



## *7 Steps to a Better Business*

*... One That Works For YOU*

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## Introduction

Since starting my practice in 2004, I have been privileged to work with hundreds of small business owners, helping them create a better business – one that provides them with the income and lifestyle they want!

Building a business that works for YOU and supports your life is a journey, a gradual process that takes you from where you are to where you want to be. Fortunately, the journey has already been taken by many small business owners, just like YOU.

*"There are two primary choices in life -- to accept conditions as they exist or accept the responsibility for changing them." ~ Denis Waitley*

The secret to a better business is not really a secret at all. Most experts agree the journey starts with a clear vision of what you want and why it is important to you. In other words, you need to know what success looks like – the end game if you will.

Sounds simple right? Most of us start our business with a dream or vision ... more freedom, more control, more financial success – more life! We jump in with passion and a lot of energy. We apply innovation to all we do -- heck it saves us money, time and other valuable resources. And our business begins to grow.



We work a lot of hours and sacrifice time with family and friends. We tell ourselves it's okay because it takes hard work and sweat equity to build a successful business. We pay ourselves whatever is left at the end of the month - and tell ourselves that we're investing in our future and will see our payoff later. A year goes by, then another, then another. Then it hits us. We don't have a business, we have a job – lots of hours, little pay, few benefits – and all the risk. So what happened?

The problem isn't your lack of vision, dream or purpose – you had one! You simply lost focus – and got overwhelmed with all the day-to-day running of your business. The passion, energy, and innovation that helped you start and grow your business has faded away...

You are not alone. I have seen it with hundreds of small business owners – and even experienced some of this early in my own business. But you can turn it around and create a sustainable, profitable business – one that works FOR YOU – and provides you with the lifestyle and income you want.

*“Most people are NOT going after what they want. They're going after what they think they can get.”*

*Bob Proctor*

But it takes a commitment to mastery in all the areas that drive your business success. It won't happen overnight. There are no magic formulas. For most, it's simply a matter of doing the right things, doing them right and being consistent.

So what are the right things? What areas do you need to master in your business?

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### *Mastering The 7 Elements of Business Success*

<b>Planning &amp; Goal Setting</b>	<i>Aligning your personal and business vision and setting clear goals with action steps and deadlines for greater focus and results</i>
<b>Products &amp; Services</b>	Packaging, positioning and pricing your products and services to attract and retain profitable customers – today and in the future
<b>Revenue Mastery</b>	Business development, marketing, sales and customer service strategies that attract new customers and keep existing ones coming back and referring others
<b>Systems Mastery</b>	Streamlining and standardizing procedures, to make daily operations easier, efficient and more effective – whether you are there or not
<b>People Mastery</b>	Hiring and developing employees, contractors, vendors and alliances who are committed to your customers and the success of your business
<b>Personal Development</b>	Commitment to learning and building skills and knowledge to help you achieve your true potential
<b>Financial Mastery</b>	Creating synergy and profit mastery, to sustain growth and cash flow, so your business continues to serve you, your people, customers and other stakeholders

*Profit is the reward for excellence in entrepreneurship!*

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Now if you are reading this and thinking *I can't* or *this seems like too much work*, then this e-book probably won't help you. You may as well save yourself some time and keep doing what you've always done.

But if you believe you have the potential to improve your business, are open to new ideas and willing to act on what you learn – then keep reading. Because I am going to share with you some proven, practical ways to improve all these critical areas that lead to business and personal success.

I hope this e-book educates and inspires you to take action ... because *it's not what you learn, but what you do with what you learn that truly matters!*

## Planning

Planning is simply preparation. It's the activity or act of thinking out or preparing for something in advance – so we get the outcome we want. Most people plan at some level -- you may plan your daily schedule, vacations, a party, or even weekly dinner menus!

Why? Because planning or preparing ahead helps us get the outcome we want. Think about it -- when we plan our daily and weekly activities, we tend to get more done; if we plan vacation (time off), we tend to get away, 'do stuff', relax and enjoy our time with family and friends.

So if daily and weekly planning helps get the short-term outcomes we want, shouldn't we take the time to plan for the longer term? To define our future success -- in life and business – and plan a course of action to make it happen? Of course!

Planning starts with aligning your personal and business vision (purpose or dreams) – then setting clear goals with action steps and deadlines to make it happen. In essence, creating the road map for your success – to provide greater focus, which leads to better results. Sounds simple, but it's one of the most under-utilized tools in the small business tool box. Some think it's too complicated – but it doesn't need to be. Some think it takes too much time – it actually saves you time. Some just think it's of no value – time to think again.

*"It's not the will to win, but the will to prepare to win that makes the difference" ~ Bear Bryant*

*"The difference between the impossible and the possible lies in a person's determination."*

Tommy Lasorda, Dodgers

Nobody goes into business planning to fail. Unfortunately, they may end up there because they fail to plan. A good plan isn't complicated – in fact, simple works best. But, if done effectively, it will keep you focused on priorities, so you stay on track and actually accomplish more.

### ***Do's and Don'ts to Make Planning Easy & Effective***

1. Don't Strive for Perfection. A plan is a roadmap but results come from doing. Spending countless weeks and months trying to create the perfect plan comes at the expense of doing! Doing creates learning and you can adapt along the way. A plan that is 80% perfect and implemented now, will always outperform a perfect plan that is never executed. Remember, sometimes good is good enough!
2. Do Start With a Life Vision. As a business owner, your income and lifestyle come from your business. But your life vision should drive your business goals – not the other way around. So start by thinking about what you want your life to look like in 5 or more years. How do you spend your days, weeks and months? How do you spend your 'free' time? What do you have in the future that you don't have now? How would others describe you in your ideal future? Jot down your thoughts then craft a paragraph or two that *visually* describes your life. It should be compelling and inspirational to YOU – so don't worry about what others would think! Here's a few sentence starters that may help along the way: I am enjoying...; I am grateful and proud that... It feels great to...



3. Do Focus on What Not How. Don't let the 'how to' kill your dreams. One of the biggest roadblocks when it comes to long-term goals is linked to our practical nature. If we can't figure out how to get there today, we simply change the goal to something in our comfort zone. It's okay to not have a perfect picture of how you will achieve your vision and long-term goals. Don't change the dream, simply look for opportunities to appear and act on them.
4. Do Set Goals. Goals are nothing more than specific outcomes, results or activities you need to accomplish over time in order to achieve your life vision. They act as milestones along the way to measure progress. Ideally your personal goals should cover important areas of your life -- financial, personal development, relationships, spiritual, health and well-being, community, etc. Your business goals should include all the important areas that drive growth and profit (not just sales). Think of goals in terms of what you want to BE, DO, HAVE or ACCOMPLISH. Be specific – vague goals create vague results. Improve your chances for success by applying the *SMART Principle*.

### *Setting Goals Using SMART Principle*

#### **SPECIFIC ...**

Would others understand your goal without explanation?

#### **MEASURABLE ...**

Are there measurable numbers in your goal to track progress?

#### **ACCOUNTABILITY ...**

Have you set and shared the goal so you have accountability to someone?

#### **REALISTIC (TO YOU) ...**

Do you believe you can and will be able to achieve the goal?

#### **TIME SPECIFIC ...**

Have you set a date for completion of the goal? Is it realistic but aggressive?

5. Do Take Action Goals without actions are nothing more than dreams. Whether you want to lose weight, earn more money, expand your business, spend more time with family or travel the world, your ability to create these outcomes will ultimately come down to what you do and the actions you take – each day, week, month and year. Every goal should have key tasks or activities you must do to accomplish it. The number of activities will depend on the goal, but action is required. Write them down – and focus on these activities.

*“A vision without action is just a dream; an action without vision just passes time; a vision with an action changes the world.”*

*~ Nelson Mandela*

6. Don't Keep It In Your Head. Put your vision, goals and key activities in writing. Be concise and clear. Keep it short and answer the following questions. What is my life vision? What are my high level, critical goals for the next 3-5 years to get me where I want to be? What are the key goals for the next 12 months to move me forward? What actions and tasks must I do to accomplish my 12 month goals?
7. Do Keep It Simple & Chunk It Down. The best plan for your life is probably no more than one page. The best plan for your small business is not the 50+ page business plan that ends up on the shelf. Instead a simple action plan outlining your goals, key actions and timetables for completion will serve you much better. A 3-5 page action plan works for my clients, works for me – and can work for you. This pulls it all together. Then each quarter, create a quarterly project plan (2 pages) to keep you focused on the priorities for the coming 90 days!
8. Do Review it Often. A plan will only keep you focused and on-track if you review it often. Spend 10 minutes each day reviewing your vision and goals. Here's why.



First, it reinforces them in your subconscious mind and helps you attract what you need to achieve them. Second, it helps you set priorities and manage your time more effectively. If you know what your priorities are, you are far more likely to turn down time (and money) commitments that don't fit your priorities! Finally, it formalizes your commitment. For most of us, commitments we put in writing are stronger than verbal ones we make with ourselves.

9. **Do Build in Accountability.** Once you commit to your goals and develop a simple plan of attack, share them with someone who will hold you accountable to yourself – your personal accountability partner. This may be a spouse, friend, colleague or coach. But it should be someone who has a vested interest in your achievement of the goals and will support and push you to do what you need to do.

Don't let fear, dislike or attitudes about planning prevent you from reaching your dreams and goals – in business and in life. Keep it simple, but do it. You will be amazed at how much you can accomplish with a little planning!

Still stuck or not sure where to start? Check out my **Ultimate Guide for Goals & Action Planning** – on my website [www.HybridBizAdvisors.com](http://www.HybridBizAdvisors.com) [Products]



## **Products**

Packaging and positioning your products and services to attract and retain profitable, ideal customers – today and in the future is a key to sustainable growth and profit in any business.

Products and services have a shelf-life because technology, economic conditions and competition change over time. As a result, your customer needs and buying decisions will change along with them.

You must continuously apply innovation in this area of your business. Now don't confuse innovation with invention. Innovation is simply applying a new idea or method to what you do. A new product is certainly innovative, and most small businesses recognize this. But a new method of delivery is also innovative. A new value added element is innovative. A special bundling is innovative. A new target or market for your products or services is innovative.

*"Creativity is thinking up new things. Innovation is doing new things."*

*~ Theodore Levitt*

Regardless of how you apply innovation in your business, remember to continue to look for new and better ways to serve your ideal customers ... to meet their needs with the right product and service offerings.

### ***5 Ways to Improve Your Offerings & Increase Revenue***

1. Create a new product or service for your business. What do your customers need today that you could easily offer or integrate into your services – big or small? The

key to success here is to insure it's a natural fit for your other products or services.

They should compliment your current offers – and be 'logical' to customers based on your company's reputation, experience, etc.

2. Offer a simpler or smaller version of an existing product or service. Can you take something away or simplify it to make it more affordable to your target customers? This may be a way to create an 'easy entry' to your company – and you can up-sell or cross-sell them later.
3. Offer a bigger or more expensive version of an existing product or service. What can you add – value or technology – to make the product or service more appealing to your ideal target customers? Consider what your competition does, or does not provide. One of the keys is to do a little research by talking to your ideal target customers. What do they want, what are they willing to pay?
4. Package existing products or services. While bundled services may cost more as a package, they typically deliver more value in the long-term and ultimately save you money. The key with packaging services – do it for a niche or small segment of your market. Do not try to create packages that serve everyone or you will ultimately serve no one. In addition, if you have a service business, only package services you consistently deliver well and efficiently – or it can cost you!
5. Update your services. Since the needs of customers change over time, your products and services need to keep up. Do the value adds you include still matter to customers? If not, remove them and save the money. Are there services that you need to add – that are now expected? If so, find a cost effective way to incorporate them. Feedback from customers makes this easier to do – so evaluate your services and modify them as needed.

When you give your products and services that much needed facelift, remember to communicate it! While many small businesses promote a *new* product, they often overlook communicating improvements or changes to existing products or services – to prospects and existing customers. Announcements in newsletters or email campaigns, press releases, a simple business letter, direct mail piece, updates on social media networks or even a ‘New’ icon on your product website can often do the trick.

So as you plan your marketing, don’t overlook the product development side of your small business and remember to communicate the changes you make. Your bottom line will thank you.



## ***Revenue Mastery***

Attracting new customers, keeping them coming back and referring others, is certainly important to achieving sustainable growth and profit. But it doesn't happen by chance. It requires marketing, sales and customer service strategies – done right and done consistently!

Too often, small business owners make promotion a stop-start activity in their business. Something they do when time allows or when they experience a problem, such as a decline in sales or loss of a big customer. Unfortunately, this lack of consistency really costs them ... time, money and profit.

Keeping your pipeline full of ideal prospects and creating lifetime customers doesn't require tons of money. But with a little innovation, a plan of attack and consistent action, you can do it.

### ***Choosing the Best Marketing Strategies***

With over 75 different ways to generate leads, is it any wonder that many small businesses get overwhelmed with all the possibilities? Yet choosing the right ones to promote your business is a key to getting more customers and doing it profitably. Here's 7 questions to consider when planning your efforts:

1. **What marketing strategies have worked for me in the past?** While not a guarantee, past performance can be a good indicator of future success. Remember to consider both the number of leads and the quality of leads these efforts

produced. Some strategies may produce poor leads, price shoppers, but not sales; others produce fewer leads, but more quality sales.

2. **What products or services do I want to promote?** As a small business, your marketing needs to produce sales, not just awareness. So it's important to select the right products or services to promote, then select strategies that work for that product or service. Fortune 500 companies with 'big' budgets don't invest marketing dollars on every product or service they offer – they invest in some and allow the others to 'sell themselves'. As a small business owner, you need to avoid trying to sell everything to everyone with your marketing -- it's a recipe for failure.
3. **How do my target customers like to give and receive information?** Do they prefer in person, by phone, email, in writing, online, or via social media? For most small businesses, this depends on what information you are providing and typically includes multiple methods.
4. **How many contacts do I actually need to build relationships and create sales for my business?** Typically, businesses require seven or more contacts – any encounter with your business – to create awareness, build a relationship and create a sale. For higher priced services, where prospects may perceive more risk, the number of contacts may be greater. So build a variety of possible touch points – and deliver the same message consistently
5. **How can I get existing customers to keep buying, buy more or buy more frequently?** Many small businesses focus their marketing on generating new customers and often ignore their existing customer base. These offer a goldmine of opportunity, but only if you market to them. Did I also mention that it is a lot cheaper to market to existing customers who already know and like you?

6. **How much time and money can I invest consistently?** Marketing strategies have both a time and money component. Some, like networking and social media, are free or low-cost, but consume a lot of time; others, like direct mail or advertising, require a higher money investment but little time. The key is to balance out your time and money investments so you can do marketing consistently throughout the year.
7. **What do I like and what am I good at?** Let's face it, nothing happens until you take action and implement the strategy. So it makes sense that you consider this point when putting together your strategies. Avoid building a plan with a lot of strategies you dislike doing or struggle with – you simply won't do them. Either delegate or outsource the implementation to someone who does it well, or get help and learn how to do it effectively. It is amazing how we like to do what we are good at – we're in our comfort zone. Recognize this and integrate uncomfortable strategies a little at a time, and make the commitment to do them.

Now here's a bonus for you to also consider. How do I systematize my marketing so it gets done easily, effectively and profitably? Once you have decided on a strategy to use, create it, implement it, monitor it, modify it and document it! Look for ways to make it easier and more effective next time.

When your marketing takes less time and effort – and still delivers the return on investment you want – you'll find it's not so overwhelming. You may actually grow to like it!

*“Opportunity is missed by most people because it is dressed in overalls and looks like work”*

-- Thomas Edison



### ***Beyond Leads: 3 Untapped Opportunities***

While a business requires a steady flow of new leads to sustain growth and replace lost customers, lead generation strategies are typically the most costly methods to grow revenue. So before you invest time and money generating new leads, know and understand the other factors that drive your revenue: sales conversion rate, number of transactions and average dollar sale. For many businesses, these are untapped profit opportunities – lots of room for improvement at substantially lower costs!

Sales conversion rate is simply how many leads you or your sales people convert to paying customers. Think of it as an efficiency measure for sales. What is your sales conversion rate? If you don't know, track it. After all, leads that are not converted to sales are a waste of time and money!

#### ***Tips to Improve Sales Conversion Rates***

- Clearly define your ideal customer(s) and understand what is important to them. Without clear targets, every lead looks like a great opportunity – costing you time and money.
- Recognize your company's strengths and weaknesses. Be honest with yourself. What do you do well and profitably? If you are not sure, ask your ideal customers. Then focus on prospects that NEED what you do well and be willing to let go of the others.
- Differentiate yourself with a guarantee. If you consistently deliver critical benefits for your target customers, a guarantee is a great way to reduce the buyer's perceived risk, overcome obstacles and convert sales. The key to an effective guarantee – make sure your delivery is consistent and make sure it is relevant or important to your target market.



- Create a sales management system – a consistent approach you use for every lead. Know the key touches and steps and where prospects are in your sales process.
- Know why customers buy -- what benefits customers get when purchasing your products or services. Insure sales messages and discussions communicate this. Prospects may ask about features – but they buy benefits.
- Set sales and milestone goals and track them. Key events in the sales cycle, such as face-to-face meetings or requests for quotes, are indicators of progress. Tracking tells you where prospects fall off so you can improve your sales system. Remember, what you measure, you can manage and improve.

The number of transactions relates to frequency – how many times your customers purchase from you over a specific time-period, typically one year. The average dollar sale represents how much customers spend each time they do purchase. What would your bottom line look like if your customers made one additional purchase each year or bought one more product or service when they purchased from you?

For most owners, the answer is ‘substantially better than it does right now’. The key – small improvements in these areas can increase revenue without acquiring new customers. Tap into your existing customer base and watch your profits grow.

### ***Tips to Increase Transactions and Average Dollar Sale***

- Develop or maintain your customer database so you can keep in touch or quickly respond to sales opportunities.
- Stay connected with your customers – by phone, mail, email or, if appropriate, through social media. While the frequency may vary, every customer should receive a ‘touch’ at least once per quarter.

- Make valuable customers feel more appreciated than non-customers or prospects. While new customers are critical to growth, make sure current customers get some VIP treatment. Programs, offers or specials just for current customers work well.
- Look for opportunities to sell multiple products or services – educate customers on the range of services you offer, create checklists of typical add-on offerings for key products or services, bundle or package products and services, implement sales scripts, free trials, special offers on additional services with primary purchase.
- Train your team in sales and service – and WOW your customers with consistent delivery so you create raving fans who spend more and buy more often!

On a final note, know the numbers! If you want to improve sales conversion, number of transactions or your average dollar sale – track it, set goals, implement a strategy and celebrate your teams' success.

### ***Retain or Replace?***

It is often said, “Customers go where they are wanted and stay where they are appreciated”. When businesses lose customers, they often assume it was related to price, a new competitor, the economic climate or even the brother-in-law who now does what you do. Yet research has shown that over 65% of customers leave because of perceived indifference -- they just don't think you care.

So how much time and money do you invest in retaining and building relationships with your existing customers? Now compare this to the resources you spend attracting new customers? Are you surprised?

Don't get me wrong, new customers are the lifeblood of most businesses. But, if your new customers simply replace those you lose, it's costing you a lot! Losing customers can drastically affect your reputation, credibility, referrals, sales, and profits.



### **3 Keys to Retain Valuable Customers**

Stay connected. Whether you do it by phone, mail or email, make sure your customers know you are thinking of them. Too often, we only connect when we're trying to sell something. A simple thank you, a request for feedback, or a holiday greeting card can all do the trick. If you want to add a special offer, just for them, even better! While the frequency may vary based on your business or industry, quarterly contacts should be your minimum goal!

Make customers feel like VIP's. Your current customers need to feel more appreciated than non-customers or prospects. Some of you may remember when the telecom industry was de-regulated. Companies were offering \$100 to switch providers -- but if you were already a loyal customer, you got nothing. How did that make you feel? While new customers are important to growth, make sure current customers get some VIP treatment. Programs, offers or specials just for current customers (VIP's) work well.

Make customer service everyone's responsibility. Does everyone in your company understand the value of customers – and are they ready to help them regardless of whose job it really is? Train your team on customer service and give them the tools and ability to take care of your customers. From the receptionist to the technician or delivery driver, your team will make an impression. The kind they make is up to you!

### **Make Service a Priority for Profit**

Customer service and satisfaction are critical to overall success and profitability. So making improvements should be a priority because:

- (a) loyal customers spend more and buy more frequently

“A business absolutely devoted to service will have only one worry about profits. They will be embarrassingly large.” --  
Henry Ford

- (b) customer satisfaction is linked to retention
- (c) it's cheaper to retain customers than acquire new ones
- (d) customers are willing to pay more when service is better than competition
- (e) happy customers refer others
- (f) unhappy customers tell anyone who will listen about their negative experience.  
Any social media and online reviews make it easy! Who needs that kind of PR?

### ***Secrets To Improve Customer Service***

Get feedback. Customer needs change. So does competition. So encourage and welcome customer input about how you can improve. Customer surveys are a great tool for (a) understanding what customers want and need, (b) evaluating your own or your teams performance and (c) uncovering innovative ways to solve their problems or exceed their expectations.

One of the best questions you can ask is “On a scale of 1 to 10, with 10 being the best, how would you rate our service? Anything less than a 10 (and most are), should be followed with ‘What do we need to do to be a 10?’ The answers may surprise or maybe even inspire you. Remember, you can’t fix or improve something if you don’t know it’s broken.

Select the right people. When you hire employees or select subcontractors to interact with your customers, make sure they value customers and possess the skills to deliver to your standards. Are they empathetic and trustworthy? Can they communicate well and listen to learn? Each customer contact with you, your team or other partners, is an opportunity to build your reputation or destroy it. Make selection of people a priority.

Treat employees well. Appreciation starts at the top. Your team will treat customers the way you treat your team. Do you greet them when you arrive? Do you thank them? Do you listen to their concerns and ideas? If you take care of your team, your team will take care of your customers.

Document and handle customer complaints. No matter how good you are, things can and will go wrong. Identify the source of the top complaints (even if they only occur periodically) and develop a process to handle them. Don't forget to include guidelines and limits of authority so your front-line employees can resolve the majority of complaints without going to the boss! Keep in mind, complaints, if handled well, can actually build loyalty with customers.

Measure and reward customer satisfaction. If customer satisfaction is really a priority in your business, demonstrate this to your team and customers. Develop a method to measure it, set goals for improvement and reward the team when the goal is accomplished. And here's another plus. If your 'documented' customer satisfaction levels are 95% or better – you now have a great message for use in marketing.

Train your team. Customer service skills, like technical or sales skills, can be developed and improved with training – for new and existing team members. In addition to better service, employee training is linked to improved employee retention and satisfaction.

Document your critical systems and processes. Too often, the source of dissatisfaction or perceived poor quality is tied to your procedures. Take a look at the processes – from initial contact through billing – and document what gets done. I guarantee you will find gaps in consistency and opportunities for improved efficiency and effectiveness. Documented systems put money on the bottom line by improving customer satisfaction and reducing re-works, returns or call-backs (a big satisfaction driver).

Set expectations. In marketing and sales, a 'can do' attitude is important – but only if you can deliver. Real success in business comes from delivering what you promise and doing it each and every time. So set the right expectations and remember the old saying – better to under promise and over deliver!

## Systems Mastery



Say the word systems or procedures to most small business owners, and it's usually met rolling eyes or grins. Definitely not glitzy! But if you want to deliver consistently on your promise to customers and put more profit on the bottom line with less effort, you need to learn to **love systems!**

Maybe the first step is to think of systems as a process or a 'step by step' approach to how you do things. Many small businesses have nothing that documents how they do what they do. As a result, there is little consistency from one activity to another – unless of course, the owner does it all. To make matters worse, it makes delegating, hiring and training new people difficult and far less effective.

So why do so many small businesses ignore this area? Many assume that only big businesses or franchises need them. They'll say things like, 'We're small, we talk to each other, and we all know what needs to be done'. And maybe this is true when you first get started and it's just you or maybe your spouse.

But what happens when you grow and suddenly you are serving more customers, or bringing in new staff? What happens when people leave and take the knowledge with them? What happens when you want to outsource work you currently do? What happens when you, as the owner, want to go away for two weeks with your family?

*"Efficiency is doing things right; effectiveness is doing the right things." -- Peter Drucker*

If you want a business that provides consistent quality and performance in all areas of the business – customer service, marketing, sales, delivery, billing and collections -- whether you are there or not, then make systems and procedures a priority.

Are you ready to start putting the power of systems to work in your business -- to build consistency, efficiency, productivity and profits? Here is some advice that has worked over the years with my small business clients.

Set the right goal. Setting a goal to complete a ‘how to’ manual is just plain boring and overwhelming. Instead, set a goal to build systems into your business – as you are building it – one procedure at a time. You will eventually end up with a practical, how-to manual – but you’ll build profit and efficiency along the way to keep you motivated.

Take it one procedure at a time. For every system you document and implement, you will see improvements in efficiency, productivity and profit. So you don’t need to reach the end of the project (a how-to-manual) to see results – more sales, more customers, more profit – and yes, more control and freedom.

Start with the most critical. Procedures, like customers, are not created equal. Focus first on the ones that impact YOUR sales, delivery, profit and time. Two factors you need to consider. First, consistency – is the process being performed the same way by all involved? Second, effectiveness – is it delivering the outcome or results you want?

Here’s an example. You have a sales process that is documented so everyone does it the same way. But if your process doesn’t help you achieve a better outcome – more sales or a higher conversion rate – then it’s consistent but not effective. In your business, you want both!

Keep it simple. Procedures must be understood by those who implement them if they are to deliver consistent results. Include scripts, checklists and samples where appropriate to help people perform the task at hand.

Include limits of authority. Written procedures will explain what to do and how to do it. But some tasks such as preparing a quote, closing a sale, paying vendors or resolving a customer complaint may require you to spell out how much authority others have to complete these tasks. Limits of authority empower others (with limits) so tasks get done without you – while also reducing potential risks (aka bad decisions).

Here's a common example. If quotes are needed to close a sale and timely response plays into getting the business, you don't want approvals to become a bottleneck. With guidelines, only proposals that fall outside the parameters you set need to be held for your approval. Your quote process may therefore include language such as "All quotes or proposals over \$5,000 OR under 35% gross profit margin require owner review and approval"

### ***10 Steps to Systematize Your Small Business***

Get Organized. Before you jump in, create a folder on your computer documents to 'hold' your documented processes, so they are easy to find and update.

Identify Events. Most processes are triggered from events that occur in your business. Some examples include you get a lead (or prospect), you get a new customer, you receive a bill, you need to hire a new employee, you receive inventory or stock, you need to invoice or bill a customer, you get a customer complaint or need to prepare a quote. So make a list of all the different 'events' in your business.



Prioritize the List. When it comes to documenting your processes, start with the ones that are most important to you – those that make you money, free up your time, are currently causing poor customer service or duplication of effort among your team. Make a list and prioritize it

Determine Who Is Responsible. The best person to document a task is the one who actually performs the work. It may be you or someone else. Get him/her involved.

Write Down How It Gets Done. Pull together any forms, information, or checklists (online or printed) you currently use to complete the tasks. With this in hand, simply write down step-by-step what you actually do. Keep it simple and reference forms, as appropriate.

Refine Your Process. The goal with documented processes is to create consistency and repeatability, regardless of who performs the task. Often initial attempts contain missing or unclear steps, so others cannot easily replicate the task. I recommend you give the written process to someone unfamiliar with the task – and ask him/her to attempt to perform it based only on what you wrote down. You will then find the gaps and can fix them. Once you do, repeat this step until the task is completed with only the written instructions. Now you have a process that others can easily follow.

Determine How You Will Measure Success. How will you know if your procedure is delivering the results you want? You won't unless you identify a metrics – and track it. For example, you might want to track sales conversion rate to measure success of your sales process. If you want to improve your business, don't ignore this piece.

Print, Communicate & Implement. No need to wait until all the procedures are complete to start implementing. In fact, it is often easier to implement one at a time instead of trying to make a lot of changes at once. So make copies for all those responsible for doing the task, review the procedure and how you will measure success

with your team, if applicable, and start doing. Remember to encourage feedback and get others to look for new and better ways to get things done.

Monitor & Modify. This is where the opportunity for improvement will come from. Most of us can do things better, but we rarely think about it. So use the feedback, metrics and other information to look for ways to improve and be willing to modify your procedures when you uncover them.

Now it's time to move to the next process! Remember, take it one at a time and build systems while you build profit.

Need help with creating systems for your small business? Check out my **Ultimate Guide for Systems and Procedures** on my website – [www.HybridBizAdvisors.com](http://www.HybridBizAdvisors.com) [Products]



## **People**

No business owner achieves success while operating in a vacuum – you can't do it alone. In life, we often depend on support from family, friends, and mentors. But to create a bigger, better business, we absolutely must surround ourselves with people who are committed to our customers and the success of our business.

When we talk about people in our business, most relate this to their team of employees. Sure they are an important asset – but don't forget about the other people that are also important to your success – your contractors, vendors and alliances.

Whether your employees are full or part time or work on-site or virtually – building the best team for your business is a key to sustainable growth and profit. But remember to apply the same level of effort and standards when choosing contractors, vendors or alliance partners.

"The best leaders are those most interested in surrounding themselves with assistants and associates smarter than they are. They are frank in admitting this and are willing to pay for such talents."

-- Amos Parrish

### ***Getting the Right People on The Bus -- Consistently***

The US Department of Labor reports that 2 out of 3 new hires prove to be a mistake within the first year – at a cost of thousands of dollars for each departing employee. Hiring mistakes negatively impact productivity and erode your company's profits.

You can accept these statistics as a cost of doing business or you can take steps to improve them. What would your business look like if your hiring system delivered the right person 75% of the time? Here are some tips to hiring well:

Build a Case For Hiring. Before you replace someone or add a new position, take the time to build a case for your decision. Too often when one team member leaves, we rush out and replace them. Instead, use this as an opportunity to look at your entire organization. Can we restructure some positions and hire for different skills than the departing employee had? What goals will the position allow you to accomplish (revenue, productivity, profitability)? Should it be a full or part time position or should we outsource the tasks instead of hiring? What is the full cost for the employee (based on wages, performance bonuses, taxes and benefits)? *Now you are ready to move forward.*

Create GOOD Job Descriptions. Most business owners use job descriptions to insure the candidate is clear on the position duties and responsibilities. But here's where many fall short. A good job description should also include a list of the skills and competencies required to do the tasks and duties expected. Would you hire an administrative assistant who wasn't proficient with Word, Excel and other technology? Would you hire a sales rep with poor communication skills? With the right skills and competencies they can learn whatever tasks you need them to do!

Other information that should also be included: (a) certifications, education and experience required and/or preferred and (b) work environment and any special physical requirements, such as ability to lift 70 lbs, stand 8 hours per day, etc and (c) how we measure success, the key performance indicators you will use to evaluate performance for this position. *Good job descriptions for all team members, keep you focused on what you want, ready to execute when the need arises and communicates your expectations to candidates and current employees.*

Market For Employees, Just Like Customers. Recruiting, like marketing, is most effective when it is targeted, planned and executed with consistency. Start with the basic question, “What makes your company a great choice for potential employees?” If you are not sure, ask your current team – they’ll tell you.

Next, identify the best ways to reach potential employees for the position you are hiring. It will likely vary based on the position. Develop the ‘advertisement’ to attract them – and be creative.

The same rules of advertising apply – great headline, good content and a call to action! *Always be on the lookout for good people who can bring value to your organization – so make recruiting something that is ongoing not haphazard.*

Make Hiring a De-Selection Process. Your time is valuable and you don’t want to waste it interviewing potential employees who don’t possess the skills you need or fit into your culture. You can improve your process (and save time) by incorporating a phone screen on candidates that pass your initial resume or application process and pre-screening assessments to test for integrity, work ethic and job fit. Stay disciplined and only interview candidates who make it through these steps.

Once you decide to bring someone in for an interview, email the job description to them so they are clear on the expectations before they arrive. This also paints a professional image of your company. The interview is an important step in the process so have the candidate meet with multiple people, where possible, AND employ behavioral interview techniques to probe for the skills and competencies that are most critical. *Be disciplined and be patient. Be willing to turn down candidates who are not the right fit and don’t settle.*

“Always treat your employees exactly as you want them to treat your best customers.”  
- Stephen Covey

Believe You Can and You Will. Sounds simple, but too often we defeat ourselves before we start. Telling yourself ‘I can’t get good help’ or ‘I just want people that will show up’ is what you end up making true. Instead, start telling yourself ‘I have a great team committed to achieving our goals’. Even if it’s not true yet, you can make it so.

## **10 Tips to Developing Your Dream Team**

Hiring quality people is not enough. Every successful entrepreneur knows that a strong team makes it possible to accomplish great results. But dream teams don’t just happen, they are developed over time and require commitment at all levels – starting with you, the owner, CEO and leader of your company.

Set Clear Expectations with SMART Goals. In sports, teams measure success through wins and losses. How will your team members measure their success? If you want them to meet your expectations, you must be clear on what you want. Then everyone is on the same page.

Have Common Goals. While every employee should have individual goals for their position, business goals shared by the entire team are also important. In addition to promoting teamwork, common goals provide a way for team members to link their individual goals to the overall business results.

Develop Action Plans. Goals are important, but without supporting tasks, it is difficult for the team to get there. Identify what needs to be done (strategies and tactics) to achieve the goals, then assign responsibilities and due dates for completion.

Engage and Involve. Strong teams are committed to the success of the business and each other. Commitment comes from participation and understanding. The more we involve our team in the business, the more committed they are to its success. And

since some of the best ideas for business growth and improvement come from employees, it's time to get them engaged. Then everyone wins!

Support Risk Taking. Team members need to be able to make decisions and keep moving if they are going to achieve results. When they understand the goals and have the tools and parameters to make good decisions, you need to allow them to do so. Recognize that mistakes may happen – support them in the decision but help them learn from the mistake so it's not repeated. Without your support, they will be reluctant to make decisions, big or small.

*“Appreciate everything your associates do for the business. Nothing else can quite substitute for a few well-chosen, well-timed, sincere words of praise. They're absolutely free and worth a fortune.”*

*- Sam Walton*

Reward Results Not Time. Too often owners recognize effort and hours worked instead of results achieved. When we focus only on hours or time worked, we ignore two critical profit indicators – efficiency and productivity. Instead, focus on the contribution he/she made. Eliminate references to time and start building a team that works smart and delivers results.

Invest in Training. One of the best ways you can demonstrate your commitment to employees is by investing time or dollars in training and development. Research has shown that companies that invest in training have consistently higher employee satisfaction and retention. The good news here is that technology has made this much more affordable for small businesses.

Use a Performance Review Process. Employees want and need feedback so they continue to develop and improve. While many focus on the legal and risk avoidance aspects, successful entrepreneurs understand that a good performance review process has two purposes – to facilitate discussion on goals and skills AND help team members

develop their potential so they can take on new challenges and responsibilities. Insure your annual process incorporates interim feedback discussions too. If your team is involved in developing their goals and committed to success, they want and need the feedback – and will go elsewhere if they don't get it.

Systematize the Routine. Teams that have systems in place will typically outperform those that do not because they operate more efficiently. They know what needs to be done, learn to depend on others to do their part and are ready to take advantage of opportunities that arise. Take the time to document the key processes in your business and watch your team's productivity and satisfaction soar!

Make Meetings Count. Team meetings can be a great team building tool, but only if done right. Getting your team together to brainstorm new ideas, recognize individual or team successes or work together on a current business challenge can be a huge benefit. Keep them interactive and never hold a meeting to communicate 'updates' that you could have done by email. Whether you do them monthly or quarterly, make team meetings part of your culture.

You don't need to implement these all at once. Prioritize them for your business and start with one. Then add another and another. Dream teams are built over time, but each step you take moves you closer to the team you want.





## ***Personal Development***

*As you learn, you grow. And as you grow, so will your business.* We all have the potential to be more, do more and achieve more in business and in life. Having the right mindset is certainly a good start -- you have to believe in yourself, believe you can be, do or have more. But believing is not enough to take you from where you are to where you want to be.

*"An investment in knowledge  
pays the best interest"  
-- Benjamin Franklin*

You must do something. Sometimes you need to change behaviors ... anyone struggling with time management can appreciate this! Sometimes you need to learn new skills ... like selling. Sometimes you simply need to build more knowledge in a certain area ... marketing or maybe finance anyone?

The point is, if you want to improve your business and life – you must be willing (truly committed) to improve YOU! And it begins with a commitment to continuous learning. So start by taking a ‘personal inventory’ of your strengths and weaknesses – yes we all have both! What skills and knowledge gaps exist? Be honest. Now write down what you need to do to begin to improve these areas. You don’t need to conquer them all at once - one step at a time works just fine! But Start!

## **Personal Productivity**

Time is a limited resource for most small business owners. What we accomplish is very dependent on how well we plan and prioritize. You can’t manage time, but you can manage yourself and how you choose to invest your time. Here’s 15 tips to improve your productivity:

**Set Goals and Write Them Down.** Sounds simple – but written goals with specific tasks and deadlines provide focus and are a key to prioritizing our time. Without goals, everything seems like a priority.

**Know How You Spend Your Time.** Begin to track your tasks for a two-week period and be specific. Make a special note of interruptions. Then categorize the various tasks such as sales, admin, service delivery, etc. Which tasks consume the most time? Are you spending a lot of time on operations and administration or growth and team-building activities? Most people find this time study eye-opening. Once you recognize the time wasters, you can take actions to fix them by eliminating some and delegating or outsourcing others.

**Get Organized.** It is easier to perform tasks when everything is where you need it and out of the way. This means clearing off your desk so you have room to work and eliminate distractions. Everything should be in a file or binder (in a drawer, cabinet or bookshelf). If you need help organizing your space, check out *Organizing for Dummies* or get help from a professional organizer.

**Create a “To Do List” And Use It.** When you identify a task that needs to be completed, put it on a master to-do list and give it a priority (low, medium high) and due date if appropriate. When you plan your weekly work, pull tasks from the list and always

*“Success is not an accident.*

*Action is what unites every great success. Action is what produces results.*

*~ Tony Robbins*

*“The biggest gap in your life is that between what you know and what you do.”*

*- Bob Proctor*

do the high priority tasks first. Don't forget to continuously evaluate the priority levels you assigned, time can change some of these.

**Plan Your Work.** At the end of the week, plan your next week AND at the end of each day, plan the next day. According to Brian Tracy, every minute spent in planning saves as many as 10 minutes in execution. In other words, 10-12 minutes planning can save you 2 hours in wasted time and effort throughout the day. What would you do with an extra 2 hours per day?

**Block Off Time To Work On Tasks.** The tasks on your To Do List will remain there unless you block off time to work on them. When planning your week, block off chunks of time on your calendar and assign tasks to them. Don't work on anything not on your list and don't try to accomplish everything in one week. Remember to block time for personal activities – hobbies, fitness, family and friends. These are equally important.

**Break Down Big Tasks.** Big tasks can appear overwhelming so they quickly get put aside. Break them into smaller chunks that are more manageable. Then schedule time to work on them.

**Delegate or Outsource.** Always look for opportunities to delegate or outsource recurring tasks or low-value activities. Did you know that 50% of time wasted in business is due to lack of trust - the owner doesn't think others can do it as well or micro-manages the team. Give your team the tools and processes then watch them shine -- and see how much time you gain for more valuable activities.

**Use a Follow Up System.** Lose the out of sight, out of mind mentality that drives many business owners to keep files visible. Rely on a tickler or reminder system (manual or electronic) to insure important deadlines are met.

**Match Your Work With Your Energy Level.** Each of us has times during the day that are high energy and lower energy. For many, early or mid-morning is most

productive; but yours may be different. Work on more complex or high value tasks during your ‘most productive’ times.

**Hold Calls (Or Send To Voicemail).** If you block time to work on important tasks – hold that time sacred and don’t permit interruptions except from a handful of VIP’s. Block off time to return calls each day at your convenience. You may also find that when you are not so accessible, others will handle the ‘issues’ and some problems will actually resolve themselves.

**Handle Mail or Email Once.** When you go through the mail – apply the following formula - Delegate, Action (add to “To Do” list), File or Trash. Do not put aside to handle later or you simply end up with piles (mail) and an overwhelming email inbox!

**Strive for Excellence, Not Perfection.** Results come from taking action. By striving for perfection, you delay taking action or delegating tasks to other team members. This uses up your time and energy – so settle for excellence and take action.

**Learn to Say NO.** Those two letters are the best productivity tools there are. Before you say ‘yes’ to events, meetings or other time commitments, ask yourself this question, ‘Will it move me closer to my goals?’ If the answer is no, then say NO.

**Stop Procrastinating.** When something is important and left undone, it drains your energy. William James says it best, ‘Procrastination is attitude’s natural assassin. There’s nothing so fatiguing as an uncompleted task’.

### ***Personal Leadership***

What makes for a good leader? As a business owner, we wear a lot of hats. But your role as leader is probably the most important one for your company. After all, a team that works together will always accomplish more than a group of individuals working alone. And YOU hold the key for creating that team.



There are thousands of books on leadership, but one of my favorites is *'The Secret: What Great Leaders Know and Do'*, by Ken Blanchard and Mark Miller. It reinforces one simple reality — great leaders consistently look for ways to **SERVE** their teams and organizations.

*5 Ways Leaders Serve*

**S** = See the Future

**E** = Engage and Develop Others

**R** = Reinvent Continuously

**V** = Value Results and Relationships

**E** = Embody the Values

Here are some simple things you can do to be a better leader in your company:

1. **TALK ABOUT THE FUTURE** – Leaders think about the future and help others see the future. As Mark Collar says, “Leaders teach people to dream, not just execute”.
2. **TEACH SOMEONE SOMETHING** – Leaders are involved in their organization and committed to growing organizational capability. Nothing sends that signal stronger than taking a moment to teach someone something.
3. **TELL SOMEONE THEY DID A “GOOD JOB”** – Leaders are not afraid to hand out praise when a job, large or small, is well done. This builds not only enthusiasm for the work, but trust in your management.
4. **GET MAD, THEN GET OVER IT** – Leaders all have passion for the business and sometimes this passion turns to anger or frustration. This shows you are only human. An effective leader has the capacity to move beyond emotion into constructive action.
5. **BE VISIBLE** – Get out of your office and say “hello”. It is guaranteed you will learn something and it is visible proof to your people that you care.

6. **SAY “YES”** – Leaders are not afraid to make a commitment, to make a choice, to move on. Find something where you can say “yes.” Nothing says you trust your team more than the power of agreement.
7. **ACTIVELY LISTEN** – Many of us talk about being good listeners, but few of us are really good at it. The next time you are asked to listen to someone, use clarifying and confirming skills, but don’t offer a point of view until the presenter says, “What do you think?”
8. **BE ENTHUSIASTIC** – Leaders have enthusiasm and energy. They transfer this energy to the organization and the business issues at hand. Practice being outright enthusiastic about an idea and watch how people change.
9. **HAVE FUN** – Leaders typically enjoy what they are doing, no matter how tough the task. People want to follow someone who enjoys what they are doing.



## ***Financial and Profit Mastery***

Profit is the reward you get for excellence in entrepreneurship. But it's more than a reward – it's critical if you wish to stay in business. Profit comes from synergy and mastery – in all areas of your business. If your business is to serve your needs and the needs of your customers, team and other stakeholders – Profit and Cash Flow are King! Never lose sight of them.

### ***6 Ways to Build Profit***

#### **1. Be Different & Compelling**

Too often small businesses do what everyone else is doing. They tell customers what they do and just compete on price. If you want to avoid this trap (and you should), start talking benefits not features.

Customers today have many choices, so give them a reason to choose you over others. What makes you and your business compelling and different? Different doesn't mean unique to you and you alone. It simply needs to be something you do very well that you can promote or guarantee – at every opportunity in all your marketing! It's easier than you think; but if you are not sure, start by asking your customers. When you stop competing on price, you'll earn more and create profitable growth in your business.

#### **2. Avoid Trying to Serve Everyone**

Who are your ideal customers – those who value what you provide, at the level you provide it and at the price you charge? These are the customers who are happy to work with you, rave about you and often refer others. It shouldn't be everyone.

Too often businesses spend a lot of time and energy trying to satisfy everyone and end up serving few people well. It hurts your reputation and definitely impacts your profit. So nail down your ideal customers, learn more about their needs and build your business around them.

What products or services do they need? What are some of the challenges they face? What level of service, payment options and availability do they expect? Once you are clear on this, attracting more of them is much easier – and profitable. So be willing to think smaller to grow bigger! You'll not only make more money, but you will enjoy your customers a whole lot more.

### 3. Plan Your Growth

Build your reputation on your core products and services before you start jumping into new areas and new products. More is not always better. Stick with what you do well, build your reputation on it and only expand when you have the resources and ability to deliver what you promise and do it profitably. Don't let unprofitable growth erode the profits in your small business.

### 4. Get the Right People To Grow

At some point, you may need to add people or replace someone who is leaving. Many small businesses are quick to hire and slow to fire. And it comes at a cost – profit and productivity. Before you rush out and hire or replace someone, remember my earlier suggestion -- build a case for your decision and don't just wing it!

### 5. Know the Numbers

You can't manage what you don't measure – and what you measure you can improve. Successful owners track and monitor what is important to them and their business.



What numbers should you track to measure your progress and success? While they vary by business, some common measures include sales / revenue, gross profit margins, breakeven, number of leads, sales conversion rates, average sales dollar per customer and net profit.

Knowing where you are today can help you make better decisions and prioritize what needs to be improved. Do you know how much gross profit you make from each of your products or services? Or which customers or jobs are profitable? Do you know how many customers (or sales) you need, based on your gross profit margin, to cover your fixed expenses? If you knew this information, would it change what you do, what products and services you offer and who you target? The answer is likely YES!

## 6. Learn to Love Systems

Finally, learn to love systems. Are you noticing a theme here? Many small businesses have no documented procedures of how they do what they do. As a result, there is little consistency – a key to productivity, efficiency, customer satisfaction and profitability. And since I've mentioned this before, we'll leave it there!

### ***Build Value and Profit***



Have you ever wondered what your business is worth? While the bottom line profit will certainly contribute to the value, many small business owners are surprised to learn that profit alone is not enough – until it's too late.

If you want to maximize the value today and the sales price in the future, you must create a business that will operate effectively without you. The more dependent it is on you, the less value it will have to someone else.

Whether you want to increase the value today, turn it into a passive income stream or sell it outright to fund your retirement, it's time to start thinking like a potential buyer. Here are the areas you should consider:

**Customer Diversity.** If a large part of your business is dependent on a small number of customers, your business will have less value. Lose one of these customers and the sales and profit are at risk. Start focusing on diversification.

**Systematization.** A business where processes are streamlined and documented will always be more attractive and more valuable. Make sure you have written systems for all the critical business activities and daily operations, so tasks can be done consistently and quickly by anyone. No one person, especially the owner, is vital to the successful running of the business.

**Recurring and Repeat Revenue.** All revenue is not the same. Revenue that is linked to contracts or agreements is more valuable. Repeat business based on high customer retention rates is also more valuable. Focus on retention and look to create some recurring revenue streams in your business.

**Unique Products, Services, or Technology.** If others can easily replicate what you do, then your business will be perceived by others as a 'me too' business. Know what makes your business unique and communicate this uniqueness effectively. Your business will then be more attractive – and likely less dependent on price.

**Product Diversity.** If your business is heavily dependent on one product or service, then future projected revenue may be riskier and less valuable. Look for opportunities to expand your products and services or package products and services in new or different ways.

**People – Your Team.** The right people, with defined roles and clear goals, are a key to getting results. Make sure you have a system for hiring, training and developing

quality people. Ensure everyone knows the goals for the business and understands their role in delivering it.

**Bookkeeping & Financials.** Your financial records are a strong indication of how the business was run in the past. A good financial management system, like Quick Books, set up properly and maintained and updated will help you run your business better today – and influence a buyer in the future. If you are not sure how to set up your system for both tax preparation and decision making, speak with your accountant.

For additional business tools and resources, visit my website –  
[HybridBizAdvisors.com](http://HybridBizAdvisors.com)

**Want to Experience the Power of Business Coaching with a Complimentary Coaching Session?**

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