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***Enhance -- The PEG Newsletter
December 2009***

Greetings from MGI!

Several PEG members have read Good to Great by Jim Collins with their management teams. Certainly we can learn lots from the book about improving our businesses, however, all of example companies are very large. I recently came across The Breakthrough Company by Keith McFarland (<http://www.breakthroughcompany.com/>). This book addresses the big aspect and focuses on companies in the \$250 million to \$2 billion range. While these are still larger than our businesses, McFarland lists several characteristics of these companies in comparison to their peers. *Chapter 8 - Enlisting Insultants* caught my attention. This principle gains significance as we hire key players as the business grows and compose advisory boards for our companies. Who do you have that challenges your ideas? Who suggests that your plan might not work? The insultants demand that we review our direction and think outside our box. As I remind you at meetings, "we see things as we are, not as they are." The book is a worthwhile read.

As the year draws to a close, it's time to solidify your 2010 business plan and budget. These days you probably rethink your business plan more frequently than yearly but a year's experience gives you a broader view for planning.

Keep up the good work in your business!

A handwritten signature in black ink that reads "Kathi".

Kathi Barry Albertini

PEG Update

Some PEG members arrived early for the DataSafe meeting in San Francisco. Tom and Rob Reis offered an optional visit to their Newark facility the morning before the meeting started. The additional visit enhanced the overall quality of the PEG recommendations. The group meets next April 19 - 21 at Media Services in Kansas City. Bob Rippentrop will also offer an optional visit to his second facility at this meeting. Bob has been named to the 2010 St. Mary's Medical Center Foundation Board of Directors. Bob Featherston, vice president of sales and marketing, has been named to the 2009 Greater Kansas City ARMA Board of Directors (www.gkcarma.org). Eric Haas, CEO of ARMS, wrote a column on shredding in the *Green Bay Press Gazette*. Congratulations to our PEG leaders in their communities!

The new PEG in the information services industry will hold its first meeting April 7 - 9 at Jayhawk File Express hosted by Cheryl Creviston, CEO.

The Moving PEG continues to meet by conference call. PEG members are holding their own and in some cases profitable after cuts. Great hope is placed on having a better 2010! Meanwhile the van lines are stretching to redefine themselves. UniGroup created a marketing alliance with Portable on Demand Storage.

New on the MGI Website!

We've added new articles to the MGI website - www.managementgrowth.com . PEG members inspired the most recent article published in The Canadian Mover: "I Hired this Great Person. Why Isn't He/She Doing the Job?"

(<http://www.managementgrowth.com/LinkClick.aspx?fileticket=r3KuzXD4CB4%3d&tabid=909&mid=1921>)Especially when CEOs hire a high level person, they expect to let her go and she will figure out how to do the job. Turnover costs companies a lot of money and that high level person can have terrific skills but the CEO must guide her to apply the skills to the benefit of the company.

I remind you of the value of keeping your website fresh by adding new content regularly. And measure both the activity and the results with your web site as with other marketing efforts. One PEG member reports that the company cut \$100K in advertising and got the same traffic. That's the real benefit of measuring. How to reach your potential clients changes over time. Hopefully by reminding you, I will get better at it too!

The Economy

The stock market has experienced record breaking growth while some businesses continue to minimize risks and hone their products and services. At a meeting of building materials distributors in the spring of 2007, one business owner remarked that he saw a downward trend lasting through 2010. He made that comment before the most dramatic events that created our current economic environment. He is looking at half as many housing starts in 2009 as in 2008 and continuing to plan cautiously. For the movers, the slow housing market has resulted in a drop of 35.2 million moves from 2007 to 2008 "the lowest number since 1962, when the nation had 120 million fewer people."

(<http://www.worldwideerc.org/Resources/MOBILITYarticles/Pages/1209-darr.aspx>) Movers also face the growth of "rogue" movers taking advantage of the consumer with a smaller budget to accomplish moves.

On the other hand, most information services management companies continue to see growth. The fourth quarter PRISM survey results show that 82% of the respondents were optimistic about the next 12 months, 60% had not implemented any cost saving measures, 86% forecast 10% or more growth for 2010. These results might tempt movers to consider diversifying into information services management to offset the dramatic cycles of the moving business. However, the advances in electronic online storage and the many related products sound a message to

information services management companies about advancing technology in their companies and being on the lookout for new products and services themselves.

The SBA maintains data on small businesses - www.sba.gov/advo/research/profiles -. Check out your state. Some interesting statistics on primary markets and growth or lack thereof.

It's much easier to make changes, shift directions, invest in new products when the profit number is growing or even flat.

Next Moving PEG Conference Call - Wed March 10 - 2 PM Eastern Time.

Look for the email with the dial-in instructions and send those topics for the agenda!

Canadian Movers - CAM - New PEG



Photo - Canadian movers at the Profit Enhancement Workshop - November 2009

When CAM (Canadian Association of Movers) invited me to do a workshop at their annual conference, John Levi, the CAM executive director, suggested that we ask participants to submit information about their companies and use the data in the workshop. So MGI and CAM worked to develop measures for Canadian movers to assess their companies. The measures are a combination of financial and operational measures. For a look at the summary of the results of their recent collection, check out their web site:

<http://www.mover.net/movers/events/conf2009/AlbertiniResults.pdf>

Those who submitted information had the most pressing questions because they could see where their companies needed improvements.

Next steps with CAM are to start a PEG for Canadian movers. The Canadian economy has avoided some of the deepest problems of the latest economic maelstrom by not having such large banks. But moving is still slow for the CAM members.

Holiday Greetings to all!

At my house, we're looking forward many celebrations with family, friends and colleagues. Our family celebration revolves around food. So we will be negotiating with each other to find a mix of old favorite recipes and new treats. We'll enjoy the leftovers as the celebrations wind down.

Enjoy your holidays too!

REMINDERS

Guest Policy

Members may bring one guest to a PEG meeting. If you would like to bring additional guests, check with the MGI office before making reservations.

Billing and Payments

Thanks for remembering that all invoices from MGI are net 30 days and for having all invoices paid before each meeting. Late fees of 1.5% will be applied after 30 days until the invoices are paid.



"They say things happen for a reason... You don't do them, they won't."

Donavon Frankenreiter
American music artist

Thanks for your business!

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