

7 WAYS

YOUR BUSINESS NEEDS TO CHANGE THIS YEAR

TO SUCCEED & GROW

**YOU'RE A SMALL
BUSINESS OWNER.
YOU SET YOUR OWN
HOURS, DON'T MIND
HARD WORK, AND
HAVE BUILT THIS
THING FROM DREAM
INTO A REALITY.**

IT FEELS GOOD RIGHT?

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MAYBE NOT.

Too often we get bogged down with minutiae and day to day drama that leaves us feeling drained and anxious about the future of our business. It's not just a money thing (though it's often a money thing), it's easy to feel overwhelmed by the lack of time and focus that we bring to each day.

More Money, Less Problems

Here's the thing: getting organized can totally turn this around. Worried about cash flow? You save money by being more efficient. If you take the extra time to get organized, you don't have to continually reinvent the wheel every time you encounter a similar problem. Better yet, you don't have to pay someone to solve the same problem over and over again.

Additionally, organization allows you to spend more time doing the things that actually grow your business. If you're the owner but are also the best salesperson, then stop doing your bookkeeping. It's making your company suffer. If your bookkeeping was more organized and done by a professional it would mean more time spent with clients and networking. That's not just smart for your business, it returns the joy of owning a small business back to you. Isn't that the point? To be your own boss, work hard, and build your dream into a reality.

Now is the Time to Make the Change & Get Organized

Make 2019 the year you get organized. Sounds too hard to start? It's not. Like anything else, organizing your business just means simplifying some things you're doing already, streamlining them, and then labeling what you do for the optimal result. While it might take a little extra elbow grease to start, the time and money you save will make it all worthwhile. So how do you start? We're glad you asked.

Here are 7 ways to get your business organized and profitable this year.

ORGANIZATION TIP #1:

YOUR TIME IS VALUABLE (DUH)

This one is about respecting yourself and your business. You might have a romantic view of yourself, that you're shouldering all the work and responsibility because you care so much. Get that idea out of your head. It isn't helping anyone. When you waste time doing tasks that should have been done by someone else, you're hurting your business. It's that simple. This extends to three big areas:

You, your employees, and your clients.

You: Yes, you're a business owner. What are the hats that you wear in your business? Sit down and calculate how much time you spend on tasks each week. Then ask yourself is this the best way I could be spending my time? If it's not, then figure out what's being lost in translation. Remember, your business works best when YOU work best. If you're the best salesman, make sure that the majority of your time is out there meeting with clients. If you're great at organizing and delegating to more talented salespeople, then make sure you're doing that. The goal of organizing your time is to get the most bang for your buck. It's not only going to grow your business, but it's also going to make coming to work more fun.

Your Employees: If you hire someone to do something, trust them to do it. If they can't, you need to replace them with someone you can. When you run a small business the margins are so small that trust isn't an option -- it's a must. Make an organizational chart, showing what tasks need to be done and who is assigned to these tasks. If too many are falling to you, figure out ways to delegate these tasks to an employee. Often employees actually enjoy the added responsibility. Teaching and training empower them to make decisions and work toward a common goal. That's something that can re-energize your workforce. If you don't have someone on staff for a very specific role (say payroll accounting) then perhaps it's time to look at outsourcing to someone who can do it well. Yes, you'll spend a little more, but trust us -- it'll make up for itself.

Your Clients: Stop chasing after bad clients. How much time do you spend on your most profitable clients? How much time do you spend on your least profitable clients? If this ratio feels out of whack, it's time to cut loose the dead weight and look for more good clients. It can be scary to say no to a sure thing but realize that the only sure thing you're losing is a time-waster. Spend your time where it makes the most impact for your company. You're a great company, you deserve great clients. It's the only way you'll grow.

ORGANIZATION TIP #2:

ON-BOARDING/RECRUITMENT. START OFF ON THE RIGHT FOOT AND STAY THERE

Organizing the way you find, hire, and welcome new people to your team is crucial for establishing work culture. This is the first and best time to set the tone for how your business operates. This isn't just for you, onboarding a new employee the right way allows them to be successful from the very first day they start. Take extra time to get them trained in and comfortable in their new role. If it's a scramble from the beginning they have almost no shot of succeeding, especially in sales. They need to be knowledgeable about the product, confident, and able to communicate these ideas effectively and persuasively to potential clients.

Look at and organize the steps a new hire goes through. Remember your first day at a new job, how stressful it was? How can you make it easier for them? How can you make it easier on you? Visualize and then write down an ideal first-day schedule for a new employee. Write down everything that needs to happen. **Yes, everything.**

We're talking tours, paperwork, keycards, supplies, and even name tags. That checklist will be your base. As you walk new employees through orientation, take note of what works and what doesn't. If you're spending too much time on one area, put a red check mark by that item. If it feels like you aren't spending enough time in another, put a plus sign on it. Doing this will give you the foundation to understand what works with your onboarding and what doesn't. It might sound simple. That's because it is, but doing just a simple thing like this can change the tone and efficiency of your training, which in turn can change your entire work culture. For real, it's that powerful.

ORGANIZATION TIP #3:

A PROFIT/LOSS SNAPSHOT

Also known as an income statement, the profit and loss statement is a must for you to understand how your business actually works. Unfortunately, this one can be a real toughie for many small business owners. You need to take an unflinching look at something that can be pretty stressful to think about: your profit/loss numbers.

Think about this as the blueprint for how your business is built. It's a simplified view of the basic cash flow of your business. Here is where the money comes in, here is where it goes out. When you start this, be thorough. Nothing is too small to be included. How much are you spending on labor, materials, marketing, and the like? Not only that, think about subscription services. This can mean software, or even how much you spend on financial services. You can also think in terms of time. Organize your clients by the cash they bring in, but also by the number of hours that you spend on them. Are there costs that are specific to certain clients? If so, it might be helpful to note this.

Once you do this, you'll start to get a bigger picture idea of how your business actually functions. It can lead to some surprising discoveries. It's not just about cutting costs. Are there services or items where you should increase the amount you spend because you have no one in-house to do them (say, marketing or financial services?) How about areas to be decreased? One area that clients especially have problems with are subscription services. While you may use them once or twice, you could be paying for a service that you don't use often enough to justify the cost. These are the hidden losses that can add up to real money.

That's why this statement is so vitally important. Without it, trying to make real changes is virtually impossible -- it's just taking stabs in the dark. When you do have it, not only does this make planning with your financial team easier, it also gives you a simple and easy way to understand your own business. This organizational chart frees you up to make lasting changes that actually make sense and can help grow your business and hit your goals.

ORGANIZATION TIP #4:

GOALS AND BUSINESS PLANNING

This might not sound like an organization issue, but it is. Often we get bogged down in the day-to-day problems of our business to the point that we can't see more than a week or two in advance of where we're at. That's OK, but it's also not a great way to grow a business. When was the last time that you took a step back to ask what your long-term goals were for this business?

There is a lot that goes into planning long-term business goals. This is about creating a mission statement, a general idea of how you want your business to operate. You'll want to do a market analysis. Who are your competitors and how do their business models work? Are there trends you can find that will help you establish your own niche or foothold? This can also be a great time to solicit input from your current employees. Figure out who's input you'd like and set up a meeting to hear their thoughts. Not only will this help you see different aspects of your business, but it also will help your employees feel a sense of proprietary ownership. Y'all are in this together, and it pays to have them feel that way and understand it.

Once you have your goals, think about shorter-term benchmarks for the year. Be specific. Sure, every business wants to grow, but what is your goal for this year and how does it relate back to your mission statement. Is it more clients? Better clients? A streamlined business model? Take a moment to imagine an event or moment that would symbolize that you accomplished your goal. How can you know when you've hit it.

One easy way to get organized is to determine your **lag measures** and **lead measures**. **Lag measures** show company growth. This could be the number of clients on your books or the number of sales per month. Lag measures tell you if you've succeeded in your goals.

Lead measures are what needs to happen in order for growth to occur. These are predictive, these measures lead to the accomplishment of your lag measures (hence the name). These are variables that you have control over and are strongly related to your goal for your business. Concentrate on the two or three things that trigger success and lead to the accomplishment of your lag measures. This could be as simple as keeping more often out-of-stock products in your retail store or tracking the number of subscribers on your e-commerce site.

ORGANIZATION TIP #5:

HOW YOU TALK ABOUT YOUR COMPANY

When was the last time you thought about how you talk about your business? One of the top ways small businesses grow is through word-of-mouth advertising, but many business owners have never taken time to think carefully about how they talk about their own company.

Imagine you're at a cocktail party and you meet someone new, they ask "What do you do?". How do you answer? Most business owners answer simply with the type of business they have: "I have my own cleaning company". For some people the answer "It's complicated..." followed by a rambling, confusing explanation.

If you want to build your network or market your business, this is the wrong way to talk about what you do. People don't categorize things in their heads alphabetically or by industry, they file you away in their brain according to the problem you solve for them.

So start by stating the problem you solve, followed by the solution you provide and finally the results that your customers experience. Train yourself to answer in this order every time someone asks you what you do. Think of it as a 2 sentence elevator pitch.

Here's an example of how to lead with the problem you solve: "Most people don't have time to keep their homes as clean as they'd like, my company provides in-home cleaning services so my customers can enjoy being at home instead of feeling guilty about a messy house."

Once you've created your elevator pitch, think more broadly about your marketing materials (website, advertisements, brochures). Are you communicating clearly to your customers how your product or service can solve their problems? If not, this might be the year to refresh your messaging across the board.

ORGANIZATION TIP #6:

BOOKKEEPING/TAXES

Look, we get it. You value loyalty. That makes sense, and it's probably why you're a good business owner and leader. Here's the thing, you might be cloaking laziness in the guise of loyalty when it comes to your bookkeeping. Often companies continue to use the same service they've always used because it's easy. They stick with their "nice tax guy" for years and years -- even though they basically just fill out the filings every spring and send it over (plus a big, fat invoice for their services).

But you know what? Companies grow. As they grow, they need to evolve the way that they do their finances and taxes. A good monthly accountant can help you get all of your books in order, even going back years and years to help you get caught up and organized. Even if you've been with your "tax guy" for years, they may not be doing this for you. And if they are? Then that's great! You should check in on them and make sure that they're literate on all the new tax laws. They should be able to easily explain to you what these laws are and how they affect your business. If they can't do that simply and succinctly, it's worth taking a look at someone who can. Sure, it's great to have a tax person you like, but it's not worth the thousands (or tens of thousands) of dollars that you're losing every year. How much is a personality worth to you? We're betting it's not *that* much money.

Organizing your tax situation with someone you trust to have your business' best interests in mind is a make or break situation for every small business. Don't hand the keys to your kingdom to just anyone. You wouldn't do that with your house keys, so why are you doing it with your business? This is your baby. Get someone who cares!

ORGANIZATION TIP #7:

PERSONAL LIFE & BUSINESS LIFE

*This one is way too often overlooked by even the most diligent business owners. Look, you own your business, **your business does not own you**. It's so easy to get too caught up in running your business, never taking the time to rest, vacation with your family, or even eat a decent meal. That's no way to live! One of the best things you can do for your business is to take care of yourself. Get a good night's sleep! Eat food! Be happy! The business is there to serve you, not the other way around. Never forget that.*

Ok, you're thinking, easier said than done, right? Sure, but it's about making this a priority for yourself and those around you. We hear a lot about work/play balance these days, and while that may sound trite, there is something we can take from that idea. Find the time to play. Don't think of it as a weakness, think of it as a strength. Does that mean you'll need to be more organized and realistic? Absolutely.

What can you do to make sure your work stays at the office? In this new reality, we have our phones (and email) with us 24/7, but that doesn't mean that you have to respond immediately. Let clients know that you won't email back after six or seven pm. Turn off your phone for a few hours during dinner. Schedule a week or two off per year to take a vacation with your family. Chances are doing these things is going to refresh your outlook on your business and give you a new perspective on your route going forward. Remember that a huge part of your business that you sell is YOU. That's a renewable resource, but only when you give yourself the time to renew. We want you refreshed and ready for whatever challenges come your way.

If you feel like you can't take those breaks now, what needs to happen so that you can? Does it mean hiring someone new? Changing your workload and schedule? Whatever it is, make this a priority, stat. Businesses are made up of people, and those people are important -- that includes you. You wouldn't tell another employee that they can't do those things, so why are you telling it to yourself. There's no virtue in killing yourself through working too much. Take time, smell the roses, then get out there and kick some more butt. You owe it to yourself, your clients, and your businesses' continued growth. We're rooting for you.