

BUSINESS INTELLIGENCE



Strategies and Trends for the Successful Business **REPORT**

June 2007

IDEAwatch

Tips for Growing Your Business

□ If you want your company to grow faster, give yourself some choices. Doug Hall, author of the Jump Start Your Business Brain book series, conducted a study in which he grouped 96 small and medium-sized businesses based on how many fresh marketing ideas they were considering. The companies with the fewest choices saw an average grow rate of 4.5% over three years. Those with the most choices grew, on average, 26%. The fast growth companies also had higher profit margins and happier employees. The lesson is to push yourself and your team to come up with one new marketing idea a week. Most of the ideas may not work, but the more choices you have, the smarter decisions you'll make and the faster your company will grow.

□ Here's a unique way to use customer testimonials. When call-in customers are on hold, instead of playing recorded music, play a recording of your best customers voicing the benefits of doing business with your company.

□ Make it easier for the media to publicize your company by building an online press room. Dedicating an area of your website specifically for the media can help reporters meet their deadlines, as well as impress your target audience. Provide a company fact sheet that offers basic information a media outlet would want to know. Also provide bios of key employees along with photos and contact information. Include facts about your expertise, links to previous press releases and articles, notable clients, a list of frequently asked questions and possible story ideas.

MANAGEMENT

Five Habits That Cripple Business Growth

WE ALL HAVE excuses for not changing, and you'd better believe that organizations are full of excuses. The following phrases may sound familiar to you: "We've tried that before and it didn't work." "I didn't make my numbers because...." "Here are all the things that could go wrong." "I can't get everything done." "It's not my job." "It wasn't my fault." "I wish management would stop changing their minds."

Excuses signal systemic problems that are deeply embedded in the organization's culture. And while some hostile economic events are unavoidable, I find that many organizations suffer from the same five crippling habits that inhibit growth.

1) Absence of Clear Directives. If you're hearing or saying any of the following, then your organization suffers from an absence of clear directives: "I can't get anything done." "Everything is a priority." "I wish management would quit changing their minds." "I didn't know I was supposed to do that."

As a leader, you must make sure everyone who reports to you understands and stays focused on achieving the organization's most important objectives. Listen for what's keeping people from doing what's important. Have you set goals that are specific and measurable? Can everyone in your company articulate those goals? Do they understand how their jobs directly support those goals?

Put the objectives front and center on meeting agendas and in ongoing written and verbal communications, and encourage people to post them where they can review them frequently. Make the objectives come to life in everything the organization does.

2) Lack of Accountability. If you're hearing "I would have done it but..." or "It's not my job," then your organization is suffering from a lack of accountability. When I find a culture of blame or a victim mentality, it often points to a lack of clear ownership and the fact that the organization's reward system isn't linked to results. People need to know what they're responsible for delivering. You must also reward results, and to do that you

Common excuses from employees may signal systemic problems inhibiting growth. Here's how to change.

have to measure performance against clearly defined goals. When I visit a company, after I ask people what they're doing and if they know how their job fits into the organization's directives, I then ask, "How well are you performing, and how do you know?"

To be effective, you must measure results against goals — not just quarterly or at year's end, but often weekly or even daily. While "meeting mania" is certainly unproductive, frequent meetings that focus on performance against those goals are absolutely necessary. Everyone in the organization must be held accountable. If you don't make your goals, there must be a penalty.

The best carrot and the strongest stick are often compensation. I can't believe how frequently I find that year after year workers who don't meet their objectives continue to get pay raises. If there are no consequences for poor performance, you can't expect improvement.

3) Rationalizing Inferior Performance. Whenever you hear "they," as in, "If only they would do their jobs," and "I work hard, why are they complaining?" instead of "I" in a conversation

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"Better Than Free..."



FDIC



4.01 % APY*

Free Checks

Refund of Other Banks' ATM Fees

624-BANK



*Rate subject to change without notice. Some restrictions apply.

□ When sending emails to your opt-in list, neglecting to carefully consider your “from” and “subject” lines can be disastrous. According to a survey of 2,252 email users by the Email Sender and Provider Coalition, 80% of those surveyed said they decided whether to click on the “report spam” or “junk” button without even opening the email. Also, 73% make the decision using the from line and 69% said they make it using the subject line. Therefore, if your emails appear to come from someone unfamiliar or have spammy-sounding subject lines, you may be on your way to getting blacklisted — even if it’s undeserved.

Source: www.directmag.com

□ Good listeners make great salespeople. Try these ideas for better listening: In face-to-face meetings, ask “Do you mind if I take some notes?” This sends the message that you believe what they are saying is important. After they’ve given some information, dig deeper into key needs and challenges to discover their “hot buttons.” One way to get them to elaborate is a technique called “parroting” — repeating their last few words in the form of a question; for example, if the customer says, “That’s been a major problem for us,” you say “Problem?” Usually this will prompt the customer to go into more detail. Finally, be sure to check your understanding by summarizing the customer’s key concerns. This will clear up any potential confusion and will show that customer that you were listening.

Source: www.entrepreneur.com

□ Looking for great deals on travel? These online sites can help: Farecast.com helps you decide if it’s better to buy your airline tickets now or later. By analyzing historic trends for your departure and destination cities, it recommends whether prices will rise or drop if you wait. Airfarewatchdog.com maintains a team of experts who are constantly on the lookout for fares they think are bargains. Enter your departure city to search for low fares, or ask to be notified via email whenever deals arise. Kayak.com searches flights, trains and rental cars options from multiple vendors, pricing out various itineraries.

Source: www.theweekmagazine.com

‘Unconferences’ shake up the convention biz

Conventions are an established part of most industries. But now, the convention business is facing Web-inspired competition: the “unconference.” Unlike traditional \$1,000-a-head and up conferences, they’re totally unstructured — the agenda isn’t determined until the opening day. Everyone who shows up is a potential speaker, and those who don’t speak contribute by posting photos, blog entries, podcasts and video clips of the proceedings. Attendance is inexpensive or free.

Dozens of these casual, open-forum gatherings are popping up in a variety of sectors. The movement is a reflection of other user-driven trends such as Wikipedia, MySpace and interactive

blogs, and a response to the commercialism of many business gatherings. Another factor spurring the growth of unconferences is their ability to tap the smarts of the people who usually sit mute in the audience.

While there’s no dress code at unconferences, there are rules: no passive attendees, only participants. A high-speed WiFi network is mandatory so those present can publish notes and other material. The conference website is a collaborative wiki. And if participants find a session boring or they’re not motivated to contribute, they’re expected to get up and go somewhere else, keeping the ideas being batted around relevant to people in the room.

Source: BusinessWeek, May 14, 2007

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about meeting goals, you can bet someone is rationalizing by creating a defense mechanism that justifies inferior performance. On the other hand, in an organization that is committed to results, when people aren’t meeting their goals, they take ownership by communicating what they require to succeed, how much it will cost and who needs to help them.

When productive leaders hear someone rationalizing inferior performance, they switch the conversation from negative to positive. Instead of asking why an individual hasn’t met a goal, ask what he’s doing to get there. Does he need help? What stands in the way? During these conversations, make certain ownership and accountability are maintained while you focus on actions required to achieve the desired outcome.

4) Planning in Lieu of Action. If only I had a nickel for every time I heard one of the following: “That’s not in the plan.” “We missed the plan and need a revised forecast.” When organizations don’t meet their objectives, all too often everyone blames the plan. The problem is that organizations too often don’t invest an equal amount of time, energy and resources on achieving the results the plan targets. Instead they go through several quarters before realizing that they’re not achieving the results they’d planned for, and so they say, “Let’s revise the plan again.”

The most effective plans are those with specific, measurable goals that are evaluated monthly. Long-range plans covering three to five years are useful for setting and communicating direction and should be restricted to senior management. Short-range plans covering 12 to 18 months are what employees need most to remain on course and manage results.

Plans and associated measurements must focus on simple-to-articulate goals owned by specific people. The measurement system has to be visible weekly, or in some cases even daily, so that

everyone knows the results and understands the deviations. When deviations occur — and they will — an organization must act immediately to remedy the situation.

5) Aversion to Risk and Change. How do you like this excuse: You have some great ideas for improvements, you share them and then you hear, “Once you know what we’re facing, you’ll understand why we do things this way.” In other words, once you become a part of the problem, you won’t want to shake things up.

It’s true, we’re all creatures of habit. We’d much rather navigate familiar territory and clutch the belief that if we just keep doing what we’ve done that produced good results, those outcomes will continue in perpetuity. Of course, that theory is ridiculous, because the world is in constant flux. What’s even more ridiculous is that many businesses just keep doing things that have produced bad results, always expecting a different outcome. They become expert at rationalization and maintain that way of thinking until something dramatic happens to the business.

For change to occur, the pain of change must be perceived as less than the pain of maintaining the status quo. Until this condition is met, little will change. Most organizations wait too long to change. They delay until there is no other choice.

People want to work for leaders who have the guts to make a decision and stick with it. Management must encourage calculated risk taking and truly demonstrate that people who take risks and occasionally miss the mark will live to try again. A culture of blame, fear and meeting mania can’t flourish in that healthy environment.

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