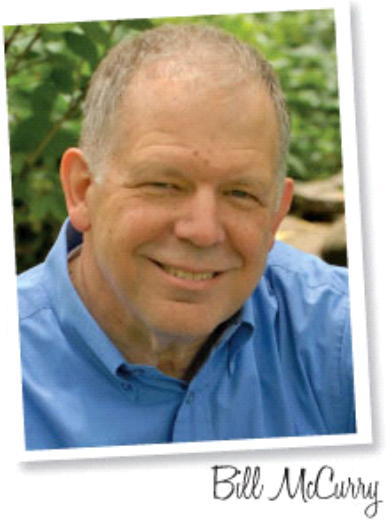
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Profit Planet

8/24/2010

The 1% Reality

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What makes success in today's garden center? Sure, weather and the economy are important aspects, but why are some having their best year ever despite lousy weather and tough economic circumstances? It's because they're improving 1% at a time.

If you've been around the industry a while, you remember how the Next Big Thing was going to save everyone's fortunes; when container gardening and hanging baskets were going to change the world and make us all rich. These innovations didn't change the industry—in retrospect, the industry had already changed and these "new" products were what the consumer wanted. This was a manifestation of Do It For Me (DIFM) as contrasted to the historical Do It Yourself (DIY). This was a significant marketplace shift. Sales of flats have never been the same. These changes are responses to broader forces and, many times, they are out of our control.

For the majority of garden centers, success hasn't been one big thing but lots of little things—thus the 1% Rule. Will a loyalty club boost sales 20%? Unlikely. Will a "Girls Night in the Greenhouse" boost sales 20%? Probably not. Will a fundraiser for the cash-starved library result in 20% sales increase? Nope. Worthy promotions by themselves won't get you double digit increases.

Any industry gathering should generate 25-50 new ideas for your garden center. Each issue of Green Profit provides dozens of new ways to boost your earnings. Each of them will be small improvements in your business. A garden center that has survived to 2010 is undoubtedly well run or the economy would have killed it, so expecting to find a silver bullet or golden goose is unrealistic. The key to continued improvement isn't a silver bullet or golden goose. It's finding many 1% improvements that combine to get you to double-digit profit growth.

How to implement these ideas is one frustration that smaller garden centers haven't overcome. Linda Zoerb of La Crosse Floral Company, La Crosse, Wisconsin, said, "New ideas have to be delegated to anybody but me. Otherwise they won't get done."

One owner can't do it all. Prioritization, communication and delegation are essential to get your organization to the next level. You must mobilize the resources of your team, assign responsibilities, delegate authority, and then get out of their way so they can do what you hired them to do.

Perhaps the most under-utilized assets in our industry are people who want to help but are held back by either their boss or their perception of their boss. A manager can't instantly go from never delegating to giving up all authority. That's not logical and employees think the boss has "seminar breath" and will soon revert back to "normal behavior." With unemployment and business failures making the news daily, employees are aware of the perceived risk of failure. A good manager will discuss "what's the worst thing that can happen?" and give permission to try new things. Yes, even giving an employee "permission to fail" will invigorate the team.

Employees are hesitant to take risks, so candid conversation about what could go wrong will pay dividends. If you're considering a new display idea, what's the worst that can happen? There's a fine line between follow-up and micromanaging. Different employees want and need different amounts of supervision.

One behavior that holds back overall growth is the employee who wants the boss' approval for every little thing. One wise retailer told a store manager, "You're being paid to make decisions. I don't pay you to call me for my opinion. You're hired for your opinion, use it!" By giving employees latitude to try new things you're freeing up top management to work ON the business rather than IN the business.

The garden centers that are having their best year in history are doing it by constant improvement and coordinated efforts. Providing a quality product is the table stakes for today's retail environment. You must go beyond that to exceed your customers' wildest expectations and build the relationship you covet. That requires everyone on your team to be engaged. If you have 20 employees and each does something to add 1%, there's your 20% increase for the year. **GP**

Bill would love to hear from you with questions, comments or ideas for future columns. Please contact him at wmccurry@mccurryassoc.com or (877) McCurry, (877) 622-8779.