

As we end one fiscal year and begin a new one, we reflect on the learning during our Small Business University in partnership with Kaufman Lynn Construction, Palm Beach State College, and Small Business Development Center. We are reminded that it's never too early or late to learn how to run a successful business. Whether your business is in its inception or you've been around for a while, there are several things you can do to advance toward your goals. Included are ten considerations that run the scale from operational to practical, and anyone can implement them.

Tips to be a Successful Small Businesses

Understanding Finance

Owners of profitable businesses take the time to learn about finance. They understand that cornerstone business success depends on the understanding basic financial principles. That doesn't mean you have to become an accountant, but it doesn't have to be difficult, either. It's all about learning how finance affects your business, how to keep your debt in check, and what to do when you start turning a profit.

Practice Prudence

New companies tend to struggle with poor cash flow. That's why, from the beginning, it's important to run your company from a **lean financial standpoint**, reducing costs wherever possible.

One way to run a lean business is to overestimate expenses and underestimate revenue. Thinking in this manner is not hoping for less income, but it allows you to plan for all possible scenarios.

Another way to keep your finances lean is to minimize overhead costs as much as possible. Skip the fancy stuff, at least at first. You don't need to splurge on unnecessary niceties, such as extravagant offices, the latest technology, or high-end office furniture.

As your cash flow increases, you can start to spend a bit more on quality of life, but it's important to remember that money saved is money kept in the pocket for other expenses.

Create a Business Plan

Without a business plan, your business is a plane with no pilot. You're never going to get anywhere if you don't know where you're going.

Aside from being the company blueprint, many banks require small businesses to provide a business plan when applying for loans, so this is a mandatory document.

A business plan doesn't have to be long or complicated, but there are some important company considerations your business plan should outline:

- ❖ Product or service offerings
- ❖ Sales and marketing plans

- ❖ A financial plan, including a cash flow analysis
- ❖ Employee needs

Understand Sales Drive Business

You've started a company with the intent of attracting a customer, and customers are your reason for existing. The business owners that know how to succeed in small business know the importance of prioritizing sales from the very beginning.

Even if your brand is not entirely developed, start selling. Without sales, it doesn't matter if your website, brochures, and product are all perfect - what does matter is whether you have **leads**.

Speaking of leads, how do you get them? How do you convert them into sales and make sure they provide a return? You need a marketing and sales funnel system that anyone who works for you can use. It doesn't have to be extravagant, but it needs to exist.

Develop a Sound Marketing Strategy

Successful small businesses stick around because they know how to build a productive marketing strategy. They also know that you can effectively advertise your business on any budget.

Since marketing is essential, set up a marketing strategy that will be part of your business plan as soon as possible. Attract and retaining customers is a question you can ask before even going into business.

To market effectively, you need to define your target market and its purchasing habits. You also need to understand where your product or service fits into the market.

Successful small businesses embrace digital marketing, so take their lead and make sure to create a website and email list to develop your social media presence.

Provide Excellent Customer Service

Getting customers to stay can be just as hard as getting the sale, so care for the sales you work hard for. Negative reviews, especially on the Internet, can be extremely damaging to companies.

Owners who survive know that excellent customer service is a huge part of how to run a successful business. Your first job is to create something customers want, but you should give them something beyond the product. Your customers want to feel valued too.

Even if you aren't the lowest-cost option, excellent customer service will make customers come back, so train your staff to provide top-notch service.

Hire the Right People

How would it be possible to run a successful small business without the right people? If your business plan is the pilot, your employees are the flight crew. Similar to how the plane cannot fly without the crew, your business cannot flourish without the right employees.

Small business success depends on assembling a team that will help you achieve your operational goals. First, make sure that you're hiring to cover all of your operational needs.

Aside from making sure to cover every position, it's critical that your new hires are a good fit for the company culture and that they can form part of a cohesive team. People with complementary strengths who balance one another is one part of what makes a business successful.

Learn from the Competition

Successful small business owners know that iron sharpens iron. They aren't intimidated by the competition because they know that having competition shows there's a market for their product or the problem they're trying to solve.

Small businesses that are successful use competition to their advantage. They study their competitors and find out what their competitors are doing right and wrong. Successful small business owners pay attention to their competitors' marketing strategies, pricing, and customer satisfaction.

However, simply studying your competition is not enough. Once you see what's working or not working, adjust your business strategy accordingly.

Adapt to Change

Running a successful business means being able to adapt to all types of changes, whether it's customers, technology, or competition.

Don't shy away from new technology. It's easier to adapt little by little as technology becomes mainstream rather than implementing a huge change several years down the road.

Success often depends on not being married to one's product. Monitor your customer's needs. If they change, so should you. Don't be afraid to modify your product and pricing models.

Do not Reinvent the Wheel

Another way we can learn how to make a small business successful is by learning from those who have come before us. Read Small Business Success Stories, find similarities between you and them and look for a mentor who can guide you in your journey.

A special thank you to Kaufman Lynn for your mentoring/protégé work at Olympic and Dwyer High Schools.

Current Connections, Inc., prime subcontractor to Kaufman Lynn is a District Certified SBE partnered with Arbor Electric Service, Inc. (dba Mr. Wireman Electric), a much smaller and upcoming SBE District Certified firm to help grow their business to the next level. Mr. Wireman installed approximately 3,200 light fixtures at Dwyer and Olympic as a second tiered subcontractor/partner to Current Connections. This supported both companies by allowing not only Mr. Wireman to grow their business but also supported and allowed Current Connections to

successfully complete (top quality, ahead of schedule, under budget) major electrical upgrades at two high schools simultaneously during a very challenging market/economic period. This was a total win/win/win/win for the two SBE firms, Kaufmann Lynn, and the School District!