

Taking Control of Your Business

SMB Quick Reference Series

Control. It's a pesky term, with many definitions.

To some, it connotes management discipline and a process that leads to improvement. To some, the word is defined as a restraint or limitation. While many view the term as indication of power or influence. Which one is right in the context of business?

We submit that all are equally applicable to the small and medium business. As a business owner, you need to ensure that you are able to control your business – especially in uncertain times. Being able to grow revenues, increase profits, bring new products/services to market, and beat the competition requires that you understand your business, products, customers, suppliers, and markets. Yet, all are quickly changing all the time.

To help you gain or retain control of your business, we've identified eight areas that you must pay attention to and get ahead of:

1. **Financial Controls:** If your finances seem to be spiraling out of control, then sit down with your accountant and find out what is going wrong. Look at products, services, accounts receivable and payables, and cash to understand what to correct. Dig into the details of the business like never before.
2. **Inventory Control:** Inventory is the largest cash and expense killer in business. Too much inventory with no demand makes expenses soar. Too little inventory in times of growth kills revenues. Understand how you can manage inventory more tightly, getting to where inventory is slightly ahead of demand. Keep a keen eye on the sales pipeline to know what is needed; and a laser focus on sales to know what is wanted.
3. **Customer Control:** Some customers are not very good for your business. It's that simple. They purchase very little but demand much of your time and energy. Alternatively, you have other customers that bring great opportunity and profit to your business. Sort out the good customers from the bad. Focus time and energy on keeping and attracting the good customers and send the bad ones to your competitors.
4. **Time Control:** The tyranny of the urgent is the enemy of success. Spending time on unprofitable activities is a sure recipe for disaster. Spend time on strategies and activities that directly contribute to increasing sales, profits, and customer and employee satisfaction. Take a break every now and then to recharge yourself and plan the business – learning how to avoid time wasters.
5. **Operational Control:** This is about how you deliver your products/services to your customers with the greatest value and least expense. Renegotiate with current suppliers, test out new vendors for pricing, availability, and quality. Challenge your employees to achieve new goals around product/service delivery, rewarding those that move the business forward. Don't leave operations to chance.
6. **Employee/Contractor Control:** Often the largest expense to a business is when employees and contractors are hired then left to do their jobs. Get back in touch with all your employees and communicate strategies and goals. Ensure they have the best productivity tools, train them regularly and update their knowledge. Ensure everything they do is prioritized against the business objectives.
7. **Technology Control:** Email, voicemail, instant messaging, servers, internet connections, spam, and viruses, ... The list goes on. Technology can be a great tool for substantially growing productivity, sales, profit, and customer satisfaction. Or, technology can be a large distraction that keeps the business from focusing on the most important items. Simplify your technology and outsource what you're not good at. Get back to running the business, not the technology.
8. **Control of Yourself:** Take charge of you. Start working on the business, not in the business. You're the leader responsible for setting the objectives, marshalling the resources, removing obstacles, and helping others to be as productive and successful as possible. Get above the 'fray' and think ahead of the business to chart new directions to revenue, profits, and growth.

To help small and medium business owners achieve control of their business, NextCorp has created the SMB Suite – a set of tools and services that put you back in control of the business. Offered as a monthly subscription, you gain immediate access to the information, best practices, reports, collaborative tools, supply chain integration, training, help desk, and technology management that directly contributes to gaining control in the areas described above.

Now is the time to take that first or next step in retaining or gaining control of your business. Call (800) 525-NEXT or visit: www.getsmb.com

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