

Keller Center Research Report

March 2022 (Volume 15, Issue 1)



Job Flexibility Enhances Working Mothers' Career Aspirations and Reduces Gender Gaps

Julia B. Bear, PhD

Eliminating Toxicity through Servant Leadership

Mitchell J. Neubert, PhD, Emily M. Hunter, PhD, and Remy C. Tolentino, MSN

The Science Behind a Smile and a Social Media Share

Daniel McDuff, PhD and Jonah Berger, PhD

What to Look for in Your Next Sales Hire

Willy Bolander, PhD, Cinthia B. Saturnino, PhD, Alexis M. Allen, PhD, Bryan Hochstein, PhD, and Riley Dugan, PhD

Applying Adaptive Selling Techniques: Exploring How

Dr. Sascha Alavi, Dr. Johannes Habel, and Dr. Kim Linsenmayer

INSIDER: The Power of Discipline

Corrie A. H. Penraat, MBA

INSIDER: Shut Up and Listen!

Kristen Koehler, MBA Candidate



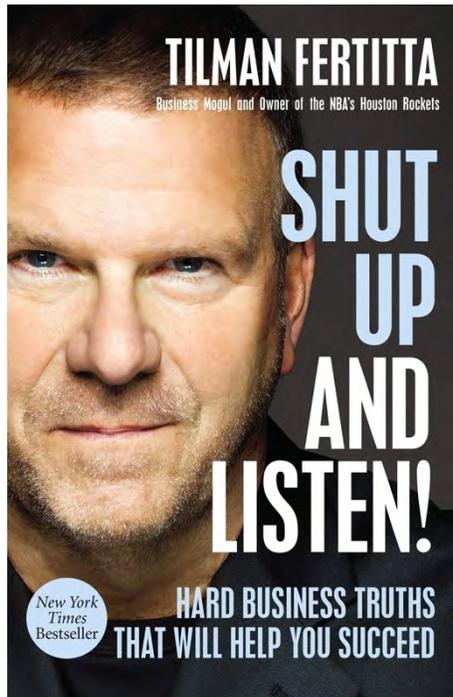
Baylor University

HANKAMER SCHOOL OF BUSINESS

INSIDER: Shut Up and Listen!

Kristen Koehler, MBA Candidate

How does one go from opening a single restaurant in Katy, Texas, to amassing a conglomerate of the most famous restaurants, casinos, hotels, and amusement parks in the nation? The answer lies



with his belief that you should never, *ever* stop worrying about your business. In his book, *Shut Up and Listen!*, Tilman Fertitta emphasizes that even when you think your business is performing at its best, there is always something lurking around the corner that could make your business obsolete.

As a business leader, Fertitta cautions readers to fear nothing but to *worry* about everything, because you never know what could change your business's success. As a successful business owner and host of *Billion Dollar Buyer* on CNBC, Fertitta has seen his fair share of businesses fail. More often than not, these businesses fail because they did not see what was coming to take their success. In other words, they didn't check their blind spots. Fertitta categorizes these blind spots into five sections and provides details regarding what they are and strategies to ensure that your company is prepared to eliminate them. Whether your

company is currently at the top of its game or recovering from a setback, Fertitta cautions his readers, in the nicest way possible, to shut up and listen to how you can help your business find success.

BLIND SPOT #1: Hospitality Matters

Every successful business recognizes that hospitality matters. The first blind spot occurs because businesses fail to perceive hospitality as a priority. Instead, companies that are likely to fail place hospitality on the back burner and forget to put their customers first. Fertitta states that businesses can avoid this shortcoming by simply talking to their customers. When you talk to your customers, you understand their needs and what they want to get out of your product or service. You should make every customer feel as if they were your only customer. In business, all of your employees must follow the same belief that the customer always comes first. All it takes is one employee who doesn't show hospitality to ruin the customer's positive experience. No matter what business you're in, you should always put customers first and show them hospitality.

Fertitta offers a straightforward solution to integrate hospitality into your business: never say no to your customer. At every level of your business, your employees should understand the importance of saying yes to your customers. As a business leader, your company must recognize that without customers, your business success is limited. In addition to keeping your customers happy by never saying no, your company should also focus on catering to the largest number of people possible. Fertitta states that focusing on the masses, not the classes of customers, is another strategy that businesses should adopt to maximize the hospitality of their organization. Your product or service should have as much breadth as possible to attract the largest target audience possible. Hospitality can bring your business great success, or it can cause you to alienate your customers and ultimately reduce your growth opportunities. Taking care of your customers by talking to them, never saying no to them, and creating as many of "them" as possible will significantly increase your company's ability to grow.

BLIND SPOT #2: You'd Better Know Your Numbers

Fertitta knows his company's numbers down to the decimal point. Why? Because according to Fertitta, knowing your numbers is by far the most important piece of advice he gives to any aspiring entrepreneur. When business leaders know the numbers of their business, it allows them to understand the entire business process. They know what is coming in, what is going out, and the interaction between them, which is crucial to a business's success.

Specifically, start-up businesses must focus on their working capital. Working capital is being able to fund their business's processes with assets that can quickly be turned into cash and liabilities that end in a twelve-month time frame. Many businesses begin by assuming that they will get paid by their customers on time when it is often a month-long process, if not longer. Therefore, businesses need to look toward other options to fund their short-term operations. This is where loans and lines of credit come into play. Although sometimes difficult to get approved, these are two excellent sources of readily available cash for businesses. Generating cash for your business is extremely important to keep your business going; yet there is one component of company costs that businesses commonly overlooked. Businesses forget to minimize their property lease costs. Property leases are known for long contracts and subleasing provisions, and often account for a large expense for businesses. When first signing a property lease, Fertitta suggests hiring a commercial real estate attorney to help negotiate the best possible package for your business. As an emerging entrepreneur, managing your company's working capital in the form of cash management, borrowing, and property leases can help your business succeed from the very beginning.

BLIND SPOT #3: The 95:5 Rule

Most moderately successful businesses are good at doing 95% of what they do. Fertitta contends that it's the remaining 5% that truly determine whether the business will be highly successful or not. The problem is that most companies do not know what their 5% is. How does a business

find its 5%? Fertitta emphasizes that it all comes back to company culture. When you establish a culture that is always looking for the 5%, your employees will follow suit. More often than not, the 5% is located in small details that your employees can quickly fix before customers even notice them. Therefore, creating a company culture that focuses on the small details can differentiate between moderate and extreme business success.

As a business leader, it is your job to help your company be successful. Previously, business leaders were told to work on their weaknesses, but Fertitta suggests that instead you should focus on your strengths. Your strengths are what differentiate you from your competitors, and by maximizing your strengths, you can leverage them for the good of the business. How can you best build your strengths? Overall, analyze your company's 5% by creating a culture that focuses on details and helping you, as a business leader, continue to build on your strengths in a manner that promotes your company's success.

BLIND SPOT #4: See the Opportunity, Seize the Opportunity

Successful entrepreneurs take opportunities that others don't. It is imperative for entrepreneurs to seize opportunities as they arise, and it is also important to remember that not all businesses will see overnight success. Therefore, it will take time, capital, and patience for entrepreneurs to see the full benefits of the opportunity they seized.

Fertitta brings business leaders back to his key takeaway: businesses should worry about everything. Whether you are an entrepreneur or an executive at a Fortune 500 company, you have to remember that when things are going well for your company, one event could quickly flip your business's success in the opposite direction. In contrast, when your business is performing poorly, it can quickly turn towards the better again. As a business leader, you have to be prepared for both situations.

BLIND SPOT #5: Live Your Leadership

According to Fertitta, it's easy to be a leader when times are good. But true leaders emerge when times are bad. During the bad times, people need a leader more than ever, and if you can ease their fears and help your company grow through the hard times, not only will your employees be grateful, but they will also admire you.



Fertitta states that two qualities determine a good leader in his experience: the ability to listen and to teach others. Whether

listening to customers, employees, or other business leaders, those who are most successful take the time to listen to everyone. In addition to listening, influential leaders are also able to share their knowledge with their subordinates. When a leader encourages those around them to continuously choose to ask questions and pursue creativity, employees will innovate on your and the company's behalf.

Conclusion

Tilman Fertitta offers one final piece of advice that coincides with his original thought that as a business, you should be worried about everything. Someone or something is coming for your business's success, and leaders have to change their plans in order to remain on top. All in all, businesses must analyze their blind spots and use Fertitta's advice to help their business become (or remain) successful for a long time to come.

Recommended Reading

Fertitta, Tilman (2020), *Shut Up and Listen! Harvard Business Truths that Will Help You Succeed*, Harper Collins Leadership.

About the Author

Kristen Koehler, MBA Candidate Baylor University

Kristen Koehler is graduate student from El Paso, Texas. She earned a Bachelor of Arts in Medical Humanities with minors in Biology and Business Administration from Baylor University. Kristen is seeking an MBA with a concentration in Healthcare Administration and plans to pursue a career in the healthcare industry. She is currently completing her administrative residency with Carondelet Health Network in Tucson, Arizona.



Keller Center Research Report

Baylor University | Keller Center for Research | Hankamer School of Business
One Bear Place #98007 | Waco, TX 76798

www.baylor.edu/kellercenter | Keller_Center@baylor.edu

*Keller Center Research Report is a trademark owned by Baylor University
© Baylor University All rights reserved.*