

Tips from the Top

Business insights from those at the top for those at the top.



THE ALTERNATIVE BOARD

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Touted as the most valuable and beneficial business advisory organization in the world, The Alternative Board® has been featured in leading business news sources from the Wall Street Journal, Business Week, the Washington Post, CNN and many others.



Gary Brunson



Debra Rider



John Kurtze



Dick Wooden



Don Stohler

When HR Policy Writes Itself

As owners of small businesses, we sometimes get hung up on the effort required to develop an employee manual. Regardless of how early in your business growth or how diligently you create your manual, keep in mind that “repeated practices equal policy”. What you do and what you permit to be done is more important than what you write in your manual.

Carol Holt, C&L Bradford & Associates Inc., Wilmington, DE

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A New Approach to Taming Health Insurance Costs

A board member in Pennsylvania was facing a steep increase in health insurance premiums. A different broker entered the picture with a new approach: keep employees on the employer-sponsored group coverage and buy individual policies to cover spouses and dependent children. It worked. The group and the individual plans are identical and the premiums for the individual plans are less than under the group plan. The member saved approximately 30 percent over what would have been spent had they all remained on the group plan. Insurance is regulated by your state. Ask your broker if you can implement a similar arrangement and save on premium costs.

Jack Hoy, Owner, J. W. Hoy Co Inc., Jefferson Hills, PA

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Achieving 33 Percent Compounded Growth

Like many business owners, aggressive growth is a critical objective for the long-term viability of my business. However, achieving aggressive growth often appears to be a daunting task. Like any large task, growth fortunately can be reduced to its component parts. I recently came to realize that 33 percent compounded growth could be achieved by focusing on 10 percent growth in each of three critical areas ($1.10 \times 1.10 \times 1.10 = 33$ percent)

1. Increasing sales to existing customers by 10 percent.
2. Adding 10 percent new customers.
3. Improving sales by 10 percent by adding new products and services.

By focusing on the individual 10 percent goals, developing marketing strategies for each growth area has become easier to achieve. It has also become easier to measure the results and determine which marketing activities are working and which need to be redesigned.

Kenneth Walther, Valley Aquatic Solutions, Appleton, WI

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Consider Outsourcing During an Economic Downturn

When the ability to maintain your systems is affected by the necessity of expense reductions in an economic downturn, consider outsourcing work traditionally done internally. If you no longer have the need for a full-time accounting position, consider outsourcing for the amount of time actually needed, or consider using a

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Executive Briefing

Learn more about how you might benefit from The Alternative Board experience: Reserve a place on your calendar for lunch time on Tuesday October 6th or Thursday October 8th or breakfast on October 7th. More to come on these executive briefings next month.

Private Appointment

Learn How Other Area Businesses Develop a Strategic Advantage.

We invite you to request a private meeting to learn how The Alternative Board may be a resource for your business success in a difficult economy.

[REQUEST A MEETING](#)

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payroll firm if it allows you to eliminate a full-time position for greater savings. Another item of work that could be outsourced is using appointment setting firms instead of inside sales cold calling for appointments. In today's business climate, you can outsource most functions that are not unique to your business.

Dean Branson, Midwest Insurance Agency, St. Louis, MO

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Hiring Customer Service Representatives

Customer service today comes in many shapes and forms—telephone, e-mail, chat, etc. If you are hiring someone who will be doing customer service via e-mail or some other written format, have part of your hiring process include a test. Give the prospective employee some old service e-mails and have them respond. This will allow you to see how they write and get a sense of their written communication skills.

Michael Herring, Best Skins Ever, Arvada, CO

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Too Many Inquiries?

Are you receiving lots of inquiries with potential customers? Are they qualified? While sales is a numbers game, you need to make sure you remain focused on your core competencies. If you are spending too much time on prospects that aren't qualified then your marketing process isn't doing its job. Disqualifying a prospect is invaluable. Make sure your Web site and other marketing materials are very clear about "who" you work with. Don't offer services that will attract prospects who aren't within your target market. I learned this the hard way as I had more inquiries coming in than I could handle and many of them weren't good prospects for me at the time.

Bonnie Griffin Kaake, Innovative Consulting Group, Golden, CO

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Selling Your Business?

When is the last time you updated your personal vision? Have you completed it? If not, update or complete it now! I hadn't updated my personal vision in awhile and an opportunity came my way where I had a chance to sell my business.

Initially, going through the process with the potential buyer was very difficult because I didn't know what I wanted. Some things had changed for me personally and there were some topics I hadn't thought about. Once I developed a clear vision (with some help from my board), it made it easy for me to realize I didn't want to sell my business—particularly to the company that wanted to acquire it.

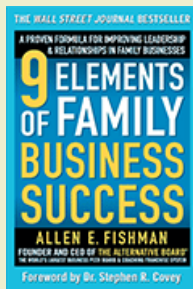
Robert White, Whitestar Corporation, Lakewood, CO

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Quick Tips

Making the Invisible Visible

We recently realized we were providing many services and/or products to customers and not charging for them to increase our value to the customer, to get the job, etc. In most cases, we think there are good business reasons for doing so. However, we realized that too often our customer failed to realize what we had done for them, so we decided to make the invisible visible and chose to invoice customers for all the free services we provide with a corresponding credit on the same invoice. This has increased our customers' awareness of what we do for them and now when they see a cost assigned to the service, they know the



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value of it.

Heath Brabazon, Brabazon Pump and Compressor, Green Bay, WI

Investing in Yourself

My business keeps me on my toes. I am on the go constantly and at the end of the day I get to go home to my family, which I love! However, it is important to invest time in yourself. I call it "Sammy time." Get away for a weekend, a day or even a half day and just relax. Visit friends, do some sporting activity that you like (I like to race cars), whatever. Regardless of what you do, when you come back you will be re-energized and look at your world in a different light.

Sam Granados, Integrated Resource Systems, Wheat Ridge, CO

Getting Your Vendors to Help With Marketing

Don't be afraid to ask your vendors/manufactures for co-op dollars to help sell products. Your vendors have the big marketing departments which have the creative people and the deeper pockets. Sometimes they will contribute dollars, provide signs or whatever they can to help promote the products. Remember, it is in their best interest to help you market and sell your (their) products.

Ron Kiefel, Wheat Ridge Cyclery, Wheat Ridge, CO

Trade Show Follow-Up

After presenting at a tradeshow and returning home, the contacts/leads made at the tradeshow need to be contacted within the following week's time or the lead will disappear and the tradeshow presentation will have been for nothing. Additionally, make notes of the conversations with the leads and include a personal message with the follow-up.

Patrica Gaffney Rainmaker SalesSupport, St. Louis, MO

Delegation of Work Habits

When delegating work to your employees you need to be sure they have the skills to complete the tasks assigned. After the work is delegated, never allow the employee to hand the work task back uncompleted or to take it off of their hands. Answer their questions and mentor them, but they must complete the task assigned in order to insure proper work habits are developed.

Steven Smith, MIS Corporation, Maryland Heights, MO

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ABOUT THE ALTERNATIVE BOARD®

The Alternative Board® is comprised of members who are business owners, CEOs or presidents who run businesses in non-competing fields. During a TAB Board meeting, you receive the benefit of the collective experience of the board members, who offer practical solutions to your problems-not theories.

You can learn more about TAB, which has been helping business owners succeed since 1990, by visiting TheAlternativeBoard.com.