



self fulfilling prophecies

Why some trucking CEOs are leading their companies to success while others seemed destined for ruin



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On a day-to-day basis, I meet with and speak to executives of trucking companies throughout North America. Every trucking company is dealing with the same issues of high fuel costs, the “freight recession” and the other challenges facing the industry at this time. What is striking is that some companies are actually thriving in these difficult times, growing their top and bottom lines, sometimes in double digits. Others seem powerless to defend themselves.

They recount their tale of woe, talking about the number of pieces of equipment being parked by one competitor and the poor financial results of another. They mention the facts and rumors as almost a source of comfort. It is alright if we “go down the tubes” since everyone else around us seems to be in the same boat.

What I notice is the CEOs of “losing” companies speak in a different way from the CEOs of “winning” companies. They use different language and look at the same world with a very different perspective.

When you ask a “losing” CEO about challenges, they talk about fuel, the dollar and in the case of Canada, the disappearance of southbound freight and their inability to create profitable round trips. They state that they “can’t do” this and “don’t want to do” that. They can’t enter new markets since they can’t find backhaul freight. They can’t expand their value position since they don’t want to partner with companies they don’t know or trust. They can’t find new business. Some think they can shrink their way to success. In fact, when I asked one CEO where his company will be in three years, his response was, “We will be out of business.” How’s that for a self fulfilling prophesy?

The “winning” CEOs see the world differently. They use words like “are doing” this and “can do” that. They talk about taking market share from failing or disappearing carriers, expanding their existing markets, and purchasing companies at favourable earnings multiples. They talk about growth. They inspire their teams with their positive energy.

This begs the question: is this positive energy foolish bravado or is it the confidence in knowing that you are on a path to success? Can they really lead their teams to the “promised land” during these difficult times? The answer is yes they can and yes that is what they are doing. Behind their positive energy are a sound business plan and a solid, motivated, well-directed team. These companies know their niches. They are fighting hard to dominate their niches and differentiate themselves with transportation – and non-transportation-related initiatives.

They are looking at the offence and defense of their competitors. They are devising solutions to put them out of their misery. They are growing their businesses by adding value, building their existing beachheads, adding new ones, thinking out of the box. They are moving positively and aggressively while others are hunkering down, cowering, waiting for their companies to fail.

Clearly, it is all about leadership. Is a trucking company going out of business, CEOs must ask themselves: Is it because of me? Am I so married to old paradigms that I cannot or will not reach out for help, cannot or will not listen to the ideas of my employees and others? If they can’t do it, either on their own or with some new leaders, perhaps it’s time they reached out for help?

To turn the ship around, trucking CEOs should invite their leadership team into the boardroom and complete this exercise. Prepare a list of the major opportunities and challenges facing the company at the present time. Rank them in terms of bottom line impact if they could overcome your challenges and turn the opportunities into successes. Once this exercise has been completed, go through the exercise of identifying everything they could do to overcome these challenges. Develop action plans, timelines, and accountabilities and make it happen. They must commit to a “yes we can” and “yes we will” attitude and they will be on their way.

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