

SMALL BUSINESS MATTERS

Business Management: Assess Yourself

Brought to You by CBDC South Coast



What makes a successful entrepreneur or business person? Is it luck, timing, business savvy, knowledge or experience? Or conversely, is it bad luck, poor timing or inexperience? Both answers are most likely right. In fact, the latter may in some cases produce a more successful entrepreneur over time assuming there is both sufficient cash flow and persistence to last through the tough times.

Folks that run and operate businesses may find it difficult to take the time to assess their business and how they can improve it on a regular basis. It is crucial that steps be taking to continually evaluate and improve the competitiveness of your business. Just as important, managers should also take the time to assess themselves, as an owner or manager. Why you might ask?

Why not? Most business owners and many managers do not receive performance appraisals of themselves, of course by virtue of their position, unless they work for a large corporation. Even if they did receive feedback, most performance reviews will not give sufficient detail as the branch or head office is likely too far away and must rely primarily on facts and figures and not the overall management skills of the manager.

If a business manager took the time to regularly improve his or her business but did not consider his or her own personal strengths or short comings, then there is a missed opportunity. What if a small business owner or manager's communication style with employees or even customers needs improvement? One might ask, does it really matter since he or she is the boss? Will it does!!! First of all, looking at the worse case scenario, employee retention may be difficult and there may be a loss of customers. The best case scenario could be unhappy or uncommitted employees and unsatisfied customers. Both scenarios are undesirable.

So how can business owners and managers assess themselves? Here are some areas that managers should consider in self assessment regularly as it ultimately impacts the bottom line:

- **Human Resource Management** – Take the time to examine both your relationships with your employees and your rules/policies around personnel. Can it be improved?
- **Organizational Skills** – Be proactive rather than reactive. Are you keeping on top of both paperwork and administration activities?
- **Financial Planning** – Always think ahead a year or two, if possible. Are there any planned or expected changes to your business or in your marketplace that may impact your business? Ensure you plan your finances and evaluate your cash flow beyond the present month to help prepare for both the expected and unexpected events.
- **Marketing and Promotion Approach** - If you are concerned about maintaining and increasing your business profitability, then you should always focus on promotion. This does not always have to involve extensive costs. Take advantage of every opportunity to market to existing customers, find new customers, add new products/eservices, bundle products/services, and examine unique ways of promoting your business.
- **Customer Service** – Without your customers you will not have a business. So ensure you doing everything possible when it comes to pleasing them. Think about every possible, practical, and feasible way to serve yours customers and how you can go the extra mile to impress. Your customers can also be your best promotion.

The above are just a few things small business managers should consider in relation to their personal approach. When there is room for improvement, every opportunity should be taken to make changes. Where things are fine, you will want to continue to set the example to motivate your employees to do the best they can in their work for your business.

For more information on business financing and other services of CBDC South Coast call 1-800-303-2232 or 538-3846.