

No more Mr Nice guy!

Written by Dr. Warren Harmer

I like to think all people are nice, honest, friendly and helpful. I like to see the best in people and trust that they will do the right thing. To me, personal values are important and coexist with making money. But there are times that I wonder if this personality type belongs in the business world; a space which seems to be dominated by people who negotiate hard, who can play dirty and see business as a fight with only one winner. In a dog-eat-dog world where survival of the fittest is the unspoken law, is there a place for a 'nice guy'?

To me business is challenging, exciting and always interesting. The pace, dynamism and endless complex questions intrigue me. There is nothing more rewarding than starting, growing and building businesses. But day-to-day business life means working with a lot of different people, some of whom are sharks that will bite if you let your guard down. During my time in business there have been a few bruises, breaks and injuries from such people. I had business partners that knowingly deceived tens of thousands from me and 9 others. There was the nightmare landlord who ripped off rent extra payments, scared off a business buyer and refused to contribute a single cent to his own building. I had clients that purposely didn't pay their account, then went into voluntarily liquidation to dodge their debts. Even a co-shared office ended with a civil claim because I damaged a bookshelf (worth \$50!)

A hard-nosed, aggressive approach to business seems counter-productive to me. I understand that assets and livelihoods need protection, but can't grasp a 'win at all costs' attitude. Whilst some of the perpetrators of negativity in my past have just been devious people, others just felt they needed to fight rather than lose a single cent or (even worse) risk not being 'right'. Simple, outcome-focused and honest conversations with willingness to compromise can bring speedy resolutions where all sides can win. They build relationships that can be prosperous, rather than torching every single bridge between you. It's a problem of short sightedness vs. long sightedness. The disagreement that I mentioned over a \$50 bookcase meant that I never referred a single business to that accountant, worth many thousands of dollars per year.

The irony of this hardass approach is that a softer human touch has infinitely more appeal and can actually be a very solid foundation for business growth. Customers love it. Employees love it. Co-workers love it. Suppliers love it. Business partners love it. Interactions with real care and feeling stand out like a dog's proverbials. There are huge strengths to business in maintaining softer human qualities, in fostering sensitivity, compromise, kindness and a genuine interest in other people. It increases retention of staff and not only keeps your clients, but drives new business through word of mouth. My local cafe owner greets me by name every single time I walk in and make my coffee by heart, so I never go anywhere else. Virgin money is another example – their call centre is the most helpful and understanding I have ever dealt with, so they keep my business and get referrals.

Small and medium businesses work with feeling the best, just because they are still small enough to be personal. In these businesses values are not just a corporate statement or taglines coming from the marketing department.

So it seems that there is value in being a 'nice guy' in business, but you do need to protect yourself. It is very easy to become hardened in business; to lose your open, friendly attitude

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and get sucked into believing that you need to be a warrior to succeed. The skill is in setting boundaries around what you will accept, without building an emotional armour around yourself. Here are a few tactics that I have developed along the way:

Be aware that people will take from you whatever you let them take. Ultimately it's up to you to protect what's yours.

Saying 'no' or sticking to your values doesn't have to be done in a inflammatory way. Calm conversations are much more effective. (Assertiveness and voice volume are not correlated).

Understand the difference between a short term 'win' and long term financial returns from business relationships.

Avoid battles; even if you win, you will lose something. They waste a lot of energy, time and emotion.

Get legal protections. Small business owners are very poor at contracts, terms and conditions and knowing the law. Verbal contracts and handshake deals fall apart with a puff of wind, so get everything in writing.

Watch for warning signs: if you see bad behaviour, it is probably going to continue.

If clients are not paying you, be strong enough to stop supply. It doesn't get any easier for them to pay their bills as they get bigger.

Family and friends. If you are going into business with people you know; get legal advice and have contracts for everything. Avoid it if you can.

New ventures and contracts. Take your time; do due diligence and get lots of advice. Take the advice.

Do business with people you like and trust – there are a lot of really great people out there.

Do your best to stay away from sharks and learn the personality types.

Remember that satisfaction comes from living your values, which don't always result in financial reward.

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I am a cultivator of great small businesses. I have a Ph.D in science but fell into the world of small business by accident and discovered my passion. My experience owning and consulting to small businesses now spans over 17 years. I like to solve problems using a scientific approach; looking objectively at businesses to see what is happening and applying first principles. In small business, outcomes reign over theory.

Practical, hands-on advice for small business owners is sorely lacking, since most 'experts' have never owned one. Most business information is targeted to big business and their employees.

My objective is to offer instructive, 'how to' information to make business ownership easier, less stressful and more enjoyable.

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