

SmartBusiness®

a SMART BUSINESS NETWORK publication

CHICAGO

Electronically reprinted from January 2007

Quality control

John Westerberg, Nelson Westerberg Inc.

Fast Lane

How John Westerberg grew Nelson Westerberg simply by being the best **By John Nank**

When John Westerberg inherited the reins of the family company from his father in the 1960s, Nelson Westerberg Inc. had a solid reputation as a local Chicago moving company. But it didn't take long for Westerberg to introduce a new philosophy, one aimed at expanding the company beyond small, neighborhood accounts.

"If you're going to get on a national and a global plane, then you've got to have a whole different approach to life, and that has to be that you're absolutely the best thing out there," Westerberg says. "It's all based on quality."

Smart Business spoke with Westerberg, whose company posted \$78 million in 2005 revenue, about how growing your business really can be as fundamental as being the best you possibly can.

Q: What is the key to building customer loyalty?

If your initial philosophy in being in business in the first place is to be better than your competition, then your initiative is going to be quality. There are three Qs in business: quality, quality and quality.

If you've got a service that's directed toward that initiative all the time, if that's the main focus that you have — to be a quality provider, a quality supplier, a quality company to your customers — then your customers are going to stay with you for a long time. I've never had a customer come to me and say, 'You know, you're the best thing since sliced bread, you are absolutely the best there is in the industry and we love you, but we can't do business with you anymore.' I've never had anybody tell me that.

If you can't deliver the quality, then you're not going to last very long in our company. I don't care if you're an owner/operator, an operations manager, a customer service representative or a warehouse man, if you don't have at the forefront of your thinking every single day you come to work that you're going to do the best you possibly can for our customers, you're going to be in trouble in our company.

I'm driven by that myself. I'm not going to have anything with my name on the door that's going to embarrass me.

Q: How do you set goals?

The Japanese have a very good philosophy about business. They don't worry quarter to quarter or half to half or one year to another; they see a very long-range vision.



I see my company exactly that way. I don't worry about how much profit we might make in a three-month period, I'm interested in how we are doing on a long-term basis. I want to look out there four, five, six years and see where we want this company to be and ask if we are still happy with our business model.

Every time I have a meeting with our top people, I ask them the same question: Is our business model still viable in today's marketplace? That, to me, is one of the absolute most important things. Every company has a business model, and every company has a culture, but is

it still viable in today's marketplace?

Q: How would you describe your leadership style?

I've always believed in order to run a small business effectively, you've got to be involved in the processes and you've got to be involved in truly managing the company and making sure that the initiatives that you set out for your people are being carried through.

Otherwise, you're going to lose your business really quick. There's no guarantee in American business that you can make it from one year to the next if you let go of the process and you don't manage it effectively and closely.

If you're far removed from the street, where things are really happening for your people and for your company, if you step back too far, you might get a nice macro look at your company, but it won't tell you what's really happening on the ground. In our business, or in any business for that matter, you've got to know what's happening on the ground.

That's the difference. Don't confuse it with being a micromanager. This is hands-on management, understanding what your people are doing but not necessarily trying to do their job for them.

Q: What is one thing that can limit a company's growth?

Losing track of where you're trying to go. If you don't have a clear idea of where you want to go and what customers you want to serve and what company you want to be in, you can't grow anything. You won't know what to do or how to even get the thing started.

Success is defined by your customers and by your people. You're successful if your customers love you, if they think you're doing a great job for them and they don't think there's anyone else out there who could do as good a job as you're doing for them.

HOW TO REACH: Nelson Westerberg Inc., www.nelsonwesterberg.com