

How to Get Your Employees to Think Like Owners

By Vanessa Merit Nornberg; April 21, 2015

What entrepreneur wouldn't love to have a fleet of "mini-me" type employees on staff? We have all dreamed at one moment or another of finding employees who operate with the same grit and gusto we do. So how do we get not just one, but many employees who treat our businesses like their own -- wowing customers and wooing critics, proactively problem-solving, and pushing the business to the next level?

For my company, the secret to creating a team of go-getters who are as invested in the business's success as I am comes down to grooming my hires to think like owners, rather than hoping to happen upon a rare precious gem. Here's how I do it.

Question rather than instruct. Employees, especially new hires, often want to be told what to do, because they are afraid of doing the wrong thing. However, while telling an employee what to do in a given situation is a fast fix to the issue at hand, it does little to help him problem-solve the next time a situation arises. Quizzing the employee so he arrives at the answer himself is the better way to get him to act the way an owner would. For example, an employee at Metal Mafia recently wanted to know if she could ship an order out to a customer without securing payment. I did not think this was a good idea, because the customer had been hard to reach in the past, but I did not say so, and instead asked her why she wanted to do this. She told me she thought it would help him to order more. After she checked his order history and still wanted to do so, I asked her if she was willing to pay for the entire order if the customer did not send in payment. She told me no. I then asked her why she wanted the company to be willing to risk losing the payment if she was not willing to. She understood the stakes in a much more visceral way than she would have had I just told her no. Questioning forces employees to scrutinize, reflect upon, and own their decision making -- which is what owners do every day.

Replace rules with philosophy. Like any company, we have guidelines that keep the business moving forward. However, we teach that more important than any rule is the overarching philosophy of the company to do right by its customers. We ask employees to consider any situation in terms of this philosophy and then determine the best course of action. Having the freedom to use common sense almost always results in the employee thinking like an owner. My company, for instance, has a \$100 minimum order requirement because we are wholesale-only. If I teach that the rule is every order has to be \$100, my new recruits will apply the letter of the law. Last week, that would have cost me a customer when a client accidentally ordered the wrong item and wanted to exchange it. An employee given only rules would have made the customer reach the \$100 minimum for the exchange order. Instead, the new recruit reasoned out her options and chose to ship the exchange item while waiving the minimum. In the same breath, she also allowed the customer to add anything else he wanted to the order, generating an opportunity for the customer to make his shipping costs per item less expensive, and helping us to offset the labor costs of picking up and packing an order under the minimum.

Reward decision making. Owners, while doing all they can to avoid errors, do not have to worry about being fired for mistakes. Employees, on the other hand, operate with a subconscious fear of losing their job if they make the wrong call. Putting this fear to rest frees them up to behave like owners. I address it in three parts. The first thing I tell my new hires is that there is nothing they can do that we can't fix. The second thing is that I would rather they make the wrong call than make no call at all. The third thing I tell them is that the only mistake they can get fired for is one that they make over and over despite being instructed otherwise. Just hearing these three truths openly is the most powerful thing I can do to help my employees own both their actions and their outcomes -- which means they will guide my company the way I do.

<http://www.inc.com/vanessa-merit-nornberg/wish-you-could-clone-yourself-when-hiring.html>