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LEADERS & SUCCESS

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Set Up The Turnaround

From boosting declining sales to salvaging a failing company, turning around a business takes persistence and hard work.

Vikas Kapoor specializes in the corporate turnaround. In 2004, he became president and CEO of IRMC, a global call center in dire financial straits.

"Profitability had pretty much vanished," **Kapoor** told IBD. "Now profits are back to pretty much what they used to be at the peak of this company."

Kapoor started by examining IRMC's infrastructure. "You have to very deliberately lay out a plan for where you want to go, and then be patient," he said. **Kapoor** identified three key turnaround steps:

■ **Instill will.** It's a sad thing to see a company battered by falling performance. The first step is reviving company spirit. "It starts by instilling a will to win," **Kapoor** said. "The way I articulated that was by client performance. I made it our goal to be No. 1 in client performance." He's also giving the company a new name: iQor Inc.

■ **Change team.** "The only way to do change management is to change management," **Kapoor** said. "In a turnaround situation, you don't have time to wait for people to change."

Kapoor said the staffing shake-up wasn't restricted to upper management. "We're talking all the way down to the 7,000th person," he said. "They all need to have a hunger. If I had to isolate one thing I look for, it's that."

■ **Think global.** **Kapoor's** vision for IRMC was to add one U.S. job for every overseas job, making the company truly global rather than concentrated offshore. Investing in technology helped make it possible. "We now have one worldwide data center in New Jersey," **Kapoor** said. "Calls get routed there by voice over IP — Manila or Charlotte, it's just a flip of the switch."

Boosting Sales

Sales manager Mike Dandridge has spent three decades turning around mediocre sales numbers. One example: He doubled an electrical supply company's gross sales in six months with some customer-centered changes.

"We went from \$50,000 a month in sales to \$100,000, and we didn't do anything else different," Dandridge told IBD. He compiled his secrets in "The One-Year Business Turnaround." A few of his tips:

■ **Tickle senses.** At that electrical supply company, Dandridge made customer visits multisensory by offering cappuccino and fresh-baked cookies. He put toys and puzzles on the customer counter to entertain visitors while they waited. "It was out of left field — you don't think of these customers as being playful," he said. "But these are the kinds of things that make customers talk."

■ **Talk the talk.** Get to know your customers by reading what they read. "If you're trying to sell software to Realtors, I would want to read their magazines. It's like speaking someone's language," he said.

■ **Compassion.** That's the No. 1 trait he looks for when hiring. "I can teach someone how to cashier," he said. "I can't teach them how to be compassionate. People can try, but they just can't keep it up over time."

Sonja Carberry