

**Video:** <https://www.youtube.com/watch?v=ilcI7U7v5c0&feature=youtu.be>



### **Andrew's highlights and notes from the book**

**If you ask me why I've been successful, I usually break it down into four reasons:**

1. I know my numbers.
2. I understand operations.
3. I know the developmental side (i.e., how to grow your business).

4. I change, change, change with the times. Of those four, knowing your numbers is by far the most important piece of all.

### **Make hospitality your goal, no matter what business you're in.**

- Hospitality means making a customer feel special.
- Keep your promises. Build in what-ifs to help you follow through on your commitments.
- Make hospitality the goal for everyone involved in your business. One person who doesn't show hospitality can ruin an otherwise positive customer experience.

### **TILMAN'S TARGETS**

- Never tell a customer no.
- There are no spare customers.
- Understand the difference between being unable to do something for a customer and choosing not to do something.
- If you can't say yes, offer alternatives.
- Never saying no encourages you and everyone involved in your business to think on their feet.
- Cater to the masses, not the classes.
- Work to make your product appealing to as broad an audience as possible.
- Understand your competition.

- Know your target audience.
- Make certain you understand how to get out of a lease early, including buyout provisions, subleasing, and other options.
- In general, look for a short-term lease—ideally, with renewal options that you can choose to exercise.
- Know all costs associated with a lease.
- Work with an attorney experienced in commercial real estate to help negotiate the best possible lease package.
- Knowing your numbers is the most essential part of being able to take your business to the next level.
- Make daily flash reports and budgets a priority.
- A complete knowledge of numbers is also critical to any sort of successful sales pitch.
- If you don't or can't master your numbers, partner with or hire someone who can.
- The 95:5 rule—95 percent of your business may be operating fine, but seek out the 5 percent that's wrong.
- Don't get complacent: always look for the 5 percent.
- View your business through your customer's eyes.
- The 5 percent that harms your business can be made up of small things.
- Work on your weaknesses, but also make sure to work on your strengths.
- Ask your partners to describe what they believe to be your strengths.
- If you have a strength, build on it. Lean on it. Don't be afraid to assert your strength for the good of the business.
- Partner with people whose skills complement your own.

- Make friends in business your personal friends.
- If you know your business lacks a certain skill set, bring in someone who can address the void.
- Opportunity is always there, no matter what the current conditions may be.
- When times are good, we tend to forget that at some point they're going to be bad.
- Borrow money when you don't need it, and build cash when times are good, so you can take advantage when times are bad.
- Spotting opportunity requires patience. There's always another deal.
- As an entrepreneur, it's essential to dream—but to dream realistically.
- Don't chase a deal—let it come back to you.
- Not every deal has to be a home run.
- Spotting opportunity requires patience. There's always another deal on the horizon.
- Surround yourself and work with others who are every bit as motivated as you.
- Always stay hungry. Never become complacent.
- Define success by being better at something than anyone else.
- Staying hungry when times are good will reward you when faced with challenges.
- Treat every issue as a challenge instead of an obstacle.
- Take the time to listen to everyone. A great leader listens all the time.
- Be blunt with the people around you and expect them to do the same.
- Keep meetings short. Short meetings help people focus.

- Stay involved in your business as much as possible.
- Don't assume anything.
- A great leader is also a great teacher. Take every opportunity to teach those around you.
- Encourage people to think on their feet and be creative.
- Don't be afraid to make mistakes. Mistakes can be a more effective teacher than success.
- Great leaders are always learning
- Change, change, change.
- A great leader accepts change.
- Don't be afraid to hire people who are smarter or more talented than you.
- Sometimes the best decision is no decision at all.
- Don't overthink. Allow things to play out.
- Leaders stand tall in tough times.
- Persistence is a valuable skill—keep punching.
- Always think outside the box.
- When things are hard, remember the basics.
- Always be the bull.
- Working capital is the lifeblood of any business.
- Loans and lines of credit are two excellent sources of ready cash.
- Borrow money when times are good, even if you don't need it.
- Draw up a worst-case scenario that you can keep to yourself. If everything goes wrong, you want to be certain you can stay in business.

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## **Quotes I liked From the Book**

### **Don't Choose to Quit—Choose to Keep Punching**

Persistence—the ability to keep going, no matter how challenging the circumstances or what others might be saying. Reading this, you might be tempted to say that it's easy for me to talk about the value of hanging in there. But remember, it wasn't always like this for me—far from it. Back when I was getting started, I scrambled constantly. Finding the money to fuel my business growth was an enormous challenge unto itself.

Some people are naturally more persistent than others. But I truly believe that persistence is a skill and an attribute that business leaders can learn.

Ignore the naysayers! No matter who or where you are, you're going to encounter people who are all too quick to point out all that you're fighting against and encourage you to throw in the towel. Some may be motivated out of genuine concern, while others may have different reasons for urging you to quit.

Be just like me: never, ever stop worrying about your business. Why? Because when it comes to business and most everything else in life, there is a paddle for everybody's ass. And you never know when it's coming or where it's coming from.

I really do believe that. I don't care if things are going well for you, that you think you know it all. Put this one thing in your head: there is a paddle coming for your ass right now.

By a paddle, I mean that there is always a force out there, something that's taking square aim at your business's success and growth. There might be someone with a better product. There might be a lawsuit waiting to pounce. The economy may turn. A bank that you relied on may deny you credit. New government regulations may be ready to take effect. Your computer may be hacked. These days, it's not ridiculous to worry about a terrorist attack, international or domestic.

The best you can hope for when something damaging or disruptive happens is that you act quickly to minimize the impact. But you have to open your eyes. You need to start worrying, anticipating, planning, and being proactive. Why? Because the paddle comes from the blind spots we all have when we juggle the many roles and skill sets needed to successfully run a business.

People ask me all the time: "What do you fear?" I say I don't fear anything, but I worry about everything.

Every successful business, in one way or another, is built around hospitality.

To me, the definition of hospitality is simple. It's however you handle a customer. Nothing more, nothing less—how you treat him or her, how you respond to what he or she asks for, and your ability (and willingness) to stay flexible. The ultimate goal of interacting with a customer is to make him or her feel like the only customer you have in the entire world. Why? Because as I tell my own employees, there are no spare customers.

It starts with how you talk with them. And you don't need to memorize any special words or magic sentences. The rule is simple: when talking to a customer, be sure to make the conversation all about them. Let them talk about their needs, what they hope to get out of buying your product or service. If they want to complain, listen. They want to be heard more than anything. Since you're trying to make them feel like they're the only customer you have, act like it. When dealing with that one customer, no one or nothing else matters at that moment.

I call it the 95:5 rule. The breakdown is simple. Most moderately successful businesses are good at about 95 percent of what they do. It's the remaining 5 percent that can determine whether the business excels or not.

Never lose sight of your customer's perspective. Here's what I mean by that. A restaurant manager arrives at the restaurant before it's dark, goes inside, and stays there. Perfectly fine, but this doesn't let him see what customers see when they pull into the parking lot after sundown. Maybe a sign isn't turned on. Maybe trash has accumulated, or someone has dumped out a car ashtray right in the middle of a parking space. The point is, you can't forget to experience your business like a customer does. That's why I urge all my restaurant managers to get their butts outside and walk the property. Seeing what a customer sees can boost your hold on that critical 5 percent.

Obviously, not every business allows you to walk the property. But try to walk in their shoes whenever possible. Ask them point-blank how they were treated at your business. What did they notice? Was it something that boosted your business in their eyes, or diminished it? Never become complacent. No matter if your business is soaring or struggling, never take a break from looking at that all-important 5 percent. Because when it comes to working to achieve that breakout every business wants, the 95 percent that's working just fine tends to take care of itself. The 5 percent that isn't working might end up taking care of you, and not in the way anyone wants.

If you want to boil it down even further, I have a rule of thumb that I say almost every day: it's free to be nice. Think about that. As a business owner or entrepreneur, does it cost you anything to be courteous to each and every customer? Of course not! Being nice costs you nothing. But, by the same token, remember: it can cost you a hell of a lot to be rude. To which I have a simple answer: be plappy. By that I mean "play happy." No matter how upset or worried you may be about other things in your life at the moment, do everything within your power to project a happy mood when you're on the job.

That's an ever-present rule of thumb at all of my businesses. When you step foot inside one of my businesses and you work for me, be plappy if you have to. One reason is that, as I said earlier, no one cares that your dog chewed up a \$300 pair of shoes or that you have to meet with your kid's principal after work. That's reality.

The other reason that rule always stays in place in my businesses is that the customer experience is all that matters. We're in the hospitality business, so we have to be sure to be hospitable all the time. And no matter the specifics of what you do, you're in the hospitality business as well.

Next, address the issue of bank financing. The first step is simple: get it before you need it. I cannot stress this enough. Work to obtain bank financing as soon as you can get it, which is generally easier to secure when the economy is strong and your business is doing well. Not only does that give you the best chance to get financing on the best possible terms, but when things take a downturn—which they inevitably will—you're going to have cash within reach to make it through.

Pay attention to your personal credit, especially if your business is new, with little or no credit activity. The biggest factor in many banks' decisions to lend businesses money is the owners' personal credit rating. To boost your credit score, be sure to pay personal bills on time and keep a low ratio of debt to available credit on personal credit cards and credit lines.

Don't just go into the bank and tell them you need money. Walk in there like you know how to borrow money and have a thorough business plan with you. Be sure to have a comprehensive overview of your current circumstances, specifically why you're asking for the money, as well as a strategy that outlines your future plans. And don't make the mistake of limiting your plan's outlook to the next thirty days. Instead, map out plans for the next one to three years—the longer and more detailed, the more favorably a lender will view your application.

