

Managing Change and Transition in your Business

One thing's for certain, change is part of running a small business. No sooner do you get comfortable doing one thing when something changes and you need to adapt. In small business, that's the way it is, and your capacity to manage change is vital to surviving. That doesn't mean we like it or that it's easy, but it's a skill we need to hone in order to stay competitive and keep up with what's happening in the world. Managing change involves getting people to believe in you and requires communication skills to help you build support for the decision to change. A good understanding of the psychological and emotional effects of change is also extremely helpful. Whether you're managing the change in just yourself, or you have a group of people you're leading through the change, it's important that you understand the 3 stages of change.

The Ending Stage - Transition starts with an ending. Whenever there is a change, something is ending and it is necessary to move toward something different. Emotions in the ending stage often include anger, shock, sadness, and denial. It is also accompanied by a lack of confidence, worry about the future, and grief over the loss.

Neutral Stage - This is the most uncomfortable stage of change because it is filled with uncertainty, however, it is also the stage with the greatest potential for growth and self discovery. It involves acceptance of the loss and the necessity for change (whether the change is self-imposed or coming as a result of external forces). It is a time to question, reflect, absorb, think, plan and explore. It is a time where you begin to loosen your grip of the past, and start to turn toward the future.

New Beginning Stage - At this stage you're nervous, but energy begins to reappear, and as you take small steps forward, you begin to regain your confidence. Eventually, you start to feel excitement about what lies ahead and what was in the past begins to fade.

These 3 stages always accompany a change. Depending on the change itself, you may move through these stages very slowly, or necessity may require you to move through them at lightning speed! Now that you understand the stages you and/or your staff will be going through, what do you need to effectively navigate change in your business?

Demonstrate leadership - The first change management skill you will want to focus on is your leadership ability - getting people to believe in you (or perhaps for you to begin believing in yourself). As the leader in your business, others look to you for direction, not only in terms of business activities, but also in terms of behavior, ethics, and standards. If you are nervous and stuck in Stage 2, you'll never be able to move your team forward. Do things to show your own confidence in making the changes. Demonstrate the behaviours and attitudes you wish to see in them. Building your ability as a leader is the first step in the change management process. When employees believe in you and trust what you're doing, the campaign for change is much more likely to succeed.

Communicate - Leaders of today interact with their employees. Getting to know your employees and discussing the problems they are facing on a day-to-day basis is the norm for small business owners. In some ways, this makes it easier to work with people as they go through the 3 stages of change. Be real with them. Don't hide the realities of the change, but also acknowledge what they are going through emotionally as they try to cope with the change.

Once a change occurs, it is very important to keep communicating on a regular basis with all affected. Let your employees know what is happening. It will minimize their fears and help them move more quickly to

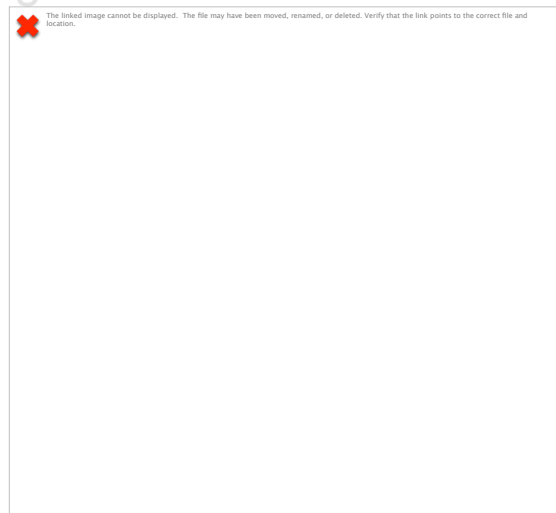
stage 3. If your communication skills are weak, perhaps find someone within your company who is well-respected and can assist you in communicating the things people need to know.

As hard as you try to demonstrate strong leadership and communication skills and prepare yourself for the 3 stages of change, there will always be some people who can't cope with the change and either leave your company, or stay but make it very difficult for you. Working with them one-on-one may help them to move forward, but if you can't make progress, the best thing may be to let them go.

Change is inevitable in business - especially small business. The better equipped you are personally to manage change in your life, the better you'll be able to manage change for your team. Grow your leadership and communication skills continually and you'll be better prepared to navigate changes when they come.

Maximizing Your Email Marketing

Many small business owners have embraced email marketing as an important strategic component to their marketing plans. Given how quickly things are changing with the onset of social media, business owners must be savvy and quick to respond to the way customers are receiving messages. Gail Goodman, CEO of Constant Contact (www.constantcontact.com), a web-based provider of email, social media and event marketing and online survey tools for small businesses says, "For email marketers, there only appeared to be one major trend that mattered in 2010. It's [social media] a game changer that presents both opportunities and challenges for businesses to connect with customers. Because of the impact of social media, you can't just "talk at" customers anymore. They now expect to be part of the conversation and part of your business story. Social media has irrevocably changed the email marketing landscape."



In order to be effective in today's marketplace, your email marketing needs to persuade readers to share the content you've provided. This will only happen if you tap in to what's important to customers and you provide content that not only solves their problems, but is also entertaining and invites participation. "Email marketing and social media are complementary." says Goodman. "While email offers a way to directly contact your customers via their inboxes, social media provides new ways to share your content and engage in conversations with networks of people. One without the other is an incomplete solution to your marketing needs."

Here are some things you can do to create an experience for your customers through your email marketing.

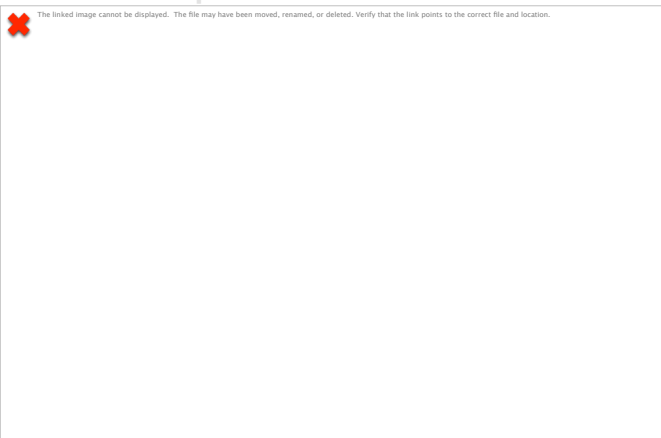
1. **Make use of social media tools that allow for sharing.** Put social media buttons in your newsletter. If you haven't already got a Twitter and Facebook account, get going. Include a Like/Tweet button or other ways to share information in every email newsletter. You will maximize your marketing if you can get your existing customers to share your newsletter with their network.
2. **Find a way to get people actively involved.** Readers are no longer happy with just static information. They want to be engaged. You can do this by leading them to other places from your newsletter. Have links to related articles or items that are "hot" topics in your industry. Create links to special coupons or offers, or to an exclusive contest or survey you're featuring on

Facebook. Offer a free or discounted item to people through Twitter. The more engaged they are, the greater your message distribution, and the more likely they are to come back to your website.

3. **Solicit feedback.** Goodwin advises, "Invite questions and feedback, and join the conversation. Then use the frequently asked questions and the feedback gathered as material for newsletter content. At the same time, spark a conversation and continue it via email and social media." Offer rewards to people who respond with information you actually use. Also, simply ask them for feedback on the newsletter itself. Do they have any suggestions for improvement, what would they like to see more/less of?
4. **Monitor your efforts.** Not every tool will work for you, but you need to know which ones do. When you set up social media tools, make sure you have a way to monitor how they are used. Perhaps your customers will be active "tweeters", or maybe they gravitate to Facebook. Make sure you have a way to check out which of the additional links to information or offers are being used most often. Maximize your use of the tools that your customers are using most often.
5. **Use a professional to help you get set up.** While developing social media options is not terribly difficult - anybody can set up a Twitter or Facebook account - it will not be effective if you aren't using it properly. Find someone who does this professionally to help you set up a social media strategy for your business. They will help you look at your industry, your customers, your product or service, and recommend the best tools for you. They will also assist you with the monitoring process, a vital component to an effective strategy. The investment you make will more than pay for itself in a short period of time.

"Today's opportunities for email marketers to share content and reach customers on social media were unimaginable just a few years ago." says Goodwin. Social media marketing is here to stay, and customers who are growing up with social media will never go back to the static type of messaging we saw in years past. Adapting to the needs and desires of this new generation of customers is essential for small business success in the future.

The Responsive Business



In almost every aspect of life, including business, there are some people who are highly respected and others who are not. Is there something that distinguishes people who are thought of highly from those that are not? What makes one person the type of leader people follow with enthusiasm, and another the kind who finds himself dragging people along with him? What makes one employee continually get opportunities for advancement while others seem to watch them pass by? The answers to these questions are complex. Author and Business Consultant Robert Bacal,

(www.work911.com), has developed a theory called The Responsiveness Paradigm. He suggests this is something people can utilize to become better leaders, managers and employees.

According to Bacal, The Responsiveness Paradigm is a way of looking at how people influence and get along with each other. It suggests that a primary characteristic of successful and respected people is that they have an ability to respond to others in a way that takes into account the needs of both people (what Stephen Covey would call creating a win/win).

What Is Responsiveness?

For an individual or a business, responsiveness can look like this:

- They are able to identify both the explicit and implicit needs of people they interact with. For a business, this would be knowing what your customers need before they ask, and meeting those needs.
- They work in partnership with others to find some means of fulfilling needs, even if only partial fulfillment results. For a business, this might mean being creative in seeing how to meet a customer's needs without all the required resources, and/or working with alternative suppliers or even competitors to ensure the customer's needs are met.
- They have a great arsenal of communication skills that allow them to demonstrate interest and concern for others, a willingness to work together and not in opposition, and an acceptance of responsibility for communication and follow-up behaviour. For a business this means doing what you say you'll do, following up when you said you would, refusing to demean or put down competitors and working cooperatively with them for the good of the customer, and caring more about the customer than the bottom line.

Think about these things in the context of those people we mentioned in the first paragraph - those who are highly respected and successful. Do they behave in ways that look like this? The responsiveness skill set is composed primarily of thinking and emotional skills, as well as a set of language/communication skills. Here's what they look like:

- Active/reflective listening and empathy (setting aside your own agendas)
- The use of cooperative language (questions that build understanding)
- The use of qualifiers as opposed to absolute statements (open-mindedness)
- A focus on problem solving vs. blame (creating a win/win)
- Consistency between talk and behaviour (integrity)
- The ability to extract other person's needs from the interactions (reading between the lines)

Are you a responsive business? Do you demonstrate responsiveness to your customers? Your employees? Even your industry and the economic circumstances you find yourself in? A responsive business is one that will see success in these changing times. The ability to respond to change is considered to be one of the most valuable skills in the coming decade.

Practice these skills to grow your capacity as a responsive business and you'll be the one who stands out, is respected and experiences success in the future.

To read the entire article, visit <http://work911.com/articles/responspa.htm>.

To Grow or Not to Grow?

Managing Your Home-Based Business Growth

For most entrepreneurs, leaving behind the world of being an employee and starting their own businesses is like giving birth to a child, formed entirely from their own dreams and passions and brought into being through sheer determination and hard work



(dare we use the word 'labour'?). Most entrepreneurs are intensely protective of their business and will fight like a mother bear to protect it from anyone or anything that may threaten its growth and success. When you first begin, you do everything. You are the CEO, the marketing director, the bookkeeper, and the receptionist. But just as a child doesn't stay a child forever, sooner or later your business will reach the point where you need to make some decisions about its growth.

When your business is in its infancy, you tend to it with great care. You nurture it. You carefully work out your business plan. For as long as you CAN, you do everything yourself and as long as everything is getting done, this is the most efficient use of your resources. You may be satisfied with the level of income you make as a one-person home-based business and decide you don't want it to grow beyond that stage - there's nothing wrong with that. If you do hope to expand your income and grow your business, however, you must go beyond start-up and start thinking strategically about how to move your business toward growth and expansion.

If you know you're going to want to grow your business, it's wise to begin planning how that will happen early in your business. You won't be moving toward growth for a while, but if you plan to expand in year 3, knowing where you need to be in order to do that helps you to set goals and milestones along the way that will prepare you for that next step. Initially, however, you need to take care of your business in its early stages so it's ready to grow when the time comes. Here are some strategies to prepare you for business growth.

Be aware of your limits

In the early stages your business is all-consuming. It takes up most of your thoughts, your energy, your time and your resources. When you first start out, make sure your life has room for the energy your business will require. Don't enter into a lot of commitments outside the business. Take care to create space in your life for things outside of work, but recognize the toll it takes when you're getting started.

This is not the time to embark on aggressive marketing or advertising campaigns. Wait until you have the business resources to satisfy the demand you will create. Your business can crash and burn because you've taken on more than you can actually do.

Earn an income from your business.

When setting your pricing, make sure you include a wage for yourself in your overhead costs and add a realistic profit margin (say 15-20%). Remember, price = costs plus profit margin. Many small business owners simply look at income and expenses, without recognizing the need to create a salary and a profit margin. I've heard business owners say, "If I make money this month, I'll take some out of that to pay myself." Your goal is to create a sustainable income from your business, preferably an income that will grow as your business does, and that will never happen if you don't begin paying yourself as part of the cost of running your business.

Profits belong to your business, not you.

Your business's profit does not belong to you, it belongs to your business. This is a very important distinction! Your salary or wage should be covering your expenses, and the money your business makes above expenses should be invested back into your business. This is where your funds for expansion during the next growth phase of your business will come from. It is a strategic aspect of business growth.

Spend cautiously.

It may be tempting when you're starting your business to go out and buy the newest and best of everything, but it may not be the best use of your resources. If you'd like a snazzy new printer but your old one works fine, stick with it until you really can afford a new one. Barter for services until you are able to pay someone to do it. You may decide a new laptop is a necessary start-up cost, but be honest about what you really need. Perhaps a \$500 laptop will do you just fine, even though you may be tempted to get

one with all the bells and whistles for 3 times that much. If you spend cautiously at the beginning, you'll have more available to you later to upgrade as you need to. If you break the bank in the first few months, you'll be in trouble if your cash flow doesn't meet your anticipated projections.

Know when it's time to grow.

Somewhere between the 1 and 3 year mark, you will notice that your business may be beginning to level off. This is an indication that you've stretched yourself and your resources as far as they can go. On your own you can't take on any more clients or generate any more revenue. At this point, it's time to make the conscious decision to grow your business. This may mean expanding your product line or services, or hiring staff and taking your business to the next level.

This can be a scary prospect - moving beyond the one person show – but if you've taken care of your business during its first few years, you'll be prepared to take this next step. Follow the plan you prepared when you started your business and move forward with confidence as your baby grows into an adolescent, and eventually a grownup business!

Using Video to Brand Your Business

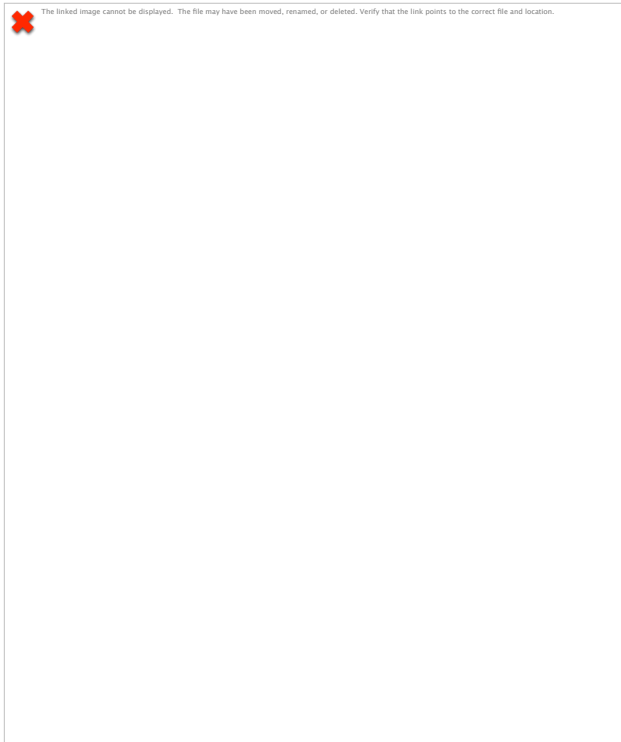
When we say social media is here to stay, we do so based on almost unimaginable statistics on its use in today's market, and businesses that will last into the future are those who recognize its significance and get on board. One of the most underused marketing strategies for small business is branding through video. YouTube is one of the fastest growing websites in the history of the internet, according to Startup-Review, a case studies blog profiling Web 2.0 companies like MySpace, Facebook and YouTube.

Their research indicates the following statistics about YouTube's place in the Internet video market:

- On average 100 million videos streamed per day
- 65,000 new video clips are uploaded every day
- More than 13 million unique visitors per month. An average user spends 30 minutes on YouTube and most uploaders are repeat visitors themselves
- 58% of Internet videos are watched on YouTube
- Wide range of user demographics, however the largest segment of users is the 18 to 35 year-olds
- 30% to 40% of the content is copyrighted

Further, according to other similar research:

- Time it would take to view all of the material on YouTube: 412.3 years
- Unambiguously user-generated (amateur): 80.3%
- Professionally generated: 14.7%



- Commercial content uploaded as percentage of total uploads: 4.7%

Please take note of the last point - only 4.7% of the content on YouTube is commercially generated. With 13 million unique visitors every month and over 2 million views each day, this holds a massive opportunity for video to develop your brand. Videos can build your brand by increasing your visibility, credibility and showcasing your expertise. Imagine what an impact you could have by tapping into a tool whose audience number is staggering. In addition, YouTube videos assist in search engine optimization and encourage viewers to visit your website and learn more about you and your business.

How can you use this incredible tool to market and promote your business? It doesn't require a fancy video recorder - just a decent camera, as you're going to keep these videos under 3 minutes. Then post the video on your website. Here are some ideas.

1. **Provide expert advice:** Is there some aspect of your business you could provide some practical tips on? "How to's" are very popular: how to grout your bathroom tile, how to make a spectacular dessert, how to write a business letter, how to paint your attic, how to cook a turkey - the well from which to draw your content is limitless. How about a one minute video series on a whole variety of topics? When you are seen as an expert, users will start looking for you specifically when they want to know "how to" do something related your industry. These repeat visits or hits increase your web optimization.
2. **Highlight a product:** Show your customers how to use a product they have purchased. It can also be used to show what the product looks like from various angles. People are visual. When potential customers see what the cake, article of clothing or car looks like they may be more inspired to buy. A video can demonstrate your product far more effectively than a photo.
3. **Talk about your business:** You can use video to make mini commercials to highlight your product or services. Take a minute to just talk about what your company does, why people should use you, what you have to offer that's different from your competitors. When the person hears your voice, sees your face and learns more about the company they may be tempted to purchase because they feel a personal connection to you. If you aren't comfortable talking in front of a camera, write a script and use cue cards so that you don't appear to be rambling or flustered and can stay focused and on track.
4. **Drive traffic to your website:** Make sure you complete your profile when you upload your video. The first thing and last thing you want to put on your profile is your website address. This will encourage viewers to click and visit your website. There are a lot more advanced techniques to fancy up your video with captions, music and logo, but it's best to keep it simple at the start. As you get more experience, you can experiment with those things. You may even want to consider getting a professional video made if you find you're getting a lot of results.
5. **Share it everywhere:** Post your video on your website, your social networking sites, or your blog. You can include a link to your video in your email newsletters. Your video can become a fabulous grassroots marketing tool if it's interesting and you're creative about how you distribute it. Encourage your customers to share the video with their network as well.

People do business with those they know, like, trust and those who they see as the expert. You may not get to meet every potential customer; video is a great tool for branding your business so that people get to see and know you through this medium. Take the plunge. Try it. What have you got to lose? Uploading a video is easy and the potential benefit your business could derive may boost your brand to a new level.