

**Retailer Newsletter**

**June 1, 2023**

**Tom’s Business “TIPS”**

***“To Improve Profits”***

**RE: Comments From Last Month’s TIPS**

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**Hello Summertime,**

**I should not have been surprised that last month’s newsletter about employee theft stirred up my audience! Most who responded believed wholeheartedly with what I said. My follow-up question to all of them was the same, “Why do you believe that to be true?” Amazingly, the single unanimous reason was because ‘they had lived through it.’ They flat-out told me they caught more than a few employees, over the course of several years, doing just what I said. They all admitted that the theft started out small; but in most cases, eventually turned into over $100 per day. Most retailers did not have any idea of the actual amount of theft, but what they did know about scared them to death. In many cases, the theft amount was more than the net profit of the stores. Many were operating at a loss for years and couldn’t understand why it continued. Some thought it just happened to be a low-profit store. Also revealed was that many of the stores were operated day-to-day by managers and CSRs, and the owners did not regularly work at the store(s). With staff turnover, they couldn’t understand how new CSRs managed to pick up so quickly the ease of stealing $$. I reminded all of them that we are a cash business, even though everyone already knows that. That is one of the reasons I get so mad when I see signs at stores stating, “Now Hiring, Experience Required”. Can you guess what they have experience doing? STEALING YOUR HARD EARNED $$. Many of them work for only a couple of months because they feel like the amount they are stealing is so much that they will eventually get caught. So, they would much rather move on down the road to another unsuspecting store and start their thievery all over. A couple of the retailers responded telling me they discovered vendor theft rampant, and some thought CSRs were in cahoots with the delivery people. While others thought the vendors were stealing with no help from the store employees. They did believe the CSRs do not care if vendors were *‘shorting deliveries’,* simply because “it wasn’t their money, so why should they care?”**

**I did have a couple of emails from owners who did not experience the theft I described. Again, I was ready with my follow-up, “What have you been doing to prevent this from happening?” It turns out they all had implemented ‘theft controls’ from the first day they started in business. We all agreed theft controls do cost time/$$, but the payoff far, far outweighs the cost. I asked if they believe in the M-B-W-A management system. Some did not understand my acronym (MBWA), but it seems they all do it:**

**Management**

**By**

**Wandering**

**Around**

**I discovered this management style by accident at my own stores. I learned more about store operation by watching them than I did by ‘working the cash register’. I would be less than honest with you if I told you I started MBWA to ‘see’ what was going on. No, I actually started doing it as a ‘greeter’. That’s right, I was a greeter at my stores long before Walmart employed greeters at their stores. I thought it was better use of my time to meet and greet my customers at the door; and yes, I also thanked them for coming in and hoped they would return. I found myself assisting customers find items in the store, I picked up trash, made coffee, and I even gave directions when asked (this was before GPS days). I have discussed at countless training sessions that retailers who ‘work the cash register’ for countless hours each day are ‘working’ at their store not ‘managing’ their stores. As a CSR on the register, a retailer is saving the $10 - $15 hourly rate of the CSR! Period! They do not have time to ‘see’ what is going on (or not) around the store. I sometimes find myself doing MBWA anytime I enter a retail establishment. I guess I’ve done it so long that it’s part of my DNA. It’s the same when I enter a business and I’m looking around for another exit in case of an emergency. It’s also part of my DNA. Here’s a quote I have used often:**

***“Being successful in the c-store business is like climbing a ladder.***

***You can’t do it with your hands in your pockets.***

***You may even have to get your hands dirty.”***

**Please don’t be so naive to think that all you must do is open the front door and hire a few people to run your business, then just sit back and watch the $$ roll in. You must dig in and occasionally get your hands dirty in order to be successful in our business.**

**At a recent training session for store managers/assistant managers from a local convenience store company, many of the attendees had attended a class with me prior to the Covid outbreak. These managers view our website frequently *(I determine this from our website traffic report),* and they utilize many of the Business Forms we provide. A couple of them confided in me that they could not believe we shared these documents on our website at NO CHARGE! They told me I should be charging for access to the forms. I repeated the commitment Bill Sawyer and I made when we began T&S Management Services, and that was that “we were determined to differentiate ourselves from other companies providing training services to small businesses entrepreneurs”. We still believe to this day that we have lived up to that commitment! The group was unanimous in their comments that the refresher class was well worth their time.**

**I have not discussed Recruiting, Hiring, and Training for a while, so I thought I would pass along a few suggestions (some are a repeat).**

* **Many times, when I owned my stores, I would re-try some old ideas. Sometimes my best ideas didn’t work the second or third time I tried, but sometimes it did! So don’t be afraid to try an old idea you used in the past to recruit.**
* **Are you passing out 2-3 Recruiting Cards each AND every week? *Well,* *are you?* I have found this tool to be very easy to use, low-cost, and not something people would feel uncomfortable receiving. I think many people would be flattered if you were so impressed with their service that you offered them a position with your company. If you forgot what the Recruiting Card looks like, go to our website, ‘Form and Reports for Your Business’. You can find Avery Business Cards (to print the cards) at Amazon or Office Depot. Use your imagination and be creative. Remember, this is your advertising ‘Billboard’ to attract people to your business.**
* **During one-on-one meetings with your staff (for example, handing out paychecks), remind them you are looking to add great CSRs to the store. Do they have friends or acquaintances looking for part-time or full-time employment? It’s been my experience that your good CSRs will not recommend someone who will not do the job that you require of all your employees.**
* **Add recruiting to your Facebook page, using some of the comments on your Recruiting Cards.**
* **If you have a poorly performing CSR at your store, let him/her go now, even if it will put you shorthanded. There is nothing worse than a CSR that negatively affects the morale at your store. You might find an employee at your store *WILL NOT* recommend a friend to work there because you have inadequate performing *(BAD)* CSRs on your staff!**

**Currently you cannot turn on the television or listen to the news without hearing about a shooting taking place somewhere in this country. We seem to regularly have shootings occur at shopping malls, churches, schools, anywhere people congregate. I cannot stop thinking about the days my boys would go to the mall for hours on end meeting with friends. I used to worry they would get in trouble for horseplay, laughing and talking too loudly, or maybe even associated with friends who were shoplifting. Today, I don’t believe parents are worried about some of the issues I was, people are more concerned about violence, particularly shooting.**

**Keeping with my commitment to share some items we feature on our website each month:**

1. **Active Shooter Information**
2. **Mass Attack in Crowded and Public Places**
3. **Safety & Security Tip – I updated this tip in an effort to think about an Emergency Exit anytime you are in a strange/unfamiliar location.**

**If your store is not as profitable as you think it should be, give me a call or email. If you are a supplier or organization with retailers, and they are struggling to maintain profitable stores, please reach out to me. We can help these stores operate and improve profitability!**

***“Coming together is a beginning; keeping together is progress;***

***working together is success.”***

***- Henry Ford***

**Don't be a victim of the 5 Dangerous Words –**

***‘Maybe I’ll Do It Tomorrow’***

**Do it today because tomorrow (~~could be~~) will be too late!**

Tom                                                                       
Thomas W. Terrono

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***“Our business is making your business better!”***