

Have you ever thought about...

... setting aside time to learn **how** to lead?

ONE OF THE MOST over-looked traits of a business leader is that they...**lead**.

As I work with business owners and managers, one of the key things I observe is the need for the leader to stay ahead of the pack.

There are a million things to do as the boss. It is easy to get bogged down in day-to-day operations and forget to learn, to plan and to maintain a vision for the business.

Yet, your employees, your customers and the future of your business depend on your ability to set the standards and lead the way.

Bill Gates takes time off every three months, for thinking. I understand he maintains a retreat on Hood Canal and often goes there alone to review and renew. Apparently, the practice has worked well for him.

Benjamin Franklin treasured the time on his trips across the Atlantic because they gave him perspective.

C.S. Lewis often took walks of up to 20 miles, in order to have time to think. Hundreds of successful business leaders have reported that their most productive time is the hour they spend planning.

When you set aside time for coaching yourself in leadership, divide your planning and visioning time into two components: Business Design and Personal Growth.

Both are essential.

Plan the future of your business. Design the growth you want to see. Choose the course, develop a strategy for the future.

Then, be sure your personal development programme equips you to be the leader your company will need in the future.

The most important single contribution you can make to your business is leadership! ■

A THOUGHT FOR THE DAY

You have heard the saying, "You can have anything you want in life, if you will help enough other people get what they want in life." I think this quote is incomplete. The complete version of the quote should go like this: "You can have anything you want in life, IF you will help enough other people get what they want in life, IF you will get very good at it, and IF you sustain it for the long haul". All three IFs are essential. Leave one of them out, and you're missing an essential ingredient in the formula for success.

BUSINESS

ALERT!

Hands-on help that works

Vol 8 No 3

Beware of the top 10 time wasters in your life

by Natalie A. Gahrman, M.A.

Time is a very precious resource. The fact is that, regardless of how well you manage time, at the end of a day you will still only have had 24 hours.

IN ONE YEAR there are still only 8,760 hours. The key is using your time efficiently and eliminating time wasters from your day.

Your attitudes and behaviours affect how you use your time. Below are some examples of ineffective use of time. By substituting what's not working for you with a more effective behaviour and/or attitude you're on the road to managing your time.

1. Interruptions/distractions

If you have a constant stream of well-intentioned colleagues, subordinates and/or family members interrupting your concentration and focus, stop them by communicating when it's okay to interrupt and when it's clearly not.

2. Poor planning

Planning is so critical when you want to accomplish something. Planning in advance provides direction before proceeding toward a goal.

3. Perfectionism

Although perfectionism is a behavior, it's also an attitude. By striving toward progress rather than perfection, you will free up a lot of your time and energy.

4. Procrastination

Like perfectionism, procrastination also is both a behavior and an attitude. Waiting until the last minute or otherwise putting things off tends to create a crisis or problems that may not otherwise exist. In addition, by not doing something you're procrastinating about, you also end up wasting considerable time worrying about how much you're procrastinating. Just do it.

5. Trying to do everything yourself

Taking on the world all by yourself will not serve you or the people around you. Learn to say "no" and to delegate

tasks others can do for you (even if it's not up to your standards).

6. Taking on too much

Biting off more than you can chew is a prime example of taking on too much. Not having strong clearly communicated boundaries is another example. You do not need to volunteer to be on every project, organization, taskforce, association, etc.

7. Crisis management

A crisis is an unforeseen emergency. By planning and asking yourself whether or not something is truly urgent, what will happen if it's not handled immediately, you will eliminate a great deal of this fire fighting behavior.

Remember the old adage, "haste makes waste."

8. Too much socialising

Although we all love to have friends and enjoy our relationships, by allowing yourself too much freedom in this area you'll wind up spending a large percentage of your 'work' time socializing and will be pressing to meet deadlines.

9. Not valuing your own time

Others will not respect or value your time if you don't send the message that your time is important. Watch your actions, behaviors and commitments - are they communicating the right message?

10. Lack of skills

Organising, prioritising, decision-making and problem solving skills are all critical in supporting effective use of time. Strengthen these skills and you'll see a remarkable difference in how you use your time.

SOURCENOTE: Natalie A. Gahrman, M.A., is a Success Coach and Workshop/Seminar Leader, who can be reached at coachnatalie@rcn.com, or visited on the web at <http://www.transformingwork.com/gahrman.htm>



RECENTLY, THE OLD ADAGE — to focus on what you do best and hire someone to do everything else — came home loud and clear.

I have a client whose business requires extensive book-keeping and accounting functions.

He used to have a full-time bookkeeper to support his real estate and investment interests, but last year he decided he 'could do it myself'.

Well, as you might guess, come tax season the books are a mess.

The truth is that he's not a detail person. He does not enjoy data entry on the computer and he kept 'putting it off until later. I always thought I'd catch up on the weekend or next week'.

Unfortunately, that never happened.

My client's passion, talents and interests are in the creative, entrepreneurial side of his business.

Ironically, he is very good at reading financial statements to evaluate a possible investment. But, as a bookkeeper, he needs to fire himself!

We all have our areas of expertise and passion. In our areas of strength, we are 'geniuses'.

Outside those areas, however, we are doomed — doomed to frustration, exasperation and sometimes outright failure.

Do what you love. Do what you do best. Emphasise your talents and give your customers the extras that only you can give them.

But, for goodness sake, hire someone else to do the things you can't do, won't do, or do badly.

You can't afford to spend your life being inefficient, wearing yourself out and being cranky.

Go with your strengths! You'll make more money, have more fun and be much more successful! ■



Ian McFarlane-Toms

The way I see it...

If you *can* do better, shouldn't you?

IF YOU CAN MAKE more money, or serve more customers, or live a better life ... should you?

Most of us are doing better than just ok. We've got so much!

We've got computers and cars, we travel and live in beautiful homes.

We have air conditioning, big-screen TV's, and food on the table.

How much more should we "go for?"

Here's my answer: As much as your potential allows.

Greed or blind ambition is obviously a terrible waste. It narrows our perceptions and robs us of joy.

And, frankly, it limits our achievement because people don't like or trust us, and we lose a certain creative nimbleness that is essential for maximum achievement.

At the same time, if you have potential that could serve more people, that could make and share more money, that could build and create more products, I believe it is immoral to sit on your hands.

You've got to try!

There's something wrong with being so afraid of failure that we deny the ability, the talent and opportunity the universe (God) has invested in us.

If you can do better, I believe you have an obligation to "go for it!"

Selling

Build sales success around these core beliefs

TO DEVELOP A HEALTHY, productive sales attitude, ground your activities in this philosophy:

- My product is important to people. (Tip: Think deeply about what you sell and link it to some vital human value, like friendship, health, integrity, etc.)

- My primary goal is to serve my customers.

- I don't close sales — I help my customers make the best decision they can.

- My success or failure depends on what I

do in life, not on what happens to me.

- I succeed only when I truly help my customers and my colleagues.

- I am committed to staying up-to-date on learning new skills that will help me do my job better.

- The most powerful attitude I can cultivate within myself is gratitude.

- I look for the best in every person I meet and treat everyone with dignity and respect.

- I can do much more by co-operating with other people than I can ever accomplish alone. ■

SOURCENOTE: Adapted from A WINNING SALES PHILOSOPHY FROM: THE ART & SCIENCE OF PRINTING SALES, by Sean McArdle.

Leadership

Teams at the top strengthen a company

WHEN STUDYING little-known German companies with at least 70 per cent and above market share (what he calls 'hidden champions'), Hermann Simon was surprised to find many headed by teams.

A vast majority, 82.4 per cent of the 500 firms he studied, are led by a team of up to five members.

Many new companies are led by co-founders.

In some companies, they are siblings, like Rainer and Jurgen Wiesoff, who began Interface, a leading company in locks for computer disk drives.

In others they are unrelated, as in SAP, the world leader in standard business software, founded by three former colleagues at IBM.

Fast Electronic, one of the world's

leading companies in computer compression cards, was founded by Matthias Zahn, who started the company with university friends and room-mates, all of whom still have top positions in the firm.

Teams seem optimal because they include technical and business expertise to a degree seldom found in any one person.

Such partnerships are not a new phenomenon — they include many beside William Hewlett and David Packard.

Paul Dubrule and Gerard Pelisson created the French company Accor, now the largest hotel chain in the world and Masary Ibuka and Akio Morita built Sony.

Successful collaboration is hard to achieve but, when partners bring complementary skills to the table, their company is stronger. ■

SOURCENOTE: Hermann Simon, HIDDEN CHAMPIONS: LESSONS FROM 500 OF THE WORLD'S BEST UNKNOWN COMPANIES.

Are your employees afraid to talk to you?

WHEN WAS THE LAST TIME an employee gave you constructive criticism?

Probably never...*right?*

Maybe you've been thinking you're turning in a perfect performance as an owner or manager.

But here's another thought: your employees don't speak up because they don't want to be seen as troublemakers or crybabies.

Instead, they let problems linger until morale and productivity start to slide.

And, if you're in the dark, you can't prevent this domino effect.

At Pillsbury, however, this isn't a problem.

The food giant started an innovative communication programme that is solving manager/employee conflicts before they get to the crisis stage.

Here's how it works:

1. The company has a '100 per cent safe and secure phone line' that employees can call to provide criticism or other feedback about their direct supervisors.

2. The call goes to a third-party location that has no direct contact with the organisation.

Someone there writes down the feedback and then, like any other message service provider, routes the comments to the appropriate manager, without ever mentioning the employee who provided them.

The system works for everyone.

Employees can offer criticism without fear of retribution.

And supervisors receive feedback from the hotline that they wouldn't otherwise get — feedback that they can use to improve their managerial and communication skills.

The system has been in use for a number of years and has resulted in many startling developments that might otherwise not have occurred. ■

SOURCENOTE: Adapted from *MOTIVATING & REWARDING EMPLOYEES*, by Alexander Hiam (Adams Media Corporation)

Smart managing

Assuming is losing

by Chris Ingram

Why you should always ask the obvious.

WHEN I LOOK AT all the mistakes I've made in business, by far the majority have arisen because I've made assumptions.

At decisive moments, I've thought "Well, obviously he/she/they will have already done that" and, having cheaply reassured myself, I move on to the next issue.

This is palpably not the way to proceed. The armed forces have a saying for such behaviour: 'Assumption is the mother of all foul-ups!' — and they should know, having lost thousands of lives as a result of it.

Combating assumption involves not being afraid to ask the obvious questions.

By all means dress it up with, "This is probably a silly question, but..." or "I know this is going to sound rude, but..." — but still ask the question.

When restaurants go bad...

Some years ago, I was investing in restaurants — ventures with really simple business models, but ones that are incredibly easy to get wrong.

I was sent a very well-worked business plan by two would-be entrepreneurs who were leaving a famous restaurant to start up on their own. As is so often the case, one was going to be chef, the other front of house (the *maitre d'*, as it were). They had impeccable credentials and a good business plan and after 'interviewing' them I invested quite speedily: not big bucks, mind you, but enough to hurt if it went wrong.

It got off to a good start and the investors all introduced their friends to the restaurant to help.

But when business slowed, the front of house manager first of all walked around with a long face, then gradually disappeared to 'concentrate on marketing'.

As we were a chain of one restaurant, this was hardly an inspired decision.

From bad to worse

It then transpired, as mind-boggling as it might seem, that the manager didn't like the outgoing, rather extrovert, role necessary for front of house and would do everything to avoid it. This was enough to tip the fragile business over the edge.

What we needed was a manager who could smile and exude confidence and bonhomie at difficult times — a person who could keep smiling when they come in with a headache or have left a sick child at home.

Initially, when at the business plan stage, this had all seemed too obvious to ask.

If he was going to be the front of house



manager, surely it was obvious he had these skills? How wrong I was!

Sometimes, I assume that something is a 'no-brainer' and therefore doesn't need spelling out, because asking the bleeding obvious question insults a person's intelligence. ywag.

One of my narrowest escapes was when I nearly sold my business (then worth £300-400 million) for shares in a publicly quoted company that did not produce monthly management accounts.

They assured me that, "We have a formula whereby we can calculate precisely enough where we stand from just the monthly turnover figures. This saves us a lot of admin so that we can concentrate on the half-year and year-end results."

Since the company was five times bigger than ours, I assumed that there was method in their madness.

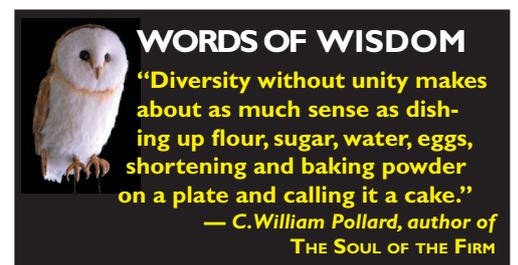
However, when the recession hit in 2001, which is exactly the time when you need to have steely control over the finances, they were like rabbits caught in the headlights and their share price fell like a stone and has still not recovered.

A lucky escape

The lesson is, if a company doesn't produce regular management accounts or suddenly stops producing them, avoid it like the plague (or wait until they're put into administration before picking over the bones).

So, never forget that old army saying, complete with four-letter word, and you will reduce your business errors by two-thirds. ■

SOURCENOTE: Chris Ingram has extensive experience of building and managing rapid-growth firms and is widely regarded as the inventor of the modern media agency.



WORDS OF WISDOM

"Diversity without unity makes about as much sense as dish-ing up flour, sugar, water, eggs, shortening and baking powder on a plate and calling it a cake."

— C. William Pollard, author of *THE SOUL OF THE FIRM*

The Institute for Independent Business

FOUNDED IN 1984 in the UK, the Institute for Independent Business (IIB) is now one of the world's largest international networks of business advice providers.

As of 30 April 2007, 4,544 carefully-selected men and women had been accredited worldwide as IIB Associates.

Experienced professionals

Experienced senior business people in their own right, who have elected to become self-employed business advisers, Associates and Fellows of the IIB have received additional training to enable them to focus accurately and cost-effectively on the needs of clients and prospects.

This ensures that Associates' clients receive the "practical advice that works"—the Institute's motto in every country in which the Institute operates. ■

BUSINESS ALERT

All recipients of **BUSINESS ALERT** are included on our free subscription private database to ensure continuity of ongoing editions.

This being a private list, their names are not and will not be used for any other purpose or in any other way.

Please advise me if you wish to be delisted and no further copies of **BUSINESS ALERT** will be provided to you.

Copyright © 2006 The Centre for Business Development. Printed and distributed under license.

WHEN INSULTS HAD CLASS

"He has all the virtues I dislike and none of the vices I admire."

— Winston Churchill

Recruiting

How to beat the talent shortage

Companies find it even more difficult to attract and retain staff now than they did a year ago

ORGANISATIONS ARE FINDING IT HARDER to retain staff now than they did in 2006 according to research by the Chartered Institute of Personnel and Development (CIPD).

The annual **RECRUITMENT, RETENTION AND TURNOVER SURVEY** found that almost eight out of 10 companies struggled to hold on to their staff in 2006 compared to seven out of 10 in 2005.

The research also suggested companies struggle to replace staff, with the main reasons given being a lack of necessary specialist skills (65%), followed by higher pay expectations (46%) and insufficient experience (37%).

Only the public sector has seen a drop in recruitment difficulties, which is more of a reflection on the growing pressure in this area to make efficiency savings — 80% of public sector organisations say they experienced recruitment difficulties, compared to 89% in the 2006 survey — than an increase in the quality of personnel available.

The research also revealed the most common approaches to getting round the problem of a lack of available candidates, with 31% using the employer brand as a means of attracting staff, 30% offering

flexible working, 29% providing additional training to internal staff and 14% targeting migrant workers from EU countries and recruiting staff abroad.

"Employers will continue to struggle to find suitable candidates and keep staff turnover under control if their approach to recruitment and retention fails to take account of both business and employee needs," said Nicola Monson, author of the report.

"Only half of employers currently have a formal resourcing strategy, which suggests many are not planning for the future skills requirements of their organisation. This is particularly worrying given that specialist skills and required experience is still in such short supply.

"Actively developing employees should not only increase the internal talent pool, in turn reducing their reliance on external candidates, but also see problems retaining staff ease due to new career opportunities."

The study also suggested that 73% of companies use recruitment agencies but nearly six in 10 of these (59%) fail to evaluate their effectiveness. ■

SOURCENOTE: © Copyright 2002-2006 by newbusiness.co.uk

Brief and to the point

Businesses optimistic about the future

British businesses are looking to the future optimistically, according to the latest **Regional Economic Trends** report by the **Confederation of British Industry (CBI)** and the **nine Regional Development Agencies (RDAs)**. The twice-yearly report, drawn up from responses by **3,000 businesses**, found demand and output had both grown robustly. The report also said that firms were optimistic profit margins will increase and job creation will continue, though at a slower rate than is currently being seen.

There is more on this story on the CBI's website:
<http://www.cbi.org.uk/ndbs/press.nsf/0363c1f07c6ca12a8025671c00381cc7118a27d68b4124c0f802572f10036ff54?OpenDocument>

Report claims small firms are more flexible

Research by the **British Chambers of Commerce (BCC)** and the **Chartered Institute of Personnel and Development (CIPD)** claims smaller firms can implement flexible working arrangements better and with less red tape than larger ones. The joint report, **Flexible working: Good Business**, was based on research at five small firms. It found a clear business case for flexible working, which it said impacted the bottom line, reduced stress among staff and had a positive effect on firms' reputations as responsible employers.

Read more on this story at:
<http://www.chamberonline.co.uk/YWNZKL8.html>

Have your say!



Add your voice to those of other business people on important business issues. Each issue of **Business Alert** will feature a **Statement** on which you can voice an opinion. Simply select the view that reflects your opinion and email it to me. Your opinion will be submitted to the Institute for Independent Business for inclusion in its continuing business research.

The Statement:

"The biggest problem I face is local government red tape"

Please email me with the letter (A-E) expressing your opinion from the following choices:

- A. Strongly agree
- B. Agree
- C. Unsure
- D. Disagree
- E. Strongly disagree

MY EMAIL ADDRESS IS:

ian.mcfarlanetoms@eunus.com

For more information, please call Ian McFarlane-Toms on +44 (0)1480 494050