

The Walsh Business Leadership Institute offers educational programs to increase the success and sustainability of Michigan's small and family businesses.

Partner Events

Women Business Owners Academy presented by CEED Call for dates and times, 248-823-1392

Business Continuity Planning Conference presented by FBI Infraguard and sponsored by Walsh Information Assurance Center March 25 Novi Campus

Non-Profit Management Conference Presented by Troy Chamber of Commerce and sponsored by Walsh College April 24 Troy Campus

Second Annual Small Business Conference and Extreme Small Business Makeover May 8 Novi Campus

Ethics Conference presented by Michigan Women's Tax Association and sponsored by Walsh College May 22 Novi Campus

Visit the [Walsh Web Site](#) Calendar of Events for details.

focus

on Small and Family Business

WALSH
COLLEGE
Business Leadership Institute

Spring, 2008

Michigan Entrepreneurs Share Five Mutual Concerns

Focus on Staff Remains Important

Mike Semanco, President and COO of Hennessey Capital, a Michigan-based specialty finance company providing working capital to small and mid-sized businesses, sees the challenges that entrepreneurs face daily. In recent month, however, he has found a commonality of concerns among Michigan entrepreneurs.

"I think Michigan's economy is driving new, shared concerns among our state's entrepreneurs, along with other timeless issues that remain top of mind among small business owners," says Semanco.

Semanco cites the most compelling concerns that Michigan entrepreneurs are addressing as they delve into 2008.

1. How do I diversify my business? Should I pursue a new industry or new products? If so, can I do that while remaining in Michigan?

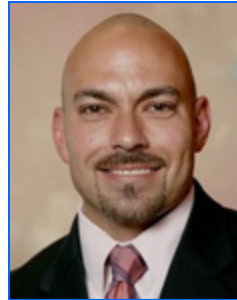
2. Where and how do I cut expenses in order to be competitive? How do I communicate such expense shifts or reductions to staff?

3. How do I keep employees positive and engaged when business is not moving in the right direction?

4. Should I enlist the services of a company coach?

5. How do I choose the right salesperson? What is the right compensation structure?

6. Where do I get the capital to enhance my marketing efforts with an updated website, and advertising or PR campaign to ultimately spur new business growth?



Mike Semanco holds both bachelor and master degrees from Walsh College. He is president of Hennessey Capital.

"There is a renewed sense of urgency in the business community to be innovative, competitive and forward-thinking," notes Semanco. "I find it encouraging to hear that, despite challenging times, these business leaders also continue to put a premium on communicating with and supporting their employees."

Small Business Makeover Revealed May 8 in Novi



Three companies have undergone an extreme makeover thanks to the efforts of BLI sponsors. Find out the results during the second annual Small Business Conference May 8 at the Walsh Novi Campus. Tickets are \$50 until April 15 and are free for full members. Makeover Winners: (from left) Nick Stavropoulos from Wolverine Carbide Die; Mike Kotsis and John Kohl from Atlas Wholesale Foods; Connie and Tom Morbach from Sanit-Air. Applications for the second extreme makeover will be available at the conference. For more information see page 5.

What Makes You So Special?

Knowing Your Competitive Advantage

By Kim Greenspan

One of the key questions I ask new coaching clients during an in-take session is “Why should customers do business with you instead of your competitor?” I am no longer surprised when the client isn’t clear about the answer. Often, the response is something like “Because of our great customer service” or the equally ubiquitous and even less effective “We have the best prices.”

In fact, when researching her book *Creating Competitive Advantage*, business consultant Jaynie Smith found only two out of 1,000 CEOs could name their competitive advantages. That’s an incredibly scary figure given that having a real competitive advantage as well as the ability to clearly articulate it in the marketplace is “the most surefire way to close deals, retain clients and stay miles ahead of the competition,” says Smith.

And if you think you’re one of the 0.2 percent of companies that effectively communicates its competitive advantage, you might want to think again. Most often, says Smith, those who believe they know exactly what makes their company and its products/services most attractive suffer from one of the following delusions:

1. They don’t have a competitive advantage but they think they do.
2. They have one, but don’t know what it is so they lower prices instead.
3. They know what their competitive advantage is, but don’t realize their salespeople aren’t telling clients about it.
4. They mistake “strengths” for competitive advantages.
5. They don’t concentrate on competitive advantages when making strategic and operational decisions.

One of my clients, the owner of a financial services firm, was convinced that his company needed to communicate wisdom, stability and a conservative money management policy to potential clients. His reasoning was that, as a young firm, it needed to build credibility. Unfortunately, doing so in this way wasn’t helping to differentiate his firm from the scores of other financial services companies intent on communicating their own wisdom, stability and conservative money management policies.

As I learned more about this business owner’s values and vision, it became clear that the firm did, indeed, have a competitive advantage but it wasn’t being talked about. (See delusion numbers 2, 3 and 4 above.) After completing interviews

with some of its own clients and those of other firms, and doing a competitive analysis of its key competitors’ marketing messages, the firm’s unique competitive advantage became clear: The relationships it creates with clients are personal and inspiring. Key employees help each client create a vision for what the individual wants his or her life after retirement to look like, then coach each client all the way to the finish line. In other words, it’s not about the money, but about what the money will help create.

But customers want to know in concrete terms what it is about your product or service that’s better than the rest. And it better be compelling because the alternative choices are endless. So now my client and his employees tell the real stories of clients that are living the lives they desire because of the firm’s coaching and money management strategies.

Keep in mind that your product or service doesn’t have to be unique by itself for you to have a compelling advantage over your competition. In fact, in today’s world, it’s becoming extremely difficult to pull that one off. After, all, how many ways can we re-invent the automobile at this point? Instead, perhaps the way you make it, test it, package it, deliver it, or many other extras you provide, can make the difference.

Perhaps you have a unique quality-check system in place that results in your customers’ orders being delivered accurately and on-time. If so, talk about it! Your competitors can all say they’ll deliver on time and accurately, but do they have the evidence to back it up? Do you offer free training to customers that would be costly for them to get elsewhere? Do you use the latest in green packaging? Are your suppliers the best brand names? Do you have collaborative partnerships that broaden your resources? Is all of your equipment the latest and greatest? If so, tell your customers, “We just invested \$1 million in the latest technology, which allows us to double our output and shorten delivery time by 50 percent.”

Time to put it in writing. Sit down and list every one of your company’s advantages. Keep in mind that they must be unique to your company, but they also need to have a specific, measurable benefit to your customers. Then make sure your employees are clearly communicating these advantages to your prospects. The next time your competitor is telling the prospect they deliver quality, you’ll be able to tell the prospect exactly how you do it better.



Kim Greenspan is an adjunct instructor at Walsh College and President of Greenspan Consulting.

FMLA Extension to Military Families: What Employers Need to Know

By: *Rebecca S. Davies and Amanda Garcia-Williams*

On January 28, 2008, President Bush signed into law the National Defense Authorization Act. This is the first expansion to the Family Medical Leave Act (FMLA) in 15 years. This Act includes two major amendments, expanding the benefits of the FMLA to assist military members and their families. However, before you enact these new amendments, Employers should first analyze whether they are a covered employer under the FMLA.

COVERED EMPLOYERS

The FMLA applies to employers who employ 50 or more employees within a 75-mile radius for each working day during 20 or more calendar workweeks in either the current or preceding calendar year. To determine whether the 50-employee threshold has been satisfied, an employer must count all employees who appeared on the payroll during the previous 20 workweeks, including part-time employees, regardless of whether they received compensation for the week. Employees on paid or unpaid leave are also included in the count, unless there is a reasonable likelihood that they will not return to work.

Public agencies, including federal, state, and local governmental agencies, are covered by the FMLA regardless of number of employees employed.

AMENDMENTS

National Defense Authorization Act

Amendment 1: Active Duty Leave

This amendment adds as another reason to grant FMLA leave to deal with any "qualifying exigency" related to a spouse, son, daughter, or parent being notified of an impending call or order to active military duty or who is already on active duty. "Qualifying exigency" has yet to be defined. The term focuses on providing assistance to families who must now prepare for, and deal with, the service member's deployment.

As the amendment uses the word "qualifying," not every exigency will be covered. There must be some nexus between the employee's need for leave and the service member's active duty status. Given that the FMLA already permits leave to care for a family member's serious health condition, leave for a qualifying exigency should be limited to non-medical related exigencies.

Amendment 2: Caregiver Leave

The second expansion extends leave to an eligible employee to care for a spouse, child, parent or "next of kin" who is a covered service member who has a serious injury or illness, as defined by the amended FMLA. A caregiver may take up to 26 weeks of FMLA during a single twelve-month period.

A covered service member is a member of the Armed Forces who is:

- undergoing medical treatment, recuperation or therapy; in an outpatient status; or

- on the temporary disability retired list for a serious injury or illness.

"Next of kin" is defined as the closest blood relative of the injured or recovering service member. "Next of kin" may include: (1) un-remarried surviving spouses; (2) natural and adopted children; (3) parents; (4) remarried surviving spouses (except those who obtained a divorce from the service member or who remarried before a finding of death by the military); (5) blood or adoptive relatives who have been granted legal custody of the service member by court decree or statutory provisions; (6) brothers or sisters; (7) grandparents; (8) other relatives of legal age in order of relationship to the individual according to the civil laws; or (9) persons standing in loco parentis to the service member.

Employer's Policies

Covered employers should amend their FMLA policies and update their posted FMLA notices to reflect the expanded rights extended to military families.

Rebecca S. Davies and Amanda Garcia-Williams are attorneys with BLI Sponsor Foster, Swift, Collins & Smith PC

More News from Hennessey Capital



Jeff Wright has been promoted to Senior Vice President at Hennessey Capital from First Vice President.

Jeff is assigned to the Extreme Small Business Makeover and has been working on the next small business conference. He joined Hennessey Capital in 2006. Prior to becoming a member of the Hennessey Capital team he was with

Crestmark Bank, where he was responsible for business development, portfolio management and workout loans.

Jeff has over 25 years of asset based lending and workout experience and also worked at the former National Bank of Detroit, Fremont Financial, Bank One, and First of America.

As Senior Vice President, Jeff is responsible for business development in the Midwest Region, covering Michigan, Ohio and Indiana. He works with small businesses and their trusted advisor network to provide factoring and asset-based lending services. Jeff holds a bachelor's degree in business administration from Walsh College. He is involved with professional and civic activities including the Association for Corporate Growth, American Bankruptcy Institute, and the Turnaround Management Association.



Ray Campbell is a Walsh College alumnus and president of Mastermind Solutions

**“Willpower and desire, when properly combined, make an irresistible pair...”
Napoleon Hill**

PERSISTENCE – How to face adversity

Compiled by Ray Campbell

Persistence in the face of opposition and difficult circumstances is one of the great assets of all successful people. In every calling, every business, and every profession there are times when the going is hard, and unpleasant circumstances have to be met and mastered.

The unsuccessful person deals with these problems by running away from them, looking for “easier” jobs or opportunities. The successful person stands his ground and turns on more will-power.

One of the most interesting facts concerning people who have risen to great heights of achievement is that they have succeeded in almost exact proportion to the extent they met and mastered opposition and adversity before arriving at the top. They persisted in converting adversity and failure to their own benefit by searching until they found in each such circumstance the seed of an equivalent benefit and made use of it.

The person who stands by his purpose when failure stares

him in the face usually is rewarded by some beneficial circumstance that comes his way from unexpected sources.

Dr. Alexander Graham Bell spent many weary months trying to construct a hearing aid for his wife who was practically deaf. He met with one defeat after another but he kept searching. He failed to find the secret of a hearing aid; but during his search for it he discovered the principle of the telephone.

The necessity for struggle is one of the unique ways that the Creator has provided to force us to develop and expand our mind-powers and gain wisdom. Wherever that necessity is removed we become soft and lacking in the resourcefulness we must possess to provide for our worldly needs.

The necessity for struggle and temporary defeat has other major benefits. It not only gives us an opportunity to develop self-confidence; it also conditions our mind to appreciate success.

Every mechanism and every advice and every form of knowledge that has given us

the bountiful luxuries we enjoy today was born of the struggles of men and women who made them available. They were men and women who didn't quit when the going was hard.

Three years of heartbreaking struggle were experienced by the Wright Brothers before they got their first airplane off the ground. And after they proved that it could be done they had another long stretch of discouraging struggle before they got their invention accepted and financed for production.

The necessity for struggle provides us with an accurate measuring device by which we may look into the future and tell whether it promises us success or failure. For it is plain that only those who are not afraid of struggle can hope to attain the higher planes of success.

What is your attitude when you meet with the necessity for struggle? Your answer may give you a clue to your future attainments.

The Walsh Business Leadership Institute and the City of Novi have joined forces to present the second annual Small Business Conference on Thursday, May 8. The conference will begin at 8 am and conclude at 5 pm and will include breakfast, lunch and a closing wine and cheese reception. Tickets are \$50 until April 15.

The conference will highlight results of the first small business makeover performed by sponsors for three local companies. Progress of the makeover is kept on the program's [blog](#).

Applications for the next makeover will be available to those attending the conference.

In addition to ticket sales, sponsors, exhibitors and partners are being sought.

Partners are not for profit organizations serving the business community. Partners will receive credit on all conference promotions as well as one free ticket in continued on page 5 ... exchange for promotion to the organization's membership.

Prospective sponsors are needed to cover costs and keep ticket prices low. Sponsors have the opportunity to participate in the makeover, conduct a breakout session, and benefit from the publicity surrounding the conference. [Details on the Web](#). Or call for more information: 248-823-1392.

Evaluations from last year's conference revealed that marketing and money—borrowing it, banking it, keeping it—were the most popular topics. This year the number of breakout sessions will be increased and will cover those two key topics along with management. Stay tuned for more information on keynote speaker and breakout descriptions.

Walsh Business Leadership Institute EXTREME SMALL BUSINESS MAKEOVER Small Business Conference May 8

2008 Small Business Conference Makeover Madness: Money, Marketing and Management Tentative Agenda

8-8:30	Registration and strolling breakfast Lobby
8:30 – 8:45	Introductions and Welcome Conference Room
8:45 – 9:30	Makeover Panel Discussion Conference Room
9:30 – 9:45	Q&A
9:45 – 10	Break Lobby
10 –10:30	Breakout I 509-513 and 501
10:40 – 11:10	Breakout II
11:20 – 11:50	Breakout III Conference Room
Noon – 12:30	Buffet Lunch
12:30 – 1:15	Keynote Speaker
1:30 – 2	Breakout IV 509-512
2:10 – 2:40	Breakout V 509-512
2:50 – 3:20	Breakout VI 509-512
3:30 – 4	Breakout VII 509-512
4-5	Reception Student Lounge



The City of Novi is co-hosting the conference



The Greater Novi Chamber is one of the primary partners for the conference. All Chamber members receive the partner rate.

Premiere Sponsors



How to Hire A Certified Public Accountant

By Ursula Scroggs

Hiring a CPA firm is much like hiring an employee. There are several steps that are involved in both processes. First, you need to narrow the choices. Ask your banker, attorney and other business associates what CPA firms they use or recommend. You may want to check business directories for firms in your area, such as a trade association or the local chamber of commerce.

Once you've narrowed the field somewhat, the next step is to meet and interview each prospective firm – just as you would have questions prepared when you interview a prospective employee, you will want to have certain questions answered by your prospective CPA:

- Does the CPA have experience and knowledge in your specific industry?
- What types of services can the CPA firm provide:
 - Tax preparation
 - Financial statement preparation
 - Bookkeeping assistance
 - Computer consultation
 - Tax and financial planning
 - Management advisory consultation
- How long has the firm been in the business?
- What will you need to provide the CPA in terms of records and information?
- What will the CPA provide to you in return?
- How does the firm keep clients informed of new tax laws, etc.?
- Can the firm continue to service you as you grow?
- What is the firm's fee structure and how can you expect to be billed?
- Who will be responsible for servicing your account?
- How often can you expect to be contacted by the CPA during the course of a year?
- Can the CPA give you any client references that you can call?

Don't forget the CPA should be asking you relevant questions about your business during your conversation. In weighing your needs for accounting services, consider the five basic benefits any accounting firm, regardless of size, should provide your company:

1. competent tax assistance
2. better cost control
3. order in your accounting system
4. credibility in your statements
5. compliance with the law.

Those are the basic payoffs that should govern not only your choice of services but the determination of their value.

You've interviewed potential firms. What guidelines should you use to make your selection? Small business executives and public accountants agree that the three most important criteria are personal attention, reputation and experience.

Personal attention, for example, should be synonymous with commitment, compatibility and responsiveness. Will the principal of the accounting firm be directly involved in your business? Will you and your staff be comfortable with the individuals who will actually be doing the accounting work? Will you accountant be there if needed?

Reputation – the second most important criterion – has little to do with prestige. It's a matter of how bankers, attorneys and other businesses in your community regard the accounting firm. Also, try to check on how the accountant stands within his/her own profession.

Finally, experience counts. What does the accountant know about your industry – specifically, a small business in your industry? A current client list will help answer that question, but it is also on that should be addressed personally by those who will be working with your company. Assume that the professional is fluent in accounting and finance; the important question is whether or not he or she can speak the language of your business.

Your accountant should be someone you can trust, someone who understands how your business operates and someone who is willing to listen and respond with ideas. When you find a CPA who fits that description, chances are you've found your best professional advisor.

*Ursula
Scroggs
Managing
Director
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Kann,
Seyferth &
Salucci, P.C.*

Making Real Things Happen

By Tammé Quinn Grzebyk

Several of my clients and peers have asked me recently about how to get past the planning of a project and into the implementation phase. I find this especially prevalent when the project is neither client- nor manager-driven. This is an interesting phenomenon – the fact that people are spending so much time planning, but cannot seem to get to the “doing” part. In fact, this time of year is probably the worst for setting a load of goals and meeting few of them.

Since the main purpose of my business is to help companies implement changes among their people and processes, I began thinking of the activities we use with our clients. It became clear to me that a reward upon project completion can certainly aid in making it successful (on-time, on-budget, on-scope). I imagine it’s a lot easier for all of us to complete projects for our clients or our managers. After all, in addition to the satisfaction of helping make and improvement, a final payment for the services provided or a pat on the back from the boss usually follows a successful project.

But, what happens when the project is internal or self-developed – where your manager didn’t request it or the client hasn’t yet bought it? For example, I regularly research new methodologies that can help companies. When I come up with a new idea that I know will be successful among businesses, I have to then develop the program which often includes training. With all the other tasks, events and activities that come my way, a project like that can easily get pushed to the wayside. Only after I implement the program with a client will I receive any reward, so other things seem to bubble up as more important. So, to get me past the planning and successfully into the implementation, I have found the following most helpful.

Determine an expected completion date

Once you determine what it is that you want to achieve, assign a date for completion. Otherwise, the plan will end up right alongside that plan to “organize the basement” – which, if you’re like me, never seems to happen.

Establish milestones

After assigning a completion date, it’s important to define the dates certain tasks will be completed leading up to the final date. If you decide you want to find a new job by July, but don’t have the milestones leading up to that, it will be difficult to achieve. Define all the steps that must take place: update résumé, research companies that might need your expertise, begin networking in the right circles, get trained in the areas you think you might need, etc.

Turn each milestone into a mini-project

Break each of these milestones down to an even greater degree. If, for example, your big plan is to get a new job as a project manager, a milestone may be to become certified as a project manager by the Project Management Institute. Break this down into: research training certification locations; earmark funds to pay for certification, schedule time to get the training, schedule a test date, etc.

Carve out time in your schedule

Take into account all the others things that get in the way of getting things done. I find that for big projects, it’s best to schedule time each week to work on it. Don’t check email or phone messages for a few hours, and simply work on the project at-hand. If you think you do not have the time to carve out, then look at the whether this is important enough, or if it is, in fact, more like “organizing the basement.”

Post the plan

It’s always easier to achieve a goal or complete a project if the plan is in plain site. Put reminders on your calendar, hang posters on the wall, or do whatever it is that will keep your

plan top-of-mind. I can look up from my monitor at any given time and see our goal for each quarter of 2008. Next to the goals, I have an action plan for achieving them, and I cross out each task as I complete it. Do what works for you.

Share the plan

Make sure colleagues, peers, partners, and mentors know your plan, along with the expected completion date. Share with them your progress. If you belong to a Walsh Affinity Group, you already recognize that implementing becomes a lot easier when you get feedback.

Determine your reward

Internal projects sometimes do not seem to offer much reward upon completion; consequently, we do not place much urgency on them. Give yourself and your some type of pat on the back for finishing. Look at the expected completion date, and plan a celebration to follow. Postpone the celebration each time the completion date is missed.

It’s easy to talk about implementing. It’s even easier to talk about how hard it is to get anything done. If we each replaced this wasted time with actual implementation, just think of how stresses would decrease and accomplishments would soar



Tammé Quinn Grzebyk, a Walsh College alumna, is President and Chief Sparkitect of VerbalWise

Affinity Groups Offer Sounding Board and Support

Affinity groups are one of the primary benefits of membership in the Walsh Business Leadership Institute. There is a special learning and experience-sharing opportunity in the groups where members share information and discuss solutions to problems.

An affinity group is comprised of 8-15 members and is usually led by a trained moderator. At their monthly meetings, members may learn a new skill together, or hear about new technology. Members may also assist one another in addressing difficult issues. Sharing experiences and offering advice to others can be illuminating as well as reflective.

The members should not have any known conflicts of interest that would inhibit or damage their willingness to conduct open discussions. For example: only one person per organization can be a member of the same group; non-competing organizations are limited. Members are encouraged to define their own norms of behavior (e.g. for attendance, tardiness, etc.), and are free to explore any topic of interest whether business or personal.

Meetings may be scheduled at the group's discretion, (though typically monthly) held at Walsh's Novi or Troy campus (or at the discretion of members). From time to time, the group may invite in outside presenters to address specific topics of interest.

Two new groups are now being formed; one for human resource professionals and the other for professional service providers.

HR professionals should work in businesses of fewer than 500 employees and have a keen desire to explore corporate culture and knowledge management topics as well as a commitment to keeping abreast of the regulations and legislation in human resources. Exploratory Meeting April 1 at 8:30 am at Troy Campus.

The **Professional Service Affinity Group** will be made up of proprietors of professional service private practices with fewer than 10 employees. For example, one accountant, attorney, financial planner, public relations professional, insurance agent, mortgage lender, web site developer, or travel agent, will be members of the group. Among the possible topics of discussion are:

Back-room economies
Employing new technologies
Office management

Existing Groups

These existing affinity groups are currently accepting new members.

Women In Sales

Women working as salespersons face unique situations that can be addressed in this group. Travel, gender issues, and competition along with tips, techniques and tools will be discussed. Up to 15 women from different industries are meeting at noon on the third Monday of each month.

Succeeding Generation

Those poised to be next in line in to lead a family business or small enterprise meet monthly to discuss the legal and personal issues in succession planning as well as the transition of management control. This newly reconstituted group is seeking peers who will be committed to the members in hashing out the problems of dealing with personal and professional issues and to developing leadership skills in preparation for their next role.

Experienced Owners and Managers

This group is comprised of individuals who have owned a business for many years and are concerned about growth, the costs of doing business, succession, work/life balance, and other topics as determined by the membership. Currently the group meets the fourth Wednesday of each month.

Females in the Family Business

Wives, daughters, aunts, sisters, and mothers in a family business are invited to attend the Females in the Family Business Affinity Group. Women who own, are partners in, or work for family businesses will meet to discuss common issues and share solutions in a non-threatening, non-competitive, non-sales roundtable. Meets the fourth Thursday of each month.

Visit the Business Leadership Institute pages on the Walsh College Web site [affinity group page](#) or call Jan Hubbard at 248-823-1392 for more information.

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