



Control: Who's Got It and How Did They Get It?

by Jay Goltz

When you ask most frame store owners who is in control of their store, they would respond, "Me, of course." A better question is, What does control mean? The keys to the store? Ownership of the bank account? Hiring and firing responsibilities? Ability to make decisions about the store?

While these are all part of having control, there is still more. My definition of control is knowing what is going on and making sure that whatever you want to happen does. This includes things like making a profit, having great customer service, creating top quality framing, and providing a comprehensive and stimulating selection to the customer.

Control is a funny thing. It's one of the few things most people think they have, but don't. In some cases, thinking you have something that you don't (like beauty) could be a good thing. No harm done; it gives people confidence and reinforces the case that ignorance is bliss. In business however, ignorance can be fatal.

In most situations involving numerous people, control is something everybody wants. It's part of the natural order of things or, rather, contributes to their disorder. After talking to many framers, I've come to the conclusion that many of them are not in control of their business.

So if you're not in control, who is? (Thanks for asking.) It's your employees,

your vendors, and your competitors! Let me explain.

Your employees: You might be one of the lucky ones with employees that do what they are supposed to do, when they are supposed to do it, with minimal management. If you do, you probably work for yourself. While there certainly are employees that need little management, they are few and far

Is it having the keys to the store? Doing the hiring and firing?

between. This includes those that come in on time, price things properly, keep the store clean, give good customer service, don't abuse phone privileges, etc. Being a manager isn't easy. But, if you don't accept your responsibility as a manager, you will be taken advantage of.

I do a lot of public speaking to small businesses and I always hear the same excuses for having mediocre help. I call it the Hymns of Mediocrity. They include, "It's hard to find good people, he's really trying hard, we could do worse, she's my sister..." Good management requires ongoing training, setting standards, and holding people responsible. That includes firing people when necessary. If you can't do this, you will not be the manager. You will be the victim. If this scenario sounds familiar, don't feel bad—you have lots of company. You're only as good as your worst employee.

Your vendors: God love 'em. Without them, we wouldn't be in business. Well, maybe we would, but we'd be out back cut-

Take a Good Hard Look at Who's Really Running Your Shop.

ting down trees and making some pretty pathetic frames.

Many of them have excellent products and good service. Some of them do not. If you are regularly having quality problems, I would have to assume you regularly spend a lot of time solving those problems. This includes apologizing to customers, delaying orders, talking to sales people, reordering, sending things back, and wasting time in general.

When you consider my definition of control, I don't think you would list these as things you want to do each day. To be fair, every supplier has occasional quality control problems. The key word here is *occasional*. There is a huge gap between the best companies in this industry and the worst companies. In turn, there is a huge difference in the time you will spend fixing problems. According to Peter Drucker, the guru of business books for the last 50 years, "You can either solve problems or look for opportunities—you can't do both at the same time." Bad quality control on the part of your suppliers will take control of your time.

So what's the answer? The first step is to start keeping track of the problems caused by each of your suppliers and start to fix them or replace the supplier. There are many companies that would love more of your business.

This reinforces an old theme of mine—more business to fewer suppliers results in increased efficiency: less ordering time, less receiving time, and bigger discounts. I'm certainly not suggesting you do all of your business with two suppliers, but I certainly see no reason to do business with 30. I'd rather be a good customer to a few companies than inconsequential to many.

There's one other way your vendors can control your business. While a bad company can control your time by sending you a bad product, a good company should try to control what you sell. (And it should be their product if they want to make more money!) In many cases, you should carry more of their moulding. Their advice could

be very helpful; but it should just be advice. Take it or leave it.

If you allow a salesperson to come into your store and replace competitor corner samples with theirs, they are in control of what you sell. There certainly are times when it is appropriate to replace a corner, but you should be replacing the corner after you have done an analysis of price, quality, and service. Having good suppliers is a critical part of running a successful frame business. They have their role, and you have yours. Don't confuse the two.

Control is one of those things most people think they have, but don't.

Your competitors: Nobody should operate in a vacuum. You should have a feel for what your competitors are doing. If for no other reason, you may be able to pick up some ideas. You should have an idea of what they charge

for similar services. You should keep an eye on where they advertise. If these activities take up more than one-half of one percent of your time, that would be a lot. I have met many people who spend far too much time looking at, talking about, and spying on their competition. They would be better off spending that time on their own business.

Still, this is nothing compared to the most destructive and profound way a competitor can control your business: price games. This includes running sales or coupons to match your competitors or giving discounts to your customers because the guy down the street does (or at least says he does). If your competitors have such great deals, why are these customers at your store? Is it the service? The quality? The expertise? The selection?

The point is, in a custom-made product, it is very difficult to do a price comparison. You cannot simultaneously decide that you want to run the best frame store in town and have the lowest price if you want to make a profit. Again, remember my definition of control—making sure what you want to happen does. If you cannot

Control

charge an appropriate price because of what your competitor does, they are in control of your pricing. And the result? You will have the honor of working harder, “hurting your competition,” and making no additional money. I don’t think this is what you set out to do.

Being in business is not about hurting your competition, it’s about making the most money you can. People who are out of control lose sight of this. Price wars, just like in other wars, result in casualties. And these casualties are usually on both sides.

Another way your competitors can control your business is attempting to “steal” employees by offering them more money, better benefits, or a similar deal. Some stores, since they won’t be beaten, will match or exceed what their competitors offer. Having employees second-guessing how much they should be making does not lead to a happy workforce. If you are paying “market” rates and treat people fairly, this shouldn’t happen very often.

If I thought a person was worth more than I was paying them, I would have given them a raise before I had the proverbial gun pointed to my head. As a result of my philosophy, I rarely have this happen at my shop. When it does, I usually let them go. In my mind, the competitor has overpaid for their staff, which is not going to help their bottom line any.

If you want to make as much money as you can in business, you need to have and maintain control. Because if you are the owner, you have the most to lose or gain.

One last note: For those of you that didn’t make it to the West Coast Art & Frame Show & Conference in Las Vegas, you lost another opportunity! People were thrilled with the combination of education, trade show, and community spirit. It was encouraging to see as many people concerned about making a profit as there were about doing better framing. Plan on getting to next year’s Las Vegas show in January. Start putting \$2 away each day. You’ll be that much closer to having enough for the trip. ■

Jay Goltz is the author of [The Street-Smart Entrepreneur: 133 Tough Lessons I Learned the Hard Way](#).