

Business Forward

Issue One

Look Ahead with *Business Forward*

Need some food for thought? A bright idea, a shot of inspiration? Welcome to *Business Forward* - a newsletter with ideas to help you move your business forward.

You may not be looking for growth, but you're probably interested in moving forward to greater profitability. Our aim is to provide you with useful articles, tips and pointers that are going to make a difference to your business whether you are a sole trader or the owner of a large enterprise.

We'll be putting issues in front of you that are relevant to most if not all businesses. Our aim is to spur you into action so you can make some positive changes to your business. You might not action anything immediately, but don't lose sight of the issues. You need to reserve time for planning - for working *on* your business. But you don't have to do it all yourself. We can discuss any of these issues with you and help you put ideas into practice if that's your plan.

It has been reported that more than 50% of new businesses fail within the first year and after three years over 80% had failed. The Australian research found that 80% of these failures were the result of managerial incompetence and inexperience. Why then are business owners not seeking the ongoing help and advice they need to be successful?

Too often the important issues are simply never raised. A recent MYOB survey of small business owners which looked at the accountant - client relationship shows accountants are the main source of business advice, nominated by 77% of those surveyed. Yet in most cases small business owners have never raised the issues they want advice about with their accountant, even though they do want advice in that area.



"...Working on your business rather than in your business will become the central theme of your daily activity, the prime catalyst for everything you do from this moment forward."

The E-Myth Revisited, **Michael E. Gerber**



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INDEX

Welcome to Business Forward _____	1, 2
Editorial _____	2
Is it time to employ a new person _____	3
Next Steps - What type of person are you looking for? _____	3
Get telephone service right _____	4

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Take for example the important issue of succession and exit planning. In the survey nearly half the respondents did want advice in this area but never discussed it with their accountant. Other results suggest business owners don't have the time, the money or don't think their accountant offers these services.

Your accountant may not know your business in detail, but they do know what makes a business successful. By discussing your business with them they can give you pertinent and relevant advice that will help move your business forward.

Every month *Business Forward* will include articles on different business topics. Have you thought about your telephone service lately? Do you really know your market? How do you manage your business and family assets? When did you last provide professional development for your team? That's a lot, and yet, it's the tip of the iceberg.

For a small business, it's tough out there trying to think about all these important aspects to your business while you're simply trying to run your business and stay afloat. But these issues do affect you. Our aim is to bring them to your attention. We want to help you move towards greater profitability and business success.

Enjoy the read!



Hot Tip

The E-Myth Revisited by Michael E. Gerber is essential reading for business owners. Why is it that most small businesses don't work? What can you do about it? Gerber's very readable book gets straight to the point of answering these questions and explaining what small business owners need to do differently. His research is drawn from many years experience working with and mentoring small businesses.

In the book he tells the story of Sarah who, like many small business owners, is working so many hours in her business that she is beginning to wish she had never created it in the first place. Many readers will be able to identify with the character of Sarah, who started her business because she loved making pies, but then, something changed. She suddenly became a business owner.

Gerber takes the reader through the stages of setting up and operating a new business with the aim of changing the reader's attitude about being a business owner. Once you've reached that point, you'll be able to work on his strategy for making your business survive.

If you haven't read this book yet, it would be worth your while to get hold of a copy. Your accountant might be able to loan you one.



Be sure to read each article with the mindset "How this could apply to our business". Thinking of it that way will guarantee that you get value. Also make copies for each team member. To really make sure something positive happens, work with your business development specialists to talk your team through ideas.

New team member wanted

Business is progressing steadily, your team is already working to capacity, you've made the decision - it's time to employ a new person.

Great, just don't rush into it. You don't need to employ the first person who applies, even if they have the skills you're looking for.

You need to make sure you do everything possible to get the right person. Taking on the wrong person can be disastrous for a small business and you could have many problems in rectifying that mistake down the line.



What about past experience?

Some employers always insist on only employing people who have had past experience in a similar job. However this can put many suitable candidates out of the running.

Most positions are 20% actual job content and the other 80% is in core skills. If the applicant has the core skills and has the necessary attitude, they may well be your person.

It would mean training them in the actual job content, but if they have the core skills, that shouldn't be insurmountable. If you wait around to find someone with the past experience in the actual job content, you might find they don't have the right attitude for your business?

Remember you are trying to buy "potential" in your employees.

Will the person add value to your business?

Every one on your team is important if you are going to achieve your overall aim of running a successful business. You need to determine whether the applicant has the attitude that will add value to your organization. A great attitude will go a long way.

But the negative attitude of one employee can destroy a marketing campaign that has cost thousands of dollars, or create a bad impression with visitors and potential customers.

Always keep in mind: skills can be taught, attitudes can not always be changed.

Next Steps - Make a list

What type of person are you looking for?

- What skills do they require?
- Do they need a special attitude which will compliment your type of organisation?
- Will they fit into the management style and workplace environment?
- Will they be able to work with the existing personalities in the workforce?
- How will they perform under pressure?
- What are their personal ambitions?
- Do they want to grow and progress through the organisation - or is it just another job?
- What is their past record on behavioural matters?
- What sort of track record do you think this person will establish within your organisation?

An important Message

While every effort has been made to provide valuable, useful information in this publication, this firm and any related suppliers or associated companies accept no responsibility or any form of liability from reliance upon or use of its contents. Any suggestions should be considered carefully within you own particular circumstances, as they are intended as general information only

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Points to include in a system for answering telephones

- Who will answer the phone?
- Will there always be someone available to answer?
- Can you divert to mobile?
- How long will the phone be allowed to ring?
- Will you be using an answer phone to take calls?
- If so, when will you respond to enquires?
- How will you greet the caller?
- Will your team use first names and last names?
- Can the information be given directly?
- If not, how will the person be transferred or when will the information be given?
- How will you take messages?
- Will you have a “hold” facility?
- If so, for how long will callers be allowed to wait?
- Where will the phone be answered?
- If in reception, how will visitors be greeted if the phone is running red hot?
- How will the phone be answered if a visitor has arrived?

Write it down, talk it through with your team, make sure they understand why this is important and make the changes you need to. When you have followed the system for say, one week, evaluate it. Determine what was different and whether any modifications need to be made.



Three Seconds to Impress

Telephone service can make or break a sale. A few seconds is all it takes for a potential customer to dial your number. That’s just about the time your business has to create an excellent first impression.

In many instances phone calls from customers and potential customers are your first point of contact. How you or your team deal with a phone call can make a lasting impression. You need to make sure it is a very positive impression and you’ve got to get it right every time.

Do you think of the phone as a potential sale or as an interruption? Whatever your attitude it will shine through the phone line.

Just as excellent business systems can make your business a success, so too do you need excellent telephone answering systems. Write your system down and make sure all your team know and understand why it’s important.

Think about how and where the telephone will be answered and by whom and what about the back-up plan when the “greeter” is busy, or when no one is available to take the call. You need to think about all situations.

Visitors take priority

Have you ever been in that infuriating situation where the receptionist with whom you are talking is interrupted by the telephone and invariably engages in conversation?

Telephones are hugely important to your business but a caller on the other end of a telephone should not get priority over someone who has made the time and effort to actually visit your business at its premises.

Your telephone answering system could include that the receptionist or greeter immediately diverts any incoming telephone calls when a visitor arrives, so that the visitor receives 100% of the receptionist’s or greeter’s attention during that very important “greeting stage”.

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