

SWIM WITH THE SHARKS
WITHOUT BEING EATEN ALIVE

by **Harvey MacKay**
(Ballantine Books, 1988)

CHAPTER 1: 15,000 Tickets for Tonight's Game, Please The story of how in 1984 Harvey MacKay and a group of businessmen kept the Minnesota Twins baseball team in Minneapolis. Cal Griffith (owner) wanted to move to Tampa, and Harvey MacKay's group hired Bill Veeck to wage the battle. MacKay/Veeck won. 3 years later, the Minnesota Twins were the World Champions of Baseball, beating St. Louis in the world Series.

- (a) Solve business problems by looking past \$\$\$... business revolves around human beings.
- (b) Lessons learned from a lifetime of marketing:
 - Anyone can get the order, if he's willing to stretch the truth far enough
 - The mark of the professional is to get the *reorder*
 - Your competition wants to kick your ass ... your arrogance improves their odds.

CHAPTER 2: MacKay's Short Course in SALESMANSHIP 19 Lessons

#1: It's not how much it's worth ... it's how much people *think* it's worth.

- (a) Worth derives *not* from the intrinsic value of an object, but from the demand created for it.
- (b) Marketing is not selling ... it's creating conditions so the buyer convinces himself.

#2: Good salespeople let the customer sell himself. Your customer = your own best salesman.

#3: Knowing something about your customer is just as important as knowing everything about your product. Maybe he wants your product, or maybe it's recognition, respect, etc.

#4: The "MacKay 66" ... Sixty-six item customer profile. Buyers are pre-wired to regard a salesman with suspicion and cynicism. Your job is to neutralize these feelings. The customer profile converts you from an *adversary* to a *colleague*.

#5: War stories ... go overboard in showing your interest in them.

#6: Attach your personality ... then people stop reacting to the proposition.

#7: Prejudice and human envy have not been eliminated. You are *not* selling yourself. You may be a lousy product. Let your customer's personality shine ... *yours* is subordinate.

#8: How to handle the tough prospect. The *great* salesperson gets the order (and the reorder) from a prospect already doing business with someone else.

(a) The best recommendation is from an existing customer, already known to your prospect. Build a large network of customers and friends who will speak for you.

(b) Be persistent ... be Number Two (best position to be in), and try harder. Use the Law of Large Numbers. Sooner or later Number One will falter, and you'll be there to respond.

#9: Create your own Private Club: Call the best restaurant in town and speak to the *maitre d'* ahead of time. Ask for the best table: not near a swinging door, busing station or entrance. Arrange for payment (+ 20%) ahead of time ... don't pay the bill at the table.

#10: Short notes = long results: Send constantly, handwritten, hand-stamped, sent same day.

#11: Second-best place to look for new business: Your *suppliers* ... shouldn't these people, dependent on you for their livelihoods, be a major source of business and prospects?

#12: What's the sweetest sound in the world? Salesmen know ... entrepreneurs get it wrong.

(a) Entrepreneur: crisp crinkle of fresh currency, or dull thud of competitor hitting pavement.

(b) Salesperson: the sound of their name on someone else's lips.

#13: Keep your eye on your time, not on your watch: Set up a daily to-do schedule with a fixed number of items to complete. Don't stop until you're done. You'll hit the top of the charts.

#14: If you don't have a destination, you'll never get there: Setting goals is just a long-term version of keeping track of your time. A goal is a dream with a deadline.

#15: Believe in yourself, even when nobody else does: It doesn't matter if *they* say you can't. The only thing that matters is if *you* say it. Don't ever quit.

#16: Seek role models: The pioneers get all the arrows. The trick is to benefit from others examples, without taking the arrows.

#17: Fantasize: Projecting yourself into successful situations is one of the most powerful means there is to achieve personal goals.

#18: The easiest, least expensive and most neglected form of advertising: Paint your company name and logo on the tops of all your trucks.

#19: Show me a guy who thinks he's a self-made man, and I'll show you the easiest sell in the world: Make him think it's his idea.

CHAPTER 3: MacKay's Short Course on NEGOTIATION 14 Lessons

#20: **Smile and say no until your tongue bleeds:** The terms of your deals will improve when you learn to say NO. Sellers always pitch "buy now", because if you don't, they'll have to give you a better deal. Power in any negotiation is *information*. Have more than the other guy.

#21: **Send in the Clones:** Like buying a house, you need to determine the other guy's *real* price. Get a 3rd person to enter the negotiation (don't let the other guy know #3 is working for you). Have #3 make a low-ball, cash offer.

#22: **No such thing as a Sold-Out house:** Get on the waiting list, send money in advance, tell them to call collect when there's an opening, promise a big tip. They always call back.

#23: **Understanding your banker:** Bankers have a product to sell: money, a wasting asset. When it's not loaned-out, it earns little interest. The banker is the *seller*, and you are the *buyer*.

#24: **Be able to walk away from the table without a deal:** It's a disadvantage to *have* to make a deal. The other guy will just out-wait you. Deals get better when you walk away.

#25: **Calling Mr. Otis:** Car dealer trick ... salesman makes the deal, sales manager (Mr. Otis) nixes it, raises the price. Buyer has too much emotion invested to walk away.

#26: **The most important term in the contract *isn't* in the contract:** Deal with people who are honest. 2nd most important ... get the right to inspect their books and records.

#27: **Agreements prevent disagreements:** There's no such thing as "Your word is good enough". Get it in writing, even if it is a letter summarizing your verbal agreements.

#28: **The longer they keep you waiting, the more they want to deal:** The other guy wants you to believe *he* doesn't care. Feigning indifference is a shrewd negotiator's ploy.

#29: **If you burn bridges, you better be a damn good swimmer:** People have long memories.

#30: **Decide with your heart and you'll get heart disease:** Never make a significant deal on the spur-of-the-moment. Disaster awaits decisions based on emotion.

#31: **Never buy anything in a room with a chandelier:** It's there to make an impression *only*. If it looks too good to be true, it probably is ... grab your checkbook and get out of there.

#32: **Everything's negotiable:** A deal can *always* be made, if the parties see it benefiting them.

#33: **The Buyer/Seller battle:**

(a) The seller is on *offense* ... his weapons are reconnaissance, infiltration, propaganda, shifting tactics, persistence, pressure and ultimatum.

(b) The buyer is on *defense* ... his weapons are buffers (like clones, above), time (wearing out the seller) and ambushes (last-minute ultimatums).

CHAPTER 4: MacKay's Short Course in MANAGEMENT 36 Lessons

#34: **Single greatest mistake a manager can make:** Over-control. Understand that what people are looking for is not just money ... it's *recognition, appreciation* and creative *freedom*. Be like jockey Willie Shoemaker, best in the business. He has the lightest touch on the reins. The horse never knows he's there, unless he's needed.

#35: **When an experienced man meets a rich man, experience gets the money, and the rich man gets experience:** It doesn't matter how many pails of milk you spill, just don't lose the cow.

#36: **You'll always get the good news ... it's how fast you get the bad news that counts:** Walk your plant every day. Encourage the flow of bad news, even from customers.

#37: **Throw it on the floor:** When unpleasant jobs need to be done, do them. Waiting postpones the inevitable, and it gets in the way of other progress (like a puddle on the floor).

#38: **Treat your suppliers like you treat your customers:** You'll always get a better shake if you pay the same day you get the bill.

#39: **The time for the Renaissance Man was the Renaissance:** It's very rare that *one* person has the two most valued talents ... salesmanship and business management. You need a Mr. Inside and a Mr. Outside.

#40: **Never be your own hatchet-man:** You are a peerless leader. Get someone else for mean, tough, unpopular decisions ... and to take the fall when they get too mean, tough and unpopular.

#41: **But, if you *are* going to be you own hatchet-man, be a damn good one:** If you are determined to be the tough guy, you must drive yourself even harder than you drive them. Keep your guard up, and be unaffected by criticism.

#42: **Little things mean everything:** Winning is making fewer mistakes than your opponents. If you're in charge, your job is to minimize mistakes.

#43: **How to spot a winner:** They are surrounded by quality people.

#44: **Your best people may be most productive staring at the wall:** Activity is not efficiency.

#45: **It's more fun when it's spontaneous:** A party of ball-game tickets is called for whenever the pressure has been on for a while and concentration starts to wane.

#46: **Have you ever seen a stand-up strike:** Japanese workers go *ōn strike* by wearing black arm-bands. But plants keep operating and no production is lost. And they keep kicking our butts.

#47: **Perfect practice makes perfect:** Talent is important in making it to the top, but two other things are indispensable ... iron determination and expert coaching. You never stop needing teachers ... always keep on learning.

#48: **Trust the experts to be wrong:** Rely on experts to tell you *why* something happened, but not to tell you *what is going* to happen. Trust yourself and your gut.

#49: **People you fire don't make your life miserable, people you don't do:** Self-explanatory

#50: **Chewing someone out:** Give him the big desk ... "What would you say if you were me?"

#51: **Never let anyone pick his or her own successor:** History shows incumbents tend to select predecessors likely to fail, thereby making *their* achievements all the more remarkable.

#52: **Give more conventions and you can give fewer raises:** For most people, bragging rights are as important as money. Send them unexpectedly to a convention, wives too. Of course, they are to report back on what they've learned.

#53: **How many sales people do you have:** *Everybody* is a sales-person.

#54: **Get bored easily:** Entrepreneurs don't make good managers. If you're an entrepreneur, recognize your weakness ... hire somebody to manage the details.

#55: **Ask an old Grizzly:** Entrepreneurs generally don't listen well. However, they'd do well to understand there are a lot of valuable advisers out there to help carry the load.

#56: **Knowing when not to work is as important as knowing when to:** Knowing when to throttle-down can contribute as much to your performance (and life span) as knowing when to throttle-up. Turn on tremendous bursts when needed ... be unabashedly lazy sometimes, too.

#57: **Owning 1% of something is better than managing 100% of anything:** Nothing is tougher for the entrepreneur than letting go of total control. But the people they need to run the business expect a piece of the action.

#58: **Dig the well before you're thirsty:** You must see value (and make your move) before the marketplace starts bidding on it.

#59: **Treat your employees the way you treat your customers:** Your long term success depends on their performance. Win them over one-at-a-time.

#60: **How to be fired:** Be prepared to extract maximum concessions. Survivors do network extensively for new positions within the industry long before the axe falls. Getting fired should be the best thing that ever happened to you.

#61: **You can't solve a problem without first admitting you have one:** Stubbornness has destroyed more bottom lines than new technologies. The marketplace does not give awards for courage ... it has only one award to give: money.

#62: **If you can afford to buy your way out of a problem, you haven't got a problem:** A problem that can be solved with a checkbook isn't a problem ... it's an expense. Do it quickly.

#63: **I have never seen a bad resume:** Hiring the right people is the greatest talent a manager can have. Everybody looks good on paper. *Never call their references.* 10-step hiring process:

- (a) Candidate interview ... routine screening.
- (b) Back for 6 or 8 follow-up interviews with management team.
- (c) Candidate talks to MacKay for 30 minutes face-to-face.
- (d) Candidate talks to MacKay for 30 minutes on the telephone.
- (e) MacKay checks with his own outside sources ... who should know about this person?
- (f) MacKay interviews the candidate at home with his spouse and children.
- (g) MacKay socializes with the candidate in a different environment.
- (h) Candidate seen by 2-3 of MacKay's peers (reciprocates by seeing their final candidates)
 - (i) Candidate makes trip to the Master of that profession in the city.
 - (j) Candidate makes a trip to the counselor ... industrial psychologist.

#64: **Acid test for hiring:** Would you want this person working for your competition?

#65: **If you want to be a Santa Claus, your reindeer better be able to pull the sled:** Remember that spontaneous gestures have a way of becoming permanent "traditions".

#66: **Best ways to save time:**

- (a) Car phone.
- (b) Phone ahead before calling on customer.
- (c) Park your car in a getaway position.
- (d) Listen to audio tapes instead of the car radio.
- (e) Never travel without a tape recorder at your side.

#67: **Don't get mad, and don't get even either:** The only way to achieve true revenge is not to let your enemies cause you to self-destruct.

#68: **Know the enemy:** Know your competition as well as your customer.

#69: **Don't be intimidated by a reputation:** Inadequate commanders fail to seize the initiative because they overestimate the strength of their opponent.

CHAPTER 5: Quickies 19 of them

Q#1: Gratitude is the *least* deeply felt of all human emotions: Something makes humans unwilling to bear the burden of being grateful (and morally beholden) for very long. Gratitude lasts no longer than it takes for the recipient to say they're eternally grateful.

Q#2: It's not your last good idea: If you came up with one, you can come up with another. Once is not enough.

Q#3: Buy cheap cars and expensive houses: If you can afford an expensive car, you make more of an impact by driving an ordinary one.

Q#4: How to get meet a celebrity: Talk about their interests ... use *Who's Who in America*.

Q#5: The best R&D firm in the world is a phone call away: Call the public library.

Q#6: Self-esteem: If someone calls you a one-way, egotistical son-of-a-bitch ... thank them. The higher your self-esteem, the more you'll accomplish.

- (a) Humility is the most *overrated* of human emotions.
- (b) Ego-centricity bias is the re-interpretation of events to put ourselves in the best light, and it's a sign of mental well-being. MacKay calls it *optimism*.
- (c) E-bias (or optimism) is a helluva lot more productive than humility.
- (d) No one ever called himself a pessimist. Pessimists call themselves *realists*.

Q#7: There's no such thing as bad memory: You can remember anything/everything ... if you're interested in it. Einstein couldn't remember his own phone number, "Why should I bother if I can look it up?" The things he did remember, nobody could look up unless he wrote it down.

Q#8: Put your memory where your mouth is: Stay in touch with your mentors.

Q#9: Stay sharp by predicting the future (stock market, elections, etc): 3 rules to this game:

- (a) You have to write down your predictions.
 - (b) You have to write down the *reasons* for your predictions.
 - (c) After you lose, analyze the reasons why the prediction failed.
- The more you practice this, the better your predictive ability will be.

Q#10: Sometimes it pays to look bad: A fantastic tan might *hurt* if you need to plead for more money before the State legislature.

Q#11: Take a millionaire to lunch: It's lonely at the top. They got to the top by being super-achievers, and they have an inordinate need for recognition and approval, that's why they work so hard to get it. A compliment from a friend is even harder to come by ... give one.

Q#12: It's not only who you know, it's how you got to know them: MacKay flies first-class because of the people he meets there. There's camaraderie you won't find in coach.

Q#13: To a normal person, \$10 million will seem like enough: But anyone who thinks that's enough is not the type who can acquire that much in the first place.

Q#14: How to beat the law of supply and demand: Maintain the *illusion* of demand regardless of supply. No one wants it if it's too easy to get. If they can't get it, it's in demand, then everyone wants it.

Q#15: There is a place for anyone who will say "I'll take care of it": Saying you're going to do it before you do it counts ... it counts BIG. There's no better business reputation to have than being thought of as someone who delivers.

Q#16: Never give the same speech once: You *must* try it out on a live audience first. People expect successful people to be good on their feet. You want to come across as brilliant and articulate. Practice is important.

Q#17: If you doubt the concept of eternity, make a 5 minute speech: A speech is a sales call. Your company gains recognition and credibility. You overcome your terror of public speaking, gain self-confidence and assertiveness ... and it carries over to the rest of your life.

Eleven ways to win your audience: Consider these things while preparing:

- (a) Why was I invited to speak?
- (b) What is the group's purpose?
- (c) What are the professional, social and demographic characteristics of the group?
- (d) Who else spoke to the group recently? How received?
- (e) What other speaker was most successful with this group?
- (f) How can I personalize the speech for this group?
- (g) Who are the opinion leaders in this group?
- (h) Who will introduce me? How will I be positioned? What things can I say about them?
- (i) Will I be expected to answer questions? What can I anticipate? Touchy issues?
- (j) What message will provide genuine "take-home" value?
- (k) Who is my group insider who can help me?

Q#18: The beauty of cash: It's crisp, curvaceous, cold hard cash. Intoxicating. Mesmerizing. Give your bonuses in cash. One of the appeals of gambling is that they pay in cash.

Q#19: Meaning of Life: A little song, a little dance, a little seltzer down the pants.

CHAPTER 6: Helping your kids beat the odds

Be sparing, but when you talk give them silver bullets.

Don't plan on sticking around to collect the gold watch:

- (a) In their 1st job, they are overpaid ... they know nothing.
 - (b) They are overpaid the first 2 years because, once they know what they are doing, the company can underpay them for the next 20.
 - (c) Why stick around? To make it to the top í where they are overpaid again.
 - (d) The trick is to minimize the middle, underpaid years.
- Once you've mastered the job, it's time to move up, or move out.

Find something you like to do and make it pay: Work isn't work, if you like it.

Make believe your parents are right some of the time: You must be able to communicate in an attractive fashion. "Change" will be an inescapable characteristic of your children's careers. In a world where capitalism constantly destroys its own creations, they will have to market themselves.

There's no future in saying it can't be done: Fix it before it's broken, and make the competition catch up. Defy the odds. Youth has little to lose by trying something new.

It's harder to be a success when your parents already are: "It's 3 generations from shirt-sleeves to shirt-sleeves." Breeding is imperfect, no life form improves with every generation.

CHAPTER 7: The Closer: How to Succeed

SUCCESS = (Determination) + (Goal-setting) + (Concentration)

No company has a permanent consumer franchise. No one has the only game in town. The never-ending cycle of destruction and change inherent in a capitalist economy always provides new opportunities for those with determination, goals and concentration.