BUSINESS ALERT!

Hands-on help that works Vol 10 No 1

Have you ever thought about...

... cloning yourself?

ONE OF THE KEY DISTINCTIONS between creating your own job and building a business, is the ability to train other people to do your work for you.

Most professionals run their "practise" as a small business for tax and accounting reasons, but in fact they have a job they've created for themselves. They may enjoy not working for a corporation, but they still have to show up and do the work in order to get paid.

Increasingly, professionals are training others to do much of what they used to do themselves. Attorneys use paralegals, physicians use PA's and the most successful real-estate sales professional I coach has a personal staff of people who work for HER, not for her broker.

In many cases, her staff can close sales, even if she is on vacation. Her commissions continue while she is on the beach!

Successful business people learn to delegate. They hire experts who can strengthen and diversify the office. They understand that training and leading a team will always be more profitable than doing it all yourself.

And, they invest in hiring the absolute BEST, most experienced people they can find, and they pay them very, very well.

The know that in the end, hiring good people doesn't cost; it pays! Learn to delegate and to train and lead others. The key to building your business is almost never "doing" more; it's hiring and supporting great people.

To increase your own success, learn the skills of leadership!

Moving from a "practice" where you create your own job to running a business is not easy.

Most professionals use coaches to help them design and implement the transition. If you need help with this, please contact me!

Let's make it happen! ■

Examine your standards. You have them, even if you haven't thought about them before. Are you happy with your standards for dress, for health, for income? Your standards in relationships? How about your minimum standard for personal growth? Or your standard for success and achievement? Raise your standards. Even a small change in just one area can change your day, and lots of good days will change your whole life! ■

Social networking

YouTube in the workplace

Banning YouTube and Facebook tends to be among the first entries on a company's internet policy, fuelled by management's fears over staff wasting time on the popular social-networking sites.

by John-James Robinson

SOCIAL NETWORKING AND REAL WORK may not be such strange bedfellows.

Some companies believe that so-called Web 2.0 technologies can have a positive impact on a business's bottom line — if deployed and managed in the right way.

"The consumer is taking what they have at home and unleashing it into the organization," says Ettienne Reinecke, chief technical officer of IT services firm Dimension Data. "You can use controls to block them, but that's not the right thing to do — people will find ways around it."

Getting around a company's blocked-website list can be done by using one of the hundreds of proxy sites that allow anonymous web-surfing. Instead of trying to ban sites, argues Reinecke, businesses should be looking at them as opportunities.

"For example, a lot of companies block YouTube, but I've seen companies who are putting training material on it," he explains.

Aside from social websites' potential in internal communications, clever companies are already using them for a range of eclectic and often highly-effective grassroots marketing campaigns.

In a now famous case study, upmarket blender manufacturer Blendtec uploaded a series of YouTube videos called 'Will it blend?', in which the company's marketing manager George Wright, wearing a large pair of safety goggles, feeds everything from rake handles to an iPhone into the device (which are duly pulverised). The videos were a hit, sales jumped 20 per cent and Wright and his blender appeared on *The Tonight Show* opposite Jay Leno.

All for $50 worth of props (and one iPhone) — ***not bad for a site on most corporate blacklists.*** ■

SOURCENOTE: Dimensionsdata.com

WARNING!

Windows malware is on the increase

IT security professionals are warning that there has been a massive 700% rise in the 'stealth' malware or rootkits that attack users' PCs without their knowledge. The most dramatic rise has been in malware that targets Microsoft Windows applications. Antivirus firm McAfee reckons that this rose by 2,300% between 2001 and 2005. Worryingly, the complexity and sophistication of malware has also spiralled — by 400% since 2000 and by 900% over the past year.

Business Alert is published quarterly by Syntony Corporation 301.365.7824

Offer great customer service and win loyal customers

EXCELLENCE in customer service is the single most important element in determining your business' future success or failure — particularly in a poor economic climate.

Regardless of the product or service your organization provides, you are in the business of serving customers. The customer decides if you stay in business.

All too often, businesses focus their energies on chasing new customers and too little effort goes into building a solid customer base. Successful businesses focus 'outside-in' (looking through the customers' eyes) not 'inside out' (looking through your own eyes). Try following these hints and tips:

• **Know your customer.** Allocate time to go out and meet with customers and suppliers.

• **Guarantee your products and services**. Stand behind everything you do or make. Otherwise what possible reason can anyone have to buy from you?

• **Make on-the-spot decisions.** No one wants to hear "Let me check with..." or "I'll have to get back to you". A customer who comes to you with a problem and gets an immediate decision will, more often than not, walk away satisfied.

• **Keep your promises.** If you promise what you do, do what you promise. In an attempt to outdo the competition, you may be occasionally tempted to over-promise delivery of goods or services, but don't. Just make promises you know you can keep — customers appreciate it.

Remember, whenever a customer comes into contact with any facet of your business, it's an opportunity to form an impression.

These 'moments of truth' can make or break your business.

Customers have certain expectations and moments of truth are inextricably linked to these expectations. ■

Michael Akbar

The way I see it...

Create new 'attractors' to manage transitions

WHY DO UNEXPECTED (and sometimes unwanted) things happen in your clients' organizations despite your best efforts to direct what people do?

Chaos theorists have an explanation. They study complex systems, such as natural ecologies and human organizations, to learn how ordered and chaotic elements coexist.

In every complex system disturbances inevitably occur, which produce unpredictable events which reverberate throughout the system and evoke surprising behaviors.

Yet, despite this unpredictability, a new order or pattern always emerges from temporary chaos.

Why? All systems fall under the influence of different 'attractors' that cause them to flip from one pattern to another.

Attractors can be a key to managing in complete systems.

Author Garth Morgan explains how attractors work with this image:

Picture yourself sitting in the early morning sun on an outdoor veranda. Before you is a tranquil scene: a smooth lake reflecting the blue sky and the green of the forest surrounding the lake. You hear birds call and see them occasionally dive and resurface. You're drawn into a peaceful, harmonious mood.

Then your attention drifts to the room behind you. You hear a tap drip, a noisy fridge gurgle, a radio announcer's voice broadcasting the news. These sounds pull you out of the tranquil scene. You're still gazing at the water, but your mind is elsewhere.

At that moment, you're caught between two 'attractors' that define two very different contexts. As you get pulled towards one, everything occurring in the other becomes insignificant.

Complex systems have a natural tendency to get caught in tensions of this kind. Different attractors influence attention shifts that determine people's day-to-day behaviors.

As was demonstrated in our imaginary scene, it doesn't take much to attract a system flip. A famous image in chaos theory is the 'butterfly effect' whereby a small change as insignificant as a butterfly flapping its wings in Peking can influence weather patterns in the Gulf of Mexico.

The butterfly in China doesn't 'cause' a new weather pattern; it triggers a small change, which triggers another small change and another and another until a system ultimately shifts from the influence of one attractor pattern to another.

Chaos theory helps to explain why managing a complex system is so challenging. Attractors are always in motion, pattern flips periodically occur, and many are out of your control.

Influencing change requires creating new attractors that break the hold of dominant attractor patterns in favor of new ones.

"Any person wishing to change the context in which he or she is operating," Morgan advises, "should search for 'do-able' high-leverage initiatives that can trigger a transition from one attractor to another."

Try implementing some ideas that are likely to serve as attractors in order to refocus your clients' attention in directions you want them to go. ***Set them in motion and then let chaos theory do the rest!*** ■

Mentoring

Practice 'omakerasu'

By Faith Popcorn

To have a successful mentorship a novice manager must practice omakerasu.

OMAKERASU MEANS TO TRUST (something to someone) or to let another person guide the decision-making.

I learned about this Japanese concept at the restaurants of chef Matsuhisa Nobu — called Matsuhisa in Los Angeles and Nobu in New York — my 'favorite places to dine in the entire country'.

They offer a meal called Omakase or Chef's Choice. In the restaurants, it means getting a plate of soft-shell crab tempura or crispy rock shrimp or whatever the chef wants to make for you.

But in the larger scheme of things, omakerasu is a good word to describe the courage it takes to put yourself in someone else's hands.

It's quite a challenge to be the kind of mentor in whom an apprentice will invest omakerasu, or being the kind of apprentice who will risk investing omakerasu in his or her mentor.

But well worth it. ■

SOURCENOTE: Faith Popcorn, CLICKING: 16 TRENDS TO FUTURE FIT YOUR LIFE, YOUR WORK, AND YOUR BUSINESS

WORDS OF WISDOM

"The future belongs to those who believe in the beauty of their dreams."
— Eleanor Roosevelt

Michael Akbar is an accredited Executive Associate of The Institute for Independent Business International

Ways to make your non-verbal messages more exciting

HERE ARE FIVE WAYS to use body language that will make you more exciting and attractive to buyers and more successful in sales:

1. Smile. Most young workers learn by doing and have little patience for detailed, lengthy directions. So offer them a brief overview of a new duty or task, then let them dive in and see how they fare. You can always go back and offer additional instructions if they're struggling with the assignment.

2. Make eye contact. It's tempting to focus on paperwork or your product. But there's no better way to say "I'm interested. I want to help; and I can help." Especially when combined with a smile, eye contact is very powerful.

3. Nod. When you're listening to a customer speak, you can't always verbally confirm and assure them that you're listening and understanding. Head nodding is an important non-verbal gesture that can do both.

4. Lean forward. When you're sitting, don't rely on the chair's back to help you sit up straight; use your own back. That effort shows your enthusiasm, work ethic and interest in the customer. Leaning back can make you seem lazy or uninterested.

5. Use open-hand gestures. The open hand, particularly the palm, is used for solemn ceremonies, such as swearing in courtroom witnesses. Use open-hand gestures to reflect your honesty and increase your credibility. You'll immediately increase the power of your connection with customers when you make a conscious effort to use open-hand gestures when you communicate. ■

SOURCENOTE: The Competitive Advantage, *as adapted from* The Certifiable Salesperson, *Tom Hopkins and Laura Laaman*

Selling

Setting the right price

Setting the right price for your product or service is a delicate balancing act

IF YOU CHARGE TOO MUCH, your customers may not buy and if you charge too little, you risk eating into your profits and feeling as if you are giving your products away.

Quite simply, there are no quick or easy calculations to tell you what price to set, but there are certain factors that you must take into account.

Establish your price by considering the following: the markets you are operating in, your customers and the benefits of your product or service.

Consider the competition

Find out as much as you can about the competition. Check out what prices they charge and whether they offer any incentives such as discounts. Think about how your product rates against those offered by the competition. Draw up a list of what their strengths and weaknesses are and see if you can adjust your prices to exploit these.

The price you put on a product tells prospective customers something about it. For example, a higher price implies high quality, a lower price, low quality. Non-price factors can also help you build a pricing strategy.

Don't be frightened into thinking that the only thing that matters to buyers is price; they are interested in other aspects of your product too.

Look at the benefits associated with your product or service. For example, you could build up an image or reputation for areas such as quality, efficient service, reliability, prompt delivery. This will enable you to raise your prices and generate higher profits.

Look at a range of prices

It is often more realistic to think in terms of a range of prices. It can be tempting to start off with a low price in order to attract your customers, with the aim of raising the price once you are up and running, but this could backfire. Some of your customers may only be buying because of the low price and may not make repeat purchases if you raise them.

The lowest price you should consider setting is the one that covers your direct costs, so work out what your business costs are. These are classified as fixed (such as any salaries you have to pay out and rent you are paying on premises), variable (costs which can increase or decrease depending on levels of production) and semi-variable, such as the cost of using mobile phones.

Never go below this price – only accept this price if you need to sell excess stock.

If your customers talk to each other, it could soon become an established fact that you can be forced to sell at this low price and it will make it harder for you to raise prices in the future. ■

SOURCENOTE: Lloyds TSB Small Business Guide

Business planning

Business planning in uncertain times

Despite an uncertain economic environment, it is still possible to sow the seeds of future success. Good management and flexibility are keys, says Giles Murphy of Smith & Williamson.

COMPETITION, UNCERTAINTY as to the future direction of the economy and, in some cases, spiralling costs mean that many businesses are finding life tough.

Whenever such scenarios arise, the 'survival of the fittest' is a good way of describing how markets develop. So how do you ensure that your business is fit? How can you be certain that the organization is economically viable in the short term enabling you to build on this success in the long term?

A small downturn in revenues coupled with increasing costs can quickly change a successful organization into one with poor profitability and prospects.

So how can you ensure your firm doesn't fall into a downward spiral? Fundamentally, the managers of a business must be able to understand and monitor the organization's financial dynamics. This requires up to date, relevant and accurate management information which can be compared to budgeted information and previous year comparatives.

Equipped with this information, management can identify trends and predict the likely direction of the business' profitability.

Where this is in decline, the business should ideally look to increase revenue. If competitors are similarly struggling, the business could conceivably benefit significantly from an expanded marketing campaign to increase market share. However, the ability of the business to 'sell more' or open up new income streams may be out of its control, require significant cost investment and be risky.

However, human nature is such that, if a downturn occurs, there is a natural reaction to 'batten down the hatches' and if this is the preferred route of the business, it is essential that managers are in a strong position to carry out such a review.

This will ultimately depend on the extent to which costs in the business can be cut, making them controllable in the short-to-medium term. ■

SOURCENOTE: Giles Murphy is a director at Smith & Williamson, the financial and professional services group.

The Institute for Independent Business

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As of 31 January 2009, 5,510 carefully-selected men and women had been accredited worldwide as IIB Associates.

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WORDS OF WISDOM

"A bore is a person who opens his mouth and puts his feats in it."

— Henry Ford 1863-1947,

Master the art of giving and receiving compliments

by Ann C. Humphries

We all like to hear compliments. But most of the time, compliments aren't as effective as they could be.

A GOOD COMPLIMENT is one that is not only well stated, but also well received.

Here are some tips on giving and receiving compliments:

• **Compliment one thing at a time.** Overcomplimenting weakens your effort. Rather than piling it on "You look marvellous. You did such a great job. And you're always so organized." Focus and shoot.

• **Be specific.** What did the person do that was so noteworthy? Instead of saying, "You're doing a good job," focus on something specific: "I appreciate your staying late Tuesday until we were done."

• **Let your compliments stand alone.** Rather than complimenting just before you criticise or ask a favor, just make the compliment. You can talk about other issues at a later time.

• **Pass along compliments.** If a third party receives a compliment, such as when a co-worker compliments the work of someone you supervise, make sure you relay the compliment to that person. Forward copies *of* complimentary letters to the subjects. Tell supervisors what you heard.

• **Accept compliments graciously.** Instead of saying, "Aw, it wasn't anything," say, "Thank you very much. I appreciate hearing that."

Compliments aren't that extraordinary but they remain valuable. They are gifts. We must learn to appreciate and enjoy them. ■

SOURCENOTE: Ann Humphries is founder and president of ETICON, Etiquette Consultants for Business, Inc.

Where you have control, set a goal. Where you have influence, set an intention. Where you have little or no influence, you must have faith. Knowing and respecting these distinctions leads to enormous power, freedom and success. ■

Thinking outside the box

THREE MEN ARE HIKING through the woods and they come to a raging river.

The water is so deep and so fast that it seems impossible to cross. The first man offers a prayer, *"Please, Lord, give me the strength to cross this river."*

The Lord decides that this is a reasonable request, a cloud settles over the man and, when it lifts, he is taller, with legs like tree trunks and massive arms.

He struggles across the river, and after 4 hours, he makes it across the river.

The second man offers a prayer, *"Please, Lord, give me the strength and the ability to cross this river."*

The Lord decides that this is a reasonable request, a cloud settles over the man and, when it lifts, he has massive arms and there is a rowboat next to him.

He struggles across the river, and after 3 hours, he makes it across the river.

The third man offers a prayer, *"Please, Lord, give me the strength, the ability and the wisdom to cross this river."*

The Lord decides this is a reasonable request, a cloud settles around the man and, when it lifts, he has been changed into a woman.

She looks at a map, walks 100 yards downstream and crosses the bridge.

Moral: there is often a better way. Just look for it! ■

Why you need difficult customers

IN YOUR SEARCH for new business, some customers may seem particularly unattractive — but they could be just what you're looking for.

Running a business presents many demands, not least how to find new customers. Any business will have a type of customer that suits them best. You may specify an ideal customer as being local, in a particular sector, of a certain size, and so on.

Although you should stick to your rules, you should also consider making some exceptions to those you would normally reject as unsuitable, especially if they are just difficult.

One category to reconsider is that of slow payers. Normally you might rule them out, certainly if all your clients paid very slowly the effect on your business would be catastrophic.

But just one — would that do so much damage? You could reap the benefits. These may include:

• **Winning the business** — you give yourself a strong competitive advantage and save time and money chasing an alternative prospect.

• **Loyalty** -— because they may find locating a better deal with another supplier difficult, they are more likely to stick with you.

For more information, please phone Michael Akbar at 301.365.7824