

SWIM WITH THE SHARKS WITHOUT BEING EATEN ALIVE

by Harvey Mackay

Harvey Mackay is the owner of a \$35 million envelope manufacturing company in Minneapolis. What follows are a few select excerpts from his book.

Marketing ... is the art of creating conditions by which the buyer convinces himself. And nothing is more convincing than hard evidence that others want the same thing.
p. 36

When you know your customers, some of their special interests or characteristics, you always have a basis for contacting and talking with them.

Knowing your customer means knowing what your customer really wants. Maybe it is your product, but maybe there's something else, too: recognition, respect, reliability, concern, service, a feeling of self-importance, friendship, help - things all of us care more about as human beings than we care about malls or envelopes. p. 42

One of my good friends gave me her definition of a goal, and it's the best one I've ever heard. "A goal is a dream with a deadline." Write yours down - because that's the only way you'll give them the substance they need to force you to carry them out.
p. 78

The year after Roger Bannister broke the four-minute mile, thirty-seven other runners broke the four-minute mile, and the year after that three hundred runners broke the four-minute mile. p. 80

"There is only one reason why I am here today. What kept me alive was you. Others gave up hope. I dreamed. I dreamed that someday I would be here, telling you how I, Victor Frankl, had survived the Nazi concentration camps. I've never been here before, I've never seen any of you before, I've never given this speech before. But in my dreams, in my dreams, I have stood before you and said these words a thousand times." p. 85

Show me a guy who thinks he's a self-made man and I'll show you the easiest sell in the world. All you have to do is make him think it's his idea. p. 87

The most powerful tool in any negotiation is information ... in the long run, instincts are no match for information. p. 94

Whatever it is you are trying to buy or sell can be bought or sold if you can get the other side of the table to see how the deal works to their advantage.

It's said that when Moses came down from the mountain after getting the Ten Commandments, he said, "Well, we reasoned together. I got Him down to ten, but adultery's still in." p. 122

What people are looking for isn't only money, it's recognition, appreciation, and

creative freedom. p. 129

Most organizations ... need both these talents: the salesman who brings in the business and the manager who knows what to do with it. But you'd be surprised how many businesses there are where they either don't understand that those two talents seldom run together in the same person or where destruction conflicts between the inside types and outside types end up tearing the place apart. p. 145

There's a story going the rounds that a manager who couldn't use his concert tickets for Schubert's Unfinished Symphony gave them to his work study management executive - in nonjargon, the efficiency expert - and received the following report after the performance.

- 1. For considerable periods, the four oboe players had nothing to do. Their number should be reduced, and their work spread over the whole orchestra.**
- 2. Forty violins were playing identical notes. This seems unnecessary duplication, and this section should be drastically cut. If a larger volume of sound is required, this could be achieved through an electronic amplifier.**
- 3. Much effort was absorbed in the playing of demi-semi-quavers. This seems an excessive refinement, and it is recommended that all notes be rounded to the nearest semi-quaver. If this were done, it should be possible to use trainees and lower-grade operators.**
- 4. No useful purpose is served by repeating with horns the passage that has already been handled by the strings. If all such redundant passages were eliminated, the concert could be reduced to twenty minutes. If Schubert had attended to these matters, he probably would have been able to finish this symphony after all. p. 157,158**

Anyone who thinks he or she is indispensable should stick a finger into a bowl of water and notice the hole it leaves when it's pulled out. p. 171

"I really don't know why I'm here. I never got a degree, and I've only worked half days my entire life. I guess my advice to you is to do the same. Work half days every day. And it doesn't matter which half ... the first twelve hours or the second twelve hours. p. 180

Write the Tough Prospect, tell him how good your outfit is, read him back enough about his own to demonstrate you've done your homework, and ask for an appointment. Naturally, the whole heap ends up in the round file. You're not done yet. You're about to call to make an appointment to see the Tough Prospect. Your call is answered by the company receptionist. You do not ask for Mr. T.P. You say, "I'm going to ask you in a moment to connect me with Mr. T.P.'s office, but before I do, could you kindly remind me of the name of his secretary?" She will. Then ask her to connect you with Mr. T.P.'s office. p. 63

A column noticed in a SD newspaper, January 13, 1995

"Lead with your head, not heart" by Harvey Mackey

My father taught me "Business is business. Do business with your heart and what you wind up with is heart disease."

I've gone to great lengths to make sure that any business arrangement I'm involved in is backed up with yards of paper that describe exactly who does what and what happens if they don't. Understandings prevent misunderstandings.

But sometimes, you need a refresher course.

In the '70s, we held a series of corporate planning sessions at Mackay Envelope Corp. and decided we needed additional capacity both in machinery and square footage. My management team strongly suggested we build out of Minneapolis and in Iowa, offering compelling reasons to do so.

So what did I do?

I decided to ignore the advice and expand in Minneapolis.

Why?

Because I was in line to become president of the Minneapolis Chamber of Commerce, and I didn't want to embarrass myself and my board members with an ugly headline in the paper that read "Minneapolis Chamber president moves company to Iowa."

In other words, I made a decision based solely on emotion and ego, not sound business reasoning. I wanted the approval of my peers. I made the decision with my heart. And guess what it got me? Two big A's: Angst and Angina.

Shortly after we expanded in Minneapolis, we were hit with a 12-week strike, the first shut-down in our first 15 years of business. It was devastating. It almost crippled us permanently. Chapter 11 was right around the corner and with it a potential headline even uglier than the one I had been so afraid of, this one reading:

"Minneapolis Chamber president's business tanks while he encourages others to expand here."

Although our flagship plant and main office remain in Minneapolis, we finally did expand to Iowa, where we now have one of the most modern envelope plants in America.

We also have a sadder, but wiser Mackay. Mackay's Morale: Make business decisions for business reasons or you'll wind up with egg on your face.