



by Jay Goltz

# Goltz On Business

## *You Say You Want an Evolution?*

Forget about Darwin's theory of evolution. I'm going to talk about "Goltz's theory of business person evolution." Simply stated, the theory is this: For a company to continue to grow, the people running the business need to grow. It's very different running a one-man frame shop than running a 30-person business. It's also different running a 10-person business or 20-person business. The skill set necessary to run these different levels can be very different. Businesses cannot outgrow the people running them. If the people running the business can't grow to support the size of the business, then quality, service, or profitability will suffer and the business will level out or decline.

In my business, I had to evolve from being the framer/buyer/salesperson to the manager to the manager of the managers. Some of the changes were obvious; some were

anything but. When I was younger, I didn't think you had to manage managers. That misconception was very costly and caused a lot of pain.

Managing in picture framing is different than in most businesses in that you can get consumed in the act of framing. You are actually designing, selling, and producing a product. On top of that, you have the responsibilities that go along with running a business. Something's got to give. The person that successfully continues to grow their company eventually learns that being the best framer does not result in having the best business. As a matter of

fact, I'm sure that some of the best framers have actually gone out of business. (Please don't miss the fact that I said *some*.)

Most of us can remember when we started framing. Didn't know how to cut a piece of glass. Was afraid of it. Scratched a customer's

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art. Stuck our finger on the picture frame wire (still hurts me to even talk about that one). We continued to make mistakes, but we learned.

Most of the framers that I talk to take great pride in their framing skills and in their framing knowledge. With that being said, I can think of very few people that have that same confidence in their business abilities, or even close for that matter. Why is this? Why do people slowly and surely become confident in their framing abilities but, in many cases, do not become confident in their business abilities?

My short answer is this: they don't develop the confidence because they never seem to fix the problems. Your ability to grow in business is directly related to your ability to change. You know why? Because in framing your enemy is ignorance. When you started out, you didn't know what kind of materials or techniques to use. But you find out, and you use the right ones. In business, we all do what comes naturally. Which might be unproductive. You hire the first person that walks in the door because it's easy. They worked in another frame shop. You don't have to train them. They seem nice. It's fast. You hire them. It takes a lot of discipline to ask a lot of questions. Do the proper checking. And flush out the market for the best candidate for the job.

I could give you one hundred examples of this tendency to do what comes naturally in business. People need to change the way they do things but they don't because change is hard.

Most people get into this business because they have some creative desire. These are usually the same people who avoid detail analysis and number crunching. They struggle to make a profit in the business. Instead of doing a detailed analysis of profit margins, mark-up, costs, and the like, they believe the answer to their problems lies in framing more pictures. They soon become framing slaves instead of business managers. They don't go to trade shows because they are too busy framing pictures. They do not hire new employees because they

are too busy framing pictures. They do not meet with new vendors because they are too busy framing pictures. They do not make any money because they are too busy being framers.

I used to think that if these framing workaholics understood what the problem was, whether it was pricing or displays or strategies on hiring, they would adapt their behavior to end up with a better result. It usually comes down to people's ability to change. There certainly are some cases where business problems are

beyond the control of the business person. Having a frame shop in an area that has become economically depressed is one example. Or having the street in front of your frame shop torn up for a year. Another is having your rent double because your landlord went crazy or their kid took over and wanted a new BMW.

In my experience, that's the minority, not the majority. Many people struggle in this business because they can't stomach charging a price that's high enough for a decent profit.

Or they can't stand the idea of having to train somebody from scratch. Or they operate under the belief that nobody can do things as well as they can. And while that might even be true, it will greatly inhibit your growth if the only person you trust is yourself.

Then there's the spending money part. Some people can't stand spending money. Can't stand having debt. Can't stand signing a lease. Can one "change" their tolerance towards such things? Can one do what needs to be done even if they are uncomfortable with it?

Whether change comes easily or it is difficult, it is a necessary component of being a successful business person. If you come to the conclusion that you are unable to change, so be it. Just recognize the implications. ■

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Jay Goltz, Business Editor, started Artists' Frame Service in 1978 fresh out of college. AFS employs over 80 people at its main framing operation in Chicago, IL. Goltz has received numerous business honors and is best known for his straight talk on how to succeed in business. He has taught at the National Conference.