

BIG IDEAS for growing your small business

How to build
profits and
manage growth

Frances McGuckin



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More Praise for 'Big Ideas for Growing Your Small Business'

"This new book will be an invaluable resource... It provides you with practical advice on how to plan and overcome growth problems... the added bonus being the Big Idea tips throughout each section that suggest innovative ideas to use within your business."

MOCHASOFA

"Everybody writes books on starting a business but no one seems to bother actually showing how to run one. McGuckin does so admirably with a series of amazingly detailed lessons on managing business growth."

THE PROVINCE

"Her easy-to-read book is a refreshing, insightful step-by-step guide for anyone looking for the right way to grow a small business."

CARIBOO ADVISOR

"No small business would be complete without this second book, *Big Ideas for Growing Your Small Business*, from best-selling author Frances McGuckin. Easy to read and understand, it contains the formula for making your business successful."

CRAFTLINK CONNECTIONS 2004

"This book is well thought out and presents a no-nonsense approach...she'll help you get out of your rut, move on and take your business to new heights."

OFFICE@HOME MAGAZINE

Praise from Happy Readers

"Her latest book, *Big Ideas for Growing Your Small Business*, is wonderful—filled with new ideas for the small business person. Thank you for your wisdom, Fran."

BARBARA PELLEY, VALLEY WOMEN'S NETWORK

"*Big Ideas for Growing Your Small Business* is fabulous and totally relevant to issues that our business faces. The Big Ideas are a great touch; it's much easier to read that way when I am pressed for time."

LISA AND DEREK RICKWOOD, OWNERS, RICKWOOD'S MENSWEAR

(Real Life story, Chapter 6)

"As well as a great ideas book to guide you through growing your business, I refer to *Big Ideas for Growing Your Small Business* as an everyday manual for help with writing those formal business letters, approaching the media, planning a presentation, guiding me through the things I should be doing and how to succeed at them, and the pitfalls to avoid. I took some advice from your wonderful book and got a whole page exposure in the *North Shore News*! Thank you! It is an easy read for a busy professional and a 'must have' book on the daily reference shelf in every small business."

LORNA STEWART, PIE-ONEER, ACME HUMBLE PIE CO.
(Real Life story, Chapter 9)

"We read *Big Ideas for Growing Your Small Business* and saw ourselves and all the pitfalls within the book and realized that we were no different from anyone. It made us refocus and not give up; we had made common mistakes and we realized where we could change, reinvent the business and be successful. It gave us all the skills and techniques to do so."

JIM AND LINDA JURTZ, WEGO TOURS AND TRAVEL
(Real Life story, Chapter 14)

"Four of us met for three months once a week and reviewed a chapter of *Big Ideas for Growing Your Small Business*. It's too easy to get caught up in the work and not working on the business. The book is a good reminder to keep focussed and be accountable. It was invaluable that way. I get something from the book every time I read it. It focusses you on fine-tuning your business and policies and brings you back to the reality checks."

VICTORIA BIGGS, UNIQUELY YOURS FURNITURE ON CONSIGNMENT

"Just finished reading your wonderful book *Big Ideas for Growing Your Small Business*! Truly a helpful and straightforward book for entrepreneurs. A bit of an eye-opener as well!"

"I just finished reading your book and it was great! Your book helped me to realize that I still have a few areas to work on before I am ready for a large retail business."

"I have just finished *Big Ideas for Growing Your Small Business* and would like to thank you for producing such a good resource for small business. I have already taken some of your suggestions and put them into action."

Dedication

*I devoted the first edition of
Big Ideas for Growing Your Small Business to my
incredible mother, Emilie Gisela Shaw.*

She was then 91.

*Now she is 95, and has shown me even more
so that if you stay positive and busy, you can overcome
all the curveballs that life throws at you.*

*So this second edition is also devoted to her,
because her strength and determination, courage and
sheer stubbornness, persistence and perseverance
are a daily inspiration, not just to me,
but to friends and family universally.*

I love you, Mom.

Table of Contents

FOREWORD	xi
ACKNOWLEDGEMENTS	xiii
PREFACE TO SECOND EDITION	xv
INTRODUCTION	xvii
CHAPTER 1: ARE YOU TAKING CARE OF BUSINESS?	1
• Where are you now? • <i>YOU</i> are your business • Business is all about service • The top ten mistakes in growing a business • Take the test: The “Where Am I Now?” questionnaire	
CHAPTER 2: DO YOUR ENTREPRENEURIAL SKILLS NEED FINE-TUNING?	17
• What is a true entrepreneur? • The Eight Essential Entrepreneurial Skills • How to survive and succeed in a changing world • Your golden box of opportunity • The A to Z entrepreneur • Take the task test • Entrepreneur or operator? • Getting by with a little help from your friends • What do you really want to do?	
CHAPTER 3: ARE YOU ORGANIZED—OR OUT OF CONTROL?	37
• Overwhelmed and overworked • Get organized • The cycle of business • Organize the manager: make time • Which time zones are you operating in? • Get your RPM going: review, plan, then map your time • Organize for the “Five Fs” • Organize the office: manage time • Organize your files • Utilize your filing system • Organize your computer • Organize your e-mail • Organize and master time • Organize a monthly routine • Organize the home office • Plan to stay organized: a checklist	

CHAPTER 4: ARE YOU IN CONTROL OF THE FINANCIAL REINS?	59
<ul style="list-style-type: none"> • Why is accurate accounting so important? • What does accounting tell you? • The six-step accounting cycle • What are source documents? • The general ledger—your business “bible” • Financial statements—your business health barometer • Design an informative chart of accounts • Case Study: Snappy Lawn Equipment Services Ltd. • How to analyze an income statement • Analyzing Snappy’s first six months • Know your break-even point • Your business’ break-even point • How to decipher a balance sheet • The balance sheet shows... • Increase your gross profit margins • Is your overhead out of control? • Plan for your future 	
CHAPTER 5: HOW ELSE CAN YOU INCREASE YOUR PROFITS?	87
<ul style="list-style-type: none"> • Increase profits by increasing efficiency • Take a systems inventory • Is your inventory under control? • How to count inventory • How to cost inventory • Are your customers paying you? • Set credit policies • How to use credit applications • Monitor accounts receivable • What if your customers don’t pay? • Improve your administrative efficiency 	
CHAPTER 6: ARE YOU READY FOR GROWTH?	109
<ul style="list-style-type: none"> • Did your plan go to plan? • Use the six-step growth analysis plan • Grow your business by exporting • The benefits of incorporation • The downside of incorporation • “Going for growth” action plan 	
CHAPTER 7: HOW DO YOU FIND—AND KEEP—GOOD HELP?	135
<ul style="list-style-type: none"> • Are you ready to be a boss? • “I can’t get good help these days!” • How do you hire the right person? • How to recruit the perfect candidate • Wading through the resumé pile • The art of successful interviewing • Reference checks • Your responsibilities as an employer • How much does an employee cost? • Make your employees “Lifers” • Employee theft—an employer’s nightmare • Your hiring checklist 	

CHAPTER 8: HOW DO YOU GROW AND MAINTAIN YOUR CUSTOMER BASE?	159
<ul style="list-style-type: none"> • Are you missing your market? • Understand the components of marketing • Revisit your marketing plan • Reevaluate your marketing plan • Revise your marketing plan • Your business image and branding techniques • Target your market • Your marketing budget • Don't let 'em out the door... • Where can you improve? 	
CHAPTER 9: ARE YOUR WRITTEN PRESENTATIONS PROFESSIONAL? ...	181
<ul style="list-style-type: none"> • Communication is your key to success • The art of writing professional letters • How to set out a smart letter • Sample letters for all occasions • How to write a powerful media release • How to prepare a professional media kit • How can you improve your written skills? 	
CHAPTER 10: DO YOUR VERBAL SKILLS NEED ENHANCING?	201
<ul style="list-style-type: none"> • Business is all about communicating • Telephone talk • Cold-call with confidence • Speak your way to success • The "Five Ts" of terrific talking • Networking—breaking the ice • Improve your communication skills 	
CHAPTER 11: HOW DO YOU APPLY COMMUNICATION SKILLS TO MARKETING?	221
<ul style="list-style-type: none"> • Use low-cost or no-cost marketing magic • Communicate in your community • Network, network, network! • Communicate through speaking • Communicate through the media • Communicate, demonstrate and educate • Communicate through writing • Build credibility using testimonials • Apply your communication skills to marketing 	
CHAPTER 12: WHAT ELSE SHOULD YOU KNOW ABOUT MARKETING?	241
<ul style="list-style-type: none"> • Develop a marketing mix • Build a database—build customer loyalty • Out-service the competition • Marketing and the Internet • "Hit and miss" media advertising • Don't waste marketing time and money • Now plan your marketing approach 	

CHAPTER 13: HOW DO YOU IMPROVE YOUR SALES SKILLS?	259
<ul style="list-style-type: none"> • Selling is an everyday experience • Consumers are filling a need • Use the six-step sales process • The “Five Ws” of selling • The “Six Ps” of selling • Can you improve your sales skills? 	
CHAPTER 14: HOW DO YOU OPERATE IN CRISIS?	277
<ul style="list-style-type: none"> • When dreams become nightmares • “Let’s not talk about failure” • Heed the warning signs • Ten steps for operating in crisis • Failure of a sole proprietorship • Failure of an incorporated business • Think about your family 	
CHAPTER 15: ARE YOU READY TO SUCCEED?	301
<ul style="list-style-type: none"> • What does success mean? • Women move into the boardroom • Why women succeed • The challenges women face • But men hold their ground in the business world • Why men succeed • The challenges men face • What is good business management? • Plan to succeed 	
INDEX	315
ABOUT THE AUTHOR	327

Foreword

I'm sure you have heard the following comment:

Q. "How do I run a small business?"

A. "Start with a big business."

There's more truth than humour in that statement. As a business owner for the past 25 years, I've grown Canada Wide Magazines & Communications Ltd. from gross sales of \$76,000 in 1976 to today's gross sales of \$25 million. And then along comes this book *Big Ideas for Growing Your Small Business* by Frances McGuckin. Where were you when I needed you the most?

Her easy-to-read "how to" book on growing your business is a refreshing, insightful step-by-step process for all who seek the elusive success formula. "Aha" ideas bounce off every page of Frances McGuckin's second book.

This very practical book will show you how to identify the "Top Ten" mistakes and avoid them; how to find your customers; how to sell; how to control your finances; how to develop a team; how to achieve extraordinary results; how to develop important communications skills, plus much, much more!

Buy this book, read this book and improve your performance, productivity and profitability. You'll be glad you did and you will turn your small business into a successful big business. And it won't take you 25 years like it took me.

Peter Legge, MA, CSP, CPAE
President & Publisher
Canada Wide Magazines & Communications Ltd.
Author/Publisher/Professional Speaker

Acknowledgements

This book is one “big idea” that flourished and grew into not one, but two editions. However, it wouldn’t have blossomed so beautifully nor reached fruition without the help and support of caring colleagues and friends.

One may author a book, but it takes teamwork to complete it. There are many people to thank, so starting from the beginning, a special thank-you to a top-class production team who also produced a classy edition of *Business for Beginners*—Heidi LeRossignol, my conscience and production coordinator; Tita Zierer, my talented editor; Shirley Olson for her creative interior design; Naomi Pauls for her relentless, expert proofreading eye; and Lee Fodi for his innovative cover design.

Part of the team to thank are those special people who contributed information. They include my friend and colleague Lorne Kelton, who contributed sales tips for Chapter 13; Cal Purcell, a well-seasoned entrepreneur with a passion for sales, who contributed information for the same chapter; and Christina Severin-Henriksen, a longtime friend and past employment agency owner, who contributed information on hiring employees for Chapter 7.

A special thanks to Ken Baker, Managing Partner of B.D.O. Dunwoody L.L.P., Chartered Accountants and Consultants, Fraser Valley Regional Office, for sparing his staff Shawn Ganz and Agatha Cluff, to review and give input into the insolvency information in Chapter 14.

To Peter Legge, a truly inspirational, outstanding role model, successful entrepreneur and internationally acclaimed, award-winning speaker, who kindly wrote the foreword for this book, a big thank-you. Peter’s awards include Toastmasters International’s Top Speaker in North America.

To all those entrepreneurs who appear in the Real Life stories, thank you for being an important part of this book. To my very dear and beautiful teenage daughter, Katrina, and husband, Michael, what can I say? Thank you for understanding this stubborn writing maniac. I love you too.

Preface to Second Edition

WHY A SECOND EDITION?

Big Ideas for Growing Your Small Business was first published by McGraw-Hill Ryerson in January 2001 as part of their SOHO small business series, penned by Canada's top small business authors. As times and technology quickly change, and as I travel more extensively speaking to entrepreneurs—from San Antonio, Texas, to St. John's, Newfoundland—the more I realized the need for this second edition. New material needed to be developed; old material needed to be updated to reflect these ongoing changes.

So rather than wait, I decided to harness the entrepreneurial spirit once again and self-publish a sparkling new edition of *Big Ideas for Growing Your Small Business*, so that readers are kept up-to-date and can't blame me if they don't succeed. I thank everyone I have met over the years—one way or another, many of you are an important part of this book.

HOW WAS THIS BOOK WRITTEN?

No different from anyone else, I spent time dreaming about what I wanted. Perhaps different from some, I spent a lot of time making those dreams become a reality. This book became a reality through my stubborn persistence, setting and focussing on a goal, and working relentlessly to meet an almost impossible production deadline. You see, dreams are only dreams, but they must become goals to make them happen. No one can make your dreams happen except *you*.

WHY WAS THIS BOOK WRITTEN?

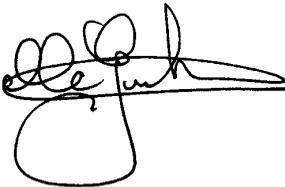
Still on the subject of dreams and goals, my two main goals were to write books and give seminars to help reduce small business failure—and to earn enough income to do what I most enjoy (riding my horse, oil painting, sleeping in and getting dirt under my fingernails).

Those goals gave birth to my first self-published book, *Business for Beginners: A Simple Step-by-Step Guide to Starting a Small Business*, the third edition published in February 2003. Its success has been overwhelming! With over 125,000 copies sold to date, it was rated one of Canada's top ten business books in both August and November 2003 by *Quill & Quire*. Now there is a Russian edition, electronic rights have been sold to Intuit Canada for inclusion in four of their software programs, and hard print copies are included in business software programs. U.S. publishers have expressed an interest in both books.

WHOM IS THIS BOOK WRITTEN FOR?

If you have just started a business, or are growing too quickly or too slowly, or want to make more profit, or learn more, this book is written for you. My message to you is simple. You have your entrepreneurial dream and no one can take it from you—except you. If you set your goals, give them time limits, focus, learn, be open to change and use the information in this book, nothing can stop you from growing your dream into a dynamic and profitable business. You can do it.

I would love to hear your comments or questions. Please visit my Web site at www.smallbizpro.com for more business information, or e-mail me at contact@smallbizpro.com.

Frances 

Introduction

SMALL BUSINESS IS BIG BUSINESS

With the onslaught of career-changing baby boomers and women outstripping men in business start-ups at the rate of seven to one, self-employment has skyrocketed in the last decade. Coupled with changing technology and seesawing economic conditions, there is a proliferation of small and home-based businesses, with HBBs accounting for over 50 percent of North American business start-ups. Women-owned businesses account for nearly 40 percent of North American businesses. Small business is *indeed* big business.

Millions of self-employed entrepreneurs chase the great entrepreneurial dream of self-sufficiency, being their own boss and making lots of money. Those who follow the formulas for success usually achieve their aspirations, and more. Those who wing it on a whim run the risk of failure. This book was written to help entrepreneurs realize their dream. Let me help you realize yours.

WHAT DOES “GROWING A BUSINESS” MEAN?

Growing a business means learning all aspects of profitably managing, marketing, operating and administering it. Too many businesses fall through the cracks because owners don't know what steps to take to rectify problems. This book lists the 60 jobs that an entrepreneur is responsible for. How do you cope with all these chores and generate a profitable income? Let me show you.

By learning how to circumvent operational stumbling blocks, your business has a better chance of success. The secret is to make the time to learn how. Most proprietors are “too busy” working *in* their business to work *on* it. This book is designed to teach you how to work *smarter*, not *harder*, thereby increasing your profits while decreasing your stress level.

MORE OR BIGGER?

Many people have the misconception that growing means “more.” More sales, more employees, more overhead expenses—and more headaches. Not so. Who needs these stresses? However, if you aren't generating the expected profits, then there are reasons why. The answers are in this book.

Then there are those entrepreneurs with aspirations of “bigger.” To take your business to the next level, you must stop first to consolidate your ideas. Bigger is only better if you do it right. Do you want a bigger business generating bigger profits, or do you just want to make your business more profitable and less stressful?

WHAT WILL YOU LEARN?

If you read this book thoroughly and use the worksheets, tips and Big Ideas, it will guide you through the necessary growth steps. In a nutshell, it:

- helps you assess where you are and where you are going
- teaches you the Eight Essential Entrepreneurial Skills
- offers workable and practical solutions to problems
- teaches you the Seven Tools of Change
- offers practical time-management techniques
- helps you get organized and operating efficiently
- shows you how to increase profits
- helps you assess whether you are ready for growth
- guides you through hiring and motivating employees
- offers practical marketing and selling strategies
- guides you through operating in crisis
- includes many self-assessment worksheets and checklists.

The first chapter addresses how important *you* and superior customer service are to your business. It explores the most common mistakes that precipitate growth or operational problems. Take the “Where Am I Now?” questionnaire at the end of Chapter 1 to assess both your emotional and physical business health.

If you use the information found in this book and complete all the questionnaires, worksheets and checklists, you will be well on your way to formulating your success plan. The rest is up to you.