



Tips FROM THE Top[®]

Business insights
from those at the top
for those at the top

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THE ALTERNATIVE BOARD[®]

Achieve Success with Peer Advice and Coaching



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OPERATIONS

Incentive Plans

We divide our employees into three groups for compensation.

Group A—“Bring the Meat.” These employees are the ones who make the company go. We want to keep them for the length of their career. They receive long-term incentive plans, the value of which grows with the company. Our objective is to compensate them at a level that will change their lives.

Group B—“Key Managers.” These employees make our operations happen month after month. They have great influence over expenses and profits. They work with individual incentive plans. Each is custom-developed for a specific manager and contains written personal and departmental objectives.

Group C—“Rank and File.” Their incentive plans are built around increased productivity. We do not grant cost of living or longevity raises. In order to encourage everyone to pull together as a team, we have a company-wide profit goal. If we fail to achieve that target, no one gets an incentive.

Juan Pablo Cabrera, The Rooster Group, San Antonio, TX

CALENDAR OF EVENTS

STRATEGIC

Develop Metrics to Monitor Performance

In our business, which is a truck and automobile service center, we are continuously developing and assessing the right metrics to monitor each department's performance. Due to the labor intensive nature of our business, measuring the "total revenue per billed labor hour" provides a quick, ongoing assessment of the efficiency of our technicians. Another metric, "total revenue per invoice," adds a dimension for improving customer service as well as labor efficiency.

These calculations are performed monthly, but could be available more frequently if desired. Although we also issue financial statements monthly, we no longer need to wait until the month-end close to know how we are doing. The metrics we've adopted allow us to monitor performance quickly and efficiently.

Dennis Broehm, Accurate Service Center, Appleton, WI

HUMAN RESOURCES

Plain English Office Policies

As employers, we are frequently frustrated at our workers' inability to understand policies that are plainly spelled out in employee manuals. The reality is, when a new employee is unsure of a policy, he or she usually asks the coworker they are most comfortable with. That is likely to be another new or lower-level employee. The answer given has no better than a 50/50 chance of matching your written policy. In our company, we are developing FAQs to go with each section of the policy manual. They are "plain language" answers to such questions as, "Can I wear shorts on a Saturday service call?"

Randy Smith, Forum Systems Group, San Antonio, TX

HUMAN RESOURCES

Excuse Management

Salespeople often offer excuses involving things outside their control as to why they have been unable to meet their quotas. These excuses may or may not be valid, but each one needs to be examined, dealt with and systematically removed. Once the excuses have been taken away, then you can evaluate performance accurately.

Stuart Tenzer, New Horizons Computer Learning Center, Commack, NY

HUMAN RESOURCES

EXECUTIVE INFORMATION

MEETINGS

BEST PRACTICES FOR BUSINESS OWNERS

Want to know what owners of extraordinary businesses know?

Then join us for a 90-minute executive informational meeting sponsored by **Achieve Business Solutions** and hosted by East Stroudsburg University. Breakfast or lunch will be served and there is no obligation or cost for attending. The Executive Meetings below will be held at two convenient times:



Thursday, February 22, 2007

7:45 AM and 12 Noon

East Stroudsburg University
Conveniently located off of Route 80

[Register Now](#)

If you cannot attend but would like to learn more, [click here](#) for a one on one private meeting in the convenience of your own office.

**NJAWBO Business Bootcamp,
Centenary College**

Saturday, April 28, 2007

[More Info](#)

Minimum Wage—A Competitive Tool

While discussing the impact of minimum wage laws, our managers realized they can only help us. We already pay above minimum wage, so our competitors will have to increase prices or decrease their margin to comply with the change. In the meantime, our employees see us as the better company to work for. Regularly examine your wages, not only against your direct competition, but against the other industries in your area.

Dennis Schulte, DRS Acquisitions, Woodbury, MN

QUICK TIPS

Staff Celebrations

As a home builder, we have a staff gathering each time we complete a new show home at the show home location. At this time, we present awards to people for their recent accomplishments. The gatherings are great for team-building and are particularly important for office staff that otherwise do not often get to see our end product and share, to the same degree, in our accomplishments as a company.

Jim Crossely, Crossely Custom Homes Ltd., Calgary, AB

Shared Human Resources Professional

Many companies only need a fraction of the time of a human resources professional. Four or five companies on a TAB Board could contract with someone to create a full-time job. Each company would pay for its proportionate share of time that it utilizes.

401 TAB Board Meeting, Central CT

Now Available:



Click on the book cover at left to order your copy of the #1 business book best seller* the **7 Secrets of Great Entrepreneurial Masters** by Allen E. Fishman, Founder and CEO of The Alternative Board®.

*800 CEO Read, Aug. 1st, 2006.

CEO/Executive Informational Meeting

Centenary College,
Hackettstown, NJ

May 2007

(Date to be Announced)

[More info](#)

Business to Business Strategic Board Meeting

Tuesday, February 6, 2007

Business to Consumer Strategic Board Meeting

Wednesday, February 21, 2007



THE ALTERNATIVE BOARD®
Achieve Success with Peer Advice and Coaching

The Alternative Board® brings business owners, CEOs and presidents of non-competing businesses together in boards, where members can present challenges and opportunities to the board for seasoned, practical advice from other owners who understand one another's perspective and contribute meaningful solutions. The boards consist of up to 10 members, meeting monthly under the guidance of a TAB-Certified Facilitator. Over 300 TAB Boards are operating each month across the United States, Canada and South America. Since its inception, thousands of businesses have benefited from membership in The Alternative Board®. For more information on The Alternative Board®, visit www.TABBoards.com

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