

Lessons from the Lemonade Stand: 101 Common Sense Management Tips

Richard Branson does it effectively from a hammock in the Necker Island, Warren Buffet has been doing it since he was 11, and Bill Gates used it to single-handedly build an empire.

Arguably the most powerful and effective managers in the world, these men have one thing in common – they owe their management acumen and success not to fancy business degrees from the hallowed portals of Harvard and Yale, but to plain old, not-so-common, common sense.

In short, the tricks you learned as a child when you first embarked on an entrepreneurial endeavor with your own lemonade stand, still hold good in today's cutthroat business world.

For those of you who've forgotten your first management lessons, here's a back-to-basics primer to bring to the fore the principles and rules that really matter.

Self before service is the key here – Manage you first...

1. Open yourself to accept constructive criticism; learn and grow, not only from your mistakes, but from the mistakes of those around you too.
2. The buck stops with you – be prepared to accept responsibility for the actions of those working under you, especially when the issues concern your entire team.
3. Ignore the naysayers. Remember the story of the frogs in the well? If you don't... Two frogs fell into a dry well and the other frogs took it for granted that they would die in there. When both attempted to jump their way out, the frogs outside discouraged from expending their energy on a hopeless task. Listening to them, one frog gave up his attempts. But the other made it out through his determination and single-mindedness. When asked how he made it in spite of the negative attitude of his fellow frogs, the survivor replied that he was deaf, and that he had thought the other frogs were cheering him on as he tried to get out of the well. Shows what a profound effect a positive outlook can have.
4. Understand that you are unique and different from other managers, and that is a good thing. Each industry demands different skills and varying aptitudes, which is why you should try to become more adept at your job rather than emulating another manager's style.
5. Ethics matter, both personally and in all your dealings. There are no caveats or strings attached to this rule, either you're honest or you're not.

6. Take risks – but make sure that they are calculated and not foolhardy. Toeing the safe and secure line never got anyone spectacular results.

7. Identify and grab opportunities before they slip through your net and jump back into the ocean of prospects. The Disney movie “14 Going on 30” has a remarkable dialog where one of the actors holds up a pumpkin seed and asks a class of teenagers what they see. When they state the obvious, he says, “You see a pumpkin seed, but I see possibilities.” The best managers see opportunity where others see nothing.

8. No issue is entirely about you, the whole team counts. Think more of “we” and less of “I” and you'll have an environment conducive to success.

9. Manage and control your baser emotions like anger, hatred, envy and libido. Leave them behind when you come in to work each day. Remember that your behavior sets the tone of the office. The more professional you are, the more professional your team will be.

10. There's always room for improvement, no matter how good you, or others, think you are. Learning and the pursuit of knowledge are like exploring the deep trenches in the oceans – they reveal new nooks and crannies each time you make the dive.

11. Fine-tune your powers of persuasion and negotiation – these qualities work wonders when you're trying to wheedle resources and perks for your department from the senior management or in crisis-management situations.

12. Learn to step in and take control when things begin to get out of hand; if the going is smooth, let things be, don't wade in and muddy the waters.

13. Know when to press ahead with more steam and when to apply the brakes and pull back. Some situations demand an aggressive winner-takes-all attitude, while others would work better if you played the subtle cat-and-mouse game.

14. Know that stress is good, at a certain level and at certain times, to get your adrenaline flowing and to pump you up. But too much of stress too often can cause toxic reactions in your body.

15. Don't attempt to dazzle your subordinates with bombastic buzzwords and unintelligible jargon. The simpler the better, to get your point across.

16. Watch your back – there are as many enemies around as there are friends. Positions of responsibility tend to come with the associated baggage of envy, hatred and prejudice.

Time and tide wait for no man – Manage each moment ...

17. Get more out of 24 hours; plan more than you think you can do each day, if you manage to get all your tasks done, there's no greater sense of achievement.

18. Well begun is half done, the early bird catches the worm – they may be the most repeated clichés, but they do have more than a modicum of truth in them. Set your alarm clock earlier by a half hour, beat the rush hour traffic, get some work done before the rest of the office files in, or just use it to organize and plan the rest of your day.

19. Organize and manage your schedule, harness the right tools (your phones, PDAs, computers, etc.) to help you get your tasks done faster and better, and set your priorities.

20. Stick to schedules and routines, boring though they may be. Routines work wonders to improve productivity.

21. Do quality work; what matters is not the fact that you spend more than 12 hours at the office every day, but the results you have to show for those long work days. Measure your output, not the time expended, in doing tasks.

22. Focus your energies on the things that matter – a trivial office rivalry does not need your attention, the hiring of new staff does.

23. Get the most out of meetings, draw valuable insights from them and prevent them from being a waste of time.

24. Identify your “time-stealers” and eliminate or reduce their effect on your daily routine.

25. Punctuality is next to godliness when you are a manager. Never keep people waiting, be on time for appointments and meetings.

26. Respond to your correspondence within a reasonable time span – unanswered mails and unreturned phone calls can spiral out of control if not taken care of within 24 hours. Present

27. Do only what is necessary – wrap the gift with colorful crepe paper if the standards demand it, but make sure the bow on top is absolutely necessary before you spend time affixing it.

28. Know your limitations – both in your time and your abilities. Assume responsibility only for those things that you can do and learn to say a firm no to unreasonable demands on your time.

29. Make a difference to your employees as their leader; stand out from the crowd, by virtue of your body language and actions.

30. When the occasion demands it, lead by example. Get down and dirty and do the most distasteful tasks; show your subordinates that no job is too demeaning.

31. Instruct rather than order – you'll find your commands are better received and carried out.

32. Include your staff in your plans, let them know why they are doing the things they do, and how they are contributing to the growth of the organization.

33. Delegate, delegate, and delegate some more. Your job is to manage, not to do. Tom Sawyer did it most effectively when he managed to coax his friends, not only into whitewashing his fence, but also into paying for the privilege of doing so. The art of delegation is one of the most desirable skills in an efficient manager.

34. Keep your eyes and ears attuned to the sight and sound of creative and innovative ideas; you never know when the mail-room boy might have a brainwave that could revolutionize the way you conduct your business.

35. Criticize in private, praise in public, and you'll be hailed as a fair and kind manager.

36. Equip and arm yourself with the best in the business – hire those most suited to handle the quirks of your business.

37. If you think you're the king of the office, come out of your castle and roam around your subjects so that you seem more approachable to them.

38. Don't micro-manage; establish guidelines and see that the work gets done within these parameters.

39. Motivate your staff – extrinsic and intrinsic rewards work equally well. Be quick to praise work well done; show your appreciation in cash or kind. Tie up performance to salary and increments.

40. Be flexible but firm in your dealings. There's a thin line between the two and good managers know how where to draw it.

41. Admit your mistakes and be open to suggestions.

42. Create synergy – where the whole is greater than the sum of the individual parts. You can achieve more through a team effort rather than by each employee working on his/her own. Building and motivating teams is an important managerial duty.

43. Establish firm pecking orders and delineate tasks and responsibilities.

44. Make sure your orders and instructions are received and understood clearly. There is no room for ambiguity here.

45. Gain your employees' trust and respect; obedience and conformance to your rules will automatically follow.

46. Get your staff to strike a balance between boring and interesting tasks; they often tend to focus on jobs that grab their attention while neglecting the more routine ones.

47. Maintain an air of professionalism; firing someone is never easy, but when it has to be done, don't get personally involved.

48. Avoid comparisons between your employees like the plague, not unless you wish to foster a climate of envy and one-upmanship.

49. Know that each of your employees is different – you can't dish out the same treatment for the Gen X crowd and the older employees.

50. Make sure your subordinates stick firmly to deadlines; offer no slack except under adverse circumstances.

51. You're working with and managing human beings, not machines. This is why it's imperative to understand the different behavioral dimensions and act accordingly.

52. Foster an organizational culture that your employees can relate to, with just the right mix of formality and sociality.

53. Take a very small share in the pie of success and the largest piece in the cake of blame.

54. In a troubled situation, ferret out the troublemaker and get rid of him before getting the rest of the rest back on the right track.

55. Be empathetic to your employees' personal problems; they affect the quality of work produced.

56. Set up a realistic budget at the beginning of every fiscal year, with adequate amounts earmarked to address contingencies and emergencies.

57. Don't be penny wise and pound foolish – save costs where they matter the most. Look at the far horizon rather than just the immediate savings realized. When you compromise on the quality of tools and resources used, you end up paying more in the long run.

58. A dollar saved is a dollar earned – spend only when it's really necessary.

59. Manage and coordinate your cash inflows and outflows so that you are not left holding unpaid bills too long; you don't want the creditors knocking down your doors or harassing you at all hours of the day or night.

60. Find alternative sources of finance – business loans are sometimes necessary.

61. Stay true to your contracts to avoid legal hassles and litigation issues that cause a significant drain on the company coffers.
62. Haste makes waste – so take time to do it right the first time. It costs less to perform a task the first time than to redo it.
63. Make quality a top priority, even in the smallest and most insignificant operations. You don't want to be faced with the snowball effect. Remember the "For the want of a nail" lesson? A whole country is lost because a simple nail was not available in the right place at the right time.
64. Be prepared – that's not just the motto of a boy scout, it applies to managers too. Equip yourself with the tools and resources needed to complete a job before you start work on it.
65. Promise less, deliver more – that will impress your higher-ups and your clients.
66. Never forget Pareto's principle which states that 20 percent of things count for 80 percent of the results. Focus more on that 20 percent to improve productivity.
67. Emphasize on getting to the goal, not on the ways that get you there, as long as those paths are morally, legally and ethically acceptable.
68. Maintain records of all your actions; history can prove invaluable in the course of your growth, both for planning and troubleshooting purposes.
69. Break up large tasks into smaller, more manageable sub-functions.
70. Putting off and procrastinating on uninteresting tasks does not make them go away – the sooner you get them done, the better.
71. Avoid complacency – review methods used to perform tasks from time to time and come up with more effective ways to do them.
72. Do more with less – make quality rather than quantity count.
73. Assign equipment and tools wisely according to the project, team or individual that needs it the most.
74. Invest in technology, not the latest and most innovative, but the applications and machinery that suit your organization's needs.
75. Update your tools as and when needed; don't get stuck with obsolete stuff that's good only for the junk pile.

They are the reason your business exists – Manage customers confidently...

76. Remember that your customer is the king – you can say it over and over again or just forget about it, it's still true. Treat him/her accordingly.

77. Impress them not just with goods and services, but with value added to your offerings. Differentiate your products from those of your competitors and watch your customers coming back for more.

78. Never promise the sky when you know you can't make good on your pledge. Only guarantee what you can provide.

79. Focus more on retaining and enhancing relationships with existing customers rather than soliciting new ones.

80. Provide your customers with effective channels to communicate with you – appropriate feedback mechanisms will prove invaluable in improving your business.

81. Maintain accurate, up-to-date and value-added customer data. Harness this information, remember special occasions like birthdays and anniversaries, and instill loyalty in your customers.

82. Segment your customers and design marketing campaigns accordingly. They're not all birds of the same feather.

83. Follow up on sales with effective after-sales services.

Change is inevitable - Manage critical and chaotic crises...

84. Be prepared for change; nothing in this world is permanent, and a laidback, complacent attitude will just not cut it. Don't fight change, go with the flow. Chaos

85. Control change, don't let it control you.

86. Adopt a predictive, not reactive, managerial style. Anticipate troubled times and establish backup plans for them accordingly to ensure continuity of operations when disaster strikes.

87. Conduct mock fire drills – test your contingency plans from time to time to determine their efficiency.

88. Fix what's broken instead of wasting time and energy on trying to pin the blame on the person responsible for the mishap.

89. The acid test in a crisis is to rise above the stormy waters when all around you are sinking. Rudyard Kipling puts this point across effectively in his poem IF, “If you can keep your head when all about you are losing theirs and blaming it on you...”

90. Identify the positives that can be salvaged from even the most negative situations.

91. Be quick to adapt according to the situation, change plans on the spur of the moment if the need arises.

92. Stay tuned to external factors that affect what goes on inside your business. Volatile political situations, environmental aspects, social and cultural changes – all have a significant impact on the way you manage your operations.

Aims and aspirations - Manage objectives objectively...

93. Dream big, think mountains, only then can you achieve at least molehill success.

94. Dreams alone are not enough; you have to work to make them come true. Chart out a course of action that will get you closer to your goal each day.

95. And it's not sufficient to just plan and strategize; you have to implement your designs. Put that plan into action, it's the daily grind that matters in the realization of the dream.

96. Know who matters and who does not, and what matters and what does not. Acquaint yourself with the right people who can assist you in achieving your target faster and more effectively.

97. Be careful of whom you use as stepping stones on your way to success; they may turn out to be your stumbling blocks some time in the future.

98. Identify factors that are critical to your success and prioritize them over all else.

99. Keep an eagle eye on the competition – you certainly don't want them stealing a march on you.

100. Monitor results achieved, compare them against benchmarks and standards set, and take corrective actions where there are negative differences.

101. Put in place an R&D plan, encourage innovation and creativity to stay ahead of the demand for newer and better products and services.

The art of management cannot be understood and learnt in just a day – it's a process that encompasses your lifetime. It involves all the tricks of a circus - from juggling numerous responsibilities to performing a balancing act on the high wire in the most precarious of situations. New skills are picked up faster through experience than

from book knowledge, so make the most of each incident, positive or negative, and go from strength to strength in your journey as a manager.

Posted by: Matt | Jan 5, 2007 7:01:36 AM

<http://wp-admin/PDF/Lessons%20from%20the%20Lemonade%20Stand%202.pdf>