

Profit Builder

principia alliance
MEMBER

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Special points of interest:

- Hook 'em, Danno! Write to engage your readers.
- Hand out a lollipop or two—making your business stand out.
- Getting amongst it—making the most of associations.
- Engage auto-pilot—turning your business into a finely tuned machine.

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Fundamentals of negotiation

Small business owners negotiate on a daily basis. Whether it's haggling with a supplier, bartering with a business partner or motivating an employee, negotiating is a fundamental reality of small business. To negotiate well is to improve your chances of having a successful business.

Strong negotiators gather information beforehand to gain an advantage. Price comparisons on supplies are a good example. Being informed strengthens a negotiator's position and lets the other person know that this negotiator means business. It also means fewer mistakes and helps to negotiate more competitive deals. But this is only one aspect of strong negotiation.

Carefully positioning your opening offer and considering the other party's expectations

Enjoying what you do

"Despite the fact most of us spend most of our waking lives at work, very few people really enjoy their time in the office," stated Dr Timothy Sharp, in a recently released article.

Sound familiar?

But wouldn't you agree that getting enjoyment from what you do is just as important as all the other elements of your

are critical components of this delicate skill. Negotiation is a part of relationship-building and should not be seen as a win-lose situation.

Being able to justify a bid strengthens a proposal and softens the other person's ability to counter. By offering a realistic proposal you are more likely to win the respect and cooperation of the person you're dealing with. Remember to think before speaking and don't say anything you would not want to see written down or hear played back. Informal offers and off-the-cuff remarks can set expectations, so treat each meeting seriously—as serious as a contract.

When you come to a point where you feel you need to concede, be sure you really do. Too many times business owners concede

business, such as profitability, growth and customer satisfaction?

Dr Sharp is a leader in the field of 'positive psychology', which takes a preventative approach to the issues of workplace stress.

"Happiness at work has been proven to be associated with higher levels of staff satisfaction and productivity," Dr Sharp

early because they are uncomfortable with negotiating or have too many other things to do. Before giving in, ask for a justification for any conciliation that has been asked of you. When you give in quickly, you send a message to the other person that you are eager to get this over with or that you never really felt comfortable with your initial request or proposal.

Above all, remain cooperative and positive. Maintaining a level of optimism, friendliness and enthusiasm for the process, disarms your counterpart, and helps the whole process feel more comfortable for all parties. It gives the other party a sense that you are confident, assured, well-informed and ready to get down to business.

writes, "and therefore, individual and organisational success."

Of course, it goes without saying that a positive, happy demeanour will rub off on those you do business with, especially your customers, ensuring an awesome experience that keeps them coming back for more!



"You are the same today as you will be in five years except for two things: the people you meet and the books you read."
Charles E. Jones

Writing from the readers' point of view

from *Harvard ManageMentor*

The chief complaint of readers today, in this age of information overload is they don't know what writers want from them.

As writers, it's easy to get caught up in our own agendas rather than put ourselves in the readers' shoes. The solution: always put your readers' needs first by using "reader-centred" writing.

Reader-centred writing means considering readers' needs at every step of writing for any business document—whether it's a memo, a letter, a proposal, or an e-mail. Thinking, drafting, editing, and organising from your readers' points of view improves clarity and drives action.

Take time before you begin writing to:

- **clarify your purpose for writing**—since the purpose of

most written communication is to influence or to drive action, make the purpose of each document as specific as possible. Ask yourself "What is my reason for writing this document? What do I hope to accomplish with it?"

- **analyse the needs and attitude of the audience**—what will your readers' attitudes to your message be? Receptive, indifferent, resistant? What do they already know about the subject? How much technical information do my readers understand? What's their reading style, and how can I match it?
- **isolate the "bottom line" or key message**—this is the one key message you want your readers to remember. The earlier in the writing process you can isolate your key

message into one or two sentences, the easier it will be to write the entire document. Stick to one topic per document to get the fastest response.

- **confirm your delivery strategy for writing**—are you the right person to communicate this information? What is the best method of delivering the document? Is it timely?

By creating a habit of 'reader-centred' writing, you can significantly increase the impact of your writing—be it a simple email, or a major proposal. You'll find it much easier to get started, save yourself time in editing and rewriting, and you'll better meet the needs of your readers, meaning faster, more effective responses.

Straight-forward methods for staying Top-of-Mind

Remember the days when the bank handed out lollipops, the service attendants checked your oil while pumping petrol, the store owner greeted every customer at the door?

People are nostalgic for those days, and you can use this to your advantage in marketing your business, without it having to take a lot of time and money.

Try some of these ideas with your business:

- **Free samples!** Especially if there's a new product or service you'd like customers to try. Whatever it may be, the point is to make your business stand out and your customers come back.

- **Consider self-publishing a catalogue of your merchandise.** There are many software programs that provide templates for this exact purpose. You can use a local printer, copy shop or your own computers to produce the final article. Develop a schedule for your catalogue (bi-monthly, quarterly, annually), and stick to it.

- **Bundle your services or products.** McDonalds is a master of bundling. Using offers like "Happy Meals" and "Extra Value Meals" they make it easy for their customers to order an entire meal with a few words. What products or services do you

offer that you could package together to create value for your customers?

Remember your longstanding customers too—they are your most loyal after all—and just like new customers, they should be romanced with incentives to keep coming back to you. Giving them the opportunity to get a good bargain first or exclusively gives loyal customers a sense of priority and prestige.

And these ideas are just for starters. A good marketing campaign doesn't have to be a complex or costly process, and it plays a significant part in your business's success.



Beware the 'Idea Killer'

Armed with a 'right or wrong' mindset, people have developed and refined a number of idea-killers. See if you can relate to them from your own experience—and contemplate whether you've even used them yourself to dismiss suggestions that have been put to you!

- Tell the proponent that she doesn't understand the broader issues. That will remind her that good ideas only come from people at the top.
- Ask for a report containing a detailed analysis that you know the proponent is not capable of doing or that will require a lot of time, and at the same time give the proponent five other tasks to perform so that further analysis of the idea gets pushed to the bottom of the list of priorities.
- Say "We've done it this way for 50 years and there's no reason to change now".
- Attack any holes in the suggestion—that's a great way to make someone feel stupid for even raising it.
- Ask for all the details to be outlined immediately. That usually makes the proponent realise that the idea has not been thought through fully, and sloppy thinking will not be tolerated.
- Say "We've tried that before". The implication here is that the idea did not work and that the proponent would have been better off not to raise it.



Business Associations—make it your business

Business associations can be valuable sources for networking, professional development and industry information. It's important to think of them beyond joint ventures and business partnerships too. There are associations for all kinds of businesses and groups.

Associations frequently sponsor seminars, events, speakers, discounts and sometimes even political advocacy on local, state and national levels. They're valuable for building contacts

and finding opportunities whether you're just getting started or have been in business for years.

Like anything you do for your business, it's important to be selective when deciding which association to join.

Be clear with yourself about how much time you have to commit and do some research into the association and what it has to offer. Consider how much time and effort you want to commit compared to the potential benefits.

These associations are not free usually and the benefits of membership should be carefully weighed against the cost of fees. It may require some trial and error before finding the best association for your needs.

Once you do find one that works for you, make the most of it and stay involved. Attending and occasionally sponsoring events, award ceremonies and the like will allow you to promote your business and gain valuable information.

*"Do what you can,
where you are,
with what you have."
Theodore Roosevelt*

Keeping it simple? Or slow?

Small businesses can be overwhelmed with complexity just as easily as the big guys. Use this list to consider if there are areas of your business that could be simplified in order to better serve your customers and employees.

- Are job descriptions, duties and responsibilities clearly defined? Or is there a lot of everyone doing whatever whenever because it needs to get done? This is not always a bad thing, but there has to be clarification regarding who is responsible for what. This prevents disappointment, confusion and resentment and fosters retention.
- On average what is the turnaround time for resolving a complaint or concern for a customer of your business?
- Are your customer complaint procedures clearly defined, incorporated in employee training and easy to use?
- Are there opportunities to share and learn from mess-ups so they won't be repeated?
- Is there a way for employees to identify frequent problems with products or services, delays in delivery or roadblocks to superior service? Is it clear how employees go about solving these problems?





Systemizing for a winning business

All businesses have systems. They make the wheels of the business machine turn. Some systems are formal; many are informal.

You can avoid major accidents and breakdowns, and improve productivity and sales by creating and maintaining formal, written systems that will grow and distinguish your business. Here's a few tips to make sure your systems are up and running at a winning pace:

- Schedule regular reviews of systems and processes. Note any bumps in the road and identify ways to smooth them out.
- Consider your business's and your customers' needs first when looking at other businesses' systems as models. Just because a system works for one company doesn't mean it will work for yours.
- Think about and hear your team. After all, they're the ones most likely working with your customers on a daily basis. Their judgment, insight and input can be an invaluable resource.
- Write all processes and systems down. Documenting how you do business safeguards your business in emergencies, alleviates confusion on the part of your team members and can ultimately protect you in potential legal matters.
- Whether it's sending the mail, ordering inventory or packaging your products, make sure all systems have back-up plans for day-to-day operations, technical failures and unexpected crises.

A business with well thought out and clearly documented systems is more likely to weather changes in business climate, transition to new ownership, maintain its value and sell off at a higher price.

About our consulting services

We are not your average consulting firm. Far from it.

We are members of the Principa Alliance—an international network of accountants and business advisors.

So when you work with us to improve your business, you're gaining access to a global knowledgebase and a wealth of consulting experience that is much

more powerful than any one firm could offer.

Combining our knowledge of your business, the personal relationship we share with our clients and the consulting tools, support and networking power of the Principa Alliance, we can help you achieve more with your business than you imagined possible.

Our goal is to help you build a stronger, more profitable

business, and enjoy a higher quality of life and greater financial and personal freedom as a result.

We can and will do so much more for you than just 'keep the score'.

Contact us today to discuss how we can help you build a business that delivers on its promise.