



## GROW YOUR BUSINESS

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## Handing Over the Family Business

According to the Small Business Administration in the USA, only a third of family-run businesses make it to the second generation. What are the strategies to ensuring your business is one of those that survive? The key is succession planning.

Succession planning can limit dissemination and downfall, and can be a simple step-by-step process that will ensure future success. It requires a long term approach: investing in mentorship and leadership can reap benefits as many as 20 years down the line.

*“To assume there will be a natural successor is a common mistake.”*

Start by taking time to consider your ultimate goals (but be aware that goals, and therefore plans, will fluctuate). Build flexibility and evaluation periods into your plan. To assume there will be a natural successor or that your most desired candidate will want the position is a common mistake, especially in family-run businesses.

Factor a wide range of possibilities into your plan. In order for a next of kin to seamlessly take over and generate a flourishing legacy, they must have the willingness, desire, training and know-how required for any entrepreneurial position.

Set milestones in your plan that include evaluation times and periods of consideration. You need to account for changing situations - have one or more of your children now enrolled at university, entered a master's program or taken a job at a competitor's business?

If your planning leads you to selection of one family member over another, try not to let feelings, favouritism and emotional attachments play a part. Remain as impassive as possible yet respect family bonds. Try to stay true to your original succession ideal, and make the decision based on who has demonstrated their ability to maintain your desired legacy.

Keep family members and important players in the know, sharing your thoughts and ideas along the way. Minimise the element of surprise or you may create hurt and dissatisfaction.

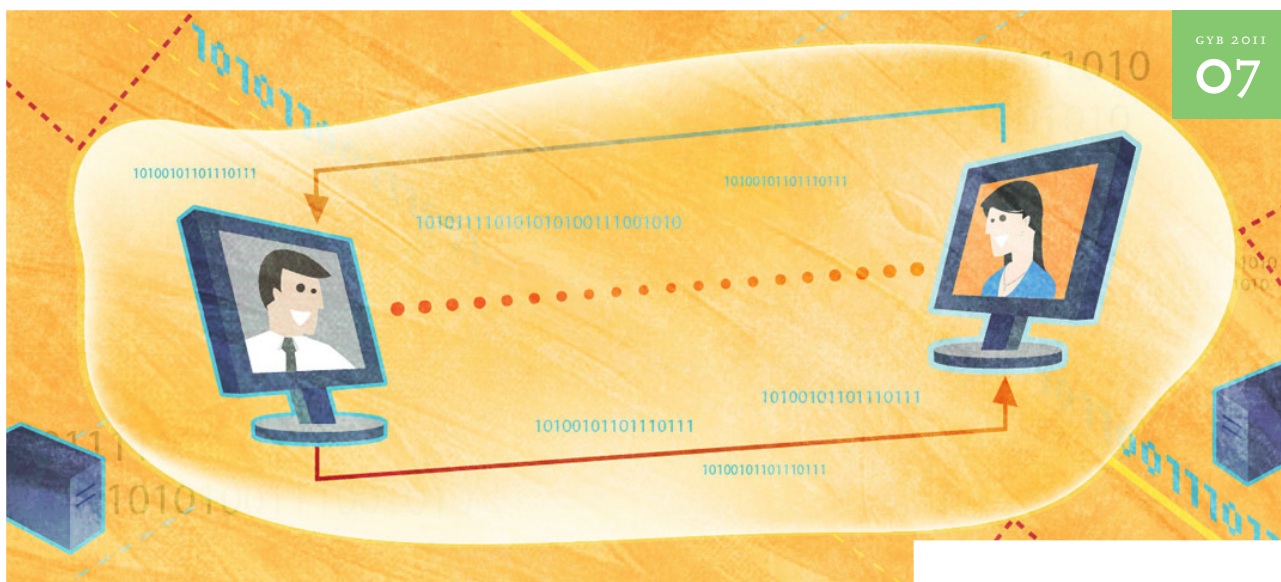
When a decision has been made, be prompt and clear and do not hesitate to put the orders in motion. Do not leave things in a period of limbo and uncertainty.

A sound suggestion is to set up a board of trusted team members or colleagues to be your counsel. This keeps you informed and also allows your colleagues and team members to feel that they have a part in the decision making process.

And don't write yourself out of the plan. Keep yourself in mind as you make decisions and craft out how you will remain part of your legacy after the changeover.

Remember to give thought and equal consideration to all options, even if the years eliminate some of them. You never know what financial environment you might find yourself retiring in, and in some cases the selling of the business may prove the most profitable and stable way to take care of your loved ones.

As experienced professionals we have the expertise to assist with succession planning. With our assistance, you can increase the chance that all parties will achieve their desired outcomes.



## IT Security as a Competitive Advantage

In 1991 Charles Cresson Wood wrote an article entitled 'Using Information Security to Achieve Competitive Advantages'. He would later become the recipient of the Computer Security Institutes Lifetime Achievement Award. In 2004, at its worldwide partner conference, Microsoft pitched security as a competitive advantage. Now seven years later, how has information technology security affected businesses and has it indeed proved to be a competitive advantage?

With the rising power and influence of the Chief Information Officer, it seems Cressen's observations and Microsoft's pitch was right on target. Information is just as valuable as the money managed by the Chief Financial Officer, and protecting that information is a competitive advantage.

Protecting your IT assets should be your number one priority in business, and information and technology are part of these recognized assets. To be a savvy competitor in your market, your organisation should be as protective of its innovations and ideas as it is of its financials.

Ways to ensure security can be simple, including virus protection software and email safety (i.e. deleting archived messages and attachments), setting up firewalls and keeping software systems up-to-date.

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Secure your networks using full encryption when connecting remotely and lock down wireless networks. Other tips include backing up securely and frequently, protecting your office premises and taking extra steps to ensure the safety of your laptop and other mobile devices.

When it comes down to it, digital security keeps information from leaking into the hands of the competition. It may be a costly initiative, and one that requires consistent attention and upgrading. However, the payoff is a simple and concrete benefit: IT security can protect your intellectual property from willing adversaries, disgruntled employees and cutthroat competitors.

The competitive advantages of IT security are not easily measurable – and nor is the risk that your business may face. In order to take stock of the risks and reap the rewards, avoid using terms such as “monetary” and “measurable” and focus on competitive advantage, long-term survival and compliance.



## Pay Offs of Training Staff

Training your employees appropriately and frequently is indeed an investment - and one with a powerful return. When your employees are nurtured with the necessary staples they will make better decisions, their relationships will improve and their opinions will show deeper insight.

Training can mean seminars, lectures and workshops, manuals, memos and meetings. There are many ways to interact with your different divisions and to get them motivated as well. Take advantage of the many organisations out there that run training programs in diverse and interactive ways. If you want your employees to participate and actually benefit from training, it's vital to keep it interesting or their attention will be less than focused.

*“Time in can become money out.”*

With well-trained employees you will find that your client satisfaction increases, which in turn generates more lasting relationships. You will also witness a motivated and driven team. When

employees feel empowered or inspired by their work, they feel invested in their work responsibilities, and therefore take more interest.

The problem most business owners find with training staff is the inability to tangibly weigh the benefits against the costs. What are the economic frameworks to judge the profits generated based on the training? You certainly aren't evaluating conventional returns - training is an intangible resource.

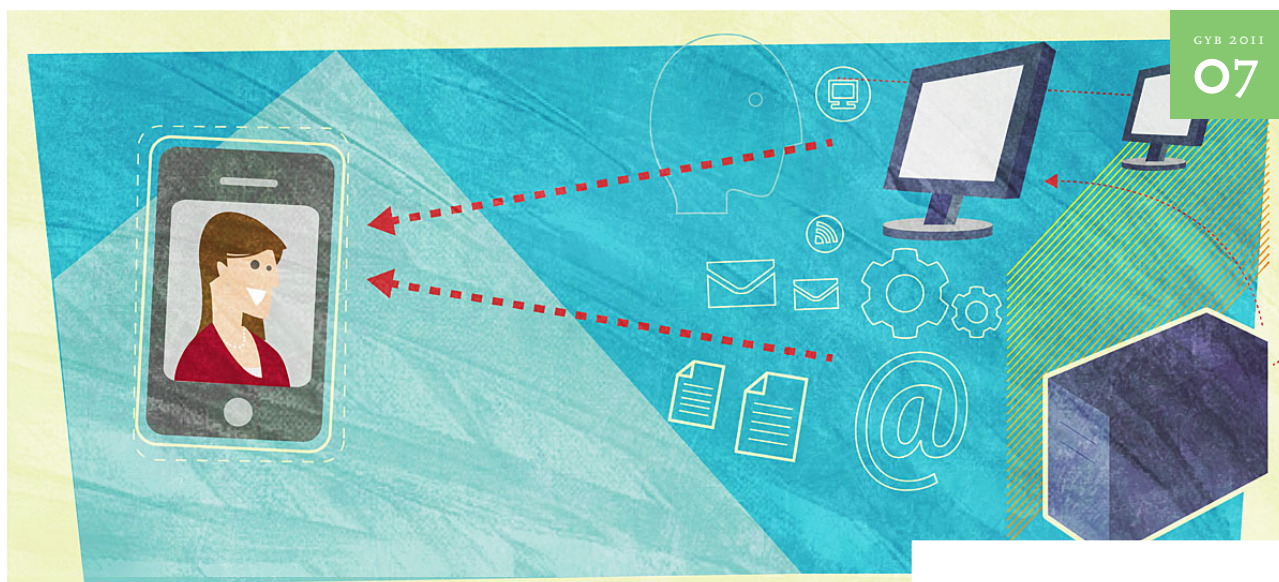
One way of viewing intangible benefits such as training is employee happiness, or job satisfaction. Lack of training leads to lackluster performance, often because employees feel inadequately prepared to take on more difficult and rewarding tasks. With the right equipment (in this case, knowledge or information), the team is more confident and more likely to accept challenges, which in turn boosts productivity.

By viewing training programs as conventional commodities, you will never see the economic benefits. Look to the ways in which training is a catalyst to other less tangible assets.

A solely monetary view is no longer a comprehensive one. And remember that as your advisor, we have the tools to help you measure critical areas of your employees' satisfaction and help you build a winning team.

### REACH OUTSIDE THE BOX

It's easier than you think to reach outside of the so-called box and generate new clientele. Don't be afraid to ask your loyal customers to refer your services to their own contacts. Often classic word of mouth tactics can open up an entirely new world of business.



## Smartphones Ring in the Change

By now it would be virtually impossible not to have had a close up and personal encounter with the mobile giant: the smartphone.

A smartphone offers computing and connectivity abilities that are more advanced than standard feature phones. iPhones and Blackberries being the current favorites, smartphones are more akin to handheld computers than cell phones. Running complete operating system software such as Google's Android platform, smartphones combine all the functionality of a phone, organizer, task manager and even a personal assistant.

With all of these capabilities just a simple touch or click away, business has entered the mobile age. Getting emails on the go is no longer a luxury afforded to high level executives – it's an industry standard at all levels.

With the complex and innovative use of applications and programs available, organization and task management are all centred in the palm of your hand. And when your team members are connected via smartphone, your services become more reliable; creating a higher level of satisfaction for your clients.

With smartphones offering greater functionality and more fluid communication, you can send and receive larger files - a function not possible with more dated feature phones. Give your marketing a boost and incorporate multimedia messaging services: create images, graphs, charts, and animations and send them through the phone. Loading information on the go means a seamless communicative flow - never lose time when you're out of the office and improve team member and client satisfaction through increased attention and flexibility.

*“Getting emails on the go is no longer a luxury afforded to high level executives – it’s an industry standard at all levels.”*

With all these gleaming advantages, are there any downsides to the increased use of the smartphone? Some might say that an email 'sent on the fly' has a less professional manner and may appear

impersonal. Emails, instant messages and text messages may be fast approaching the status of 'the norm' but they also fall short of the polished and serious manner in which we regard face-to-face communication. Plus with small keyboards and text limits, these forms of communication are susceptible to errors and mistakes as well as misunderstanding of tone and implication.

With the rapidly increasing popularity (and reliance) on the interactive features of the smartphone, coupled with the increasing popularity of mobile applications, the world of business communication is heading in one direction: full steam ahead. Adherence to the trend will soon be regarded as a requirement, one that will in fact cause those who refuse to adapt to fall behind. Eventually the smartphone and its tides of change will sweep feature phones under the rug. Becoming mobile-savvy is the key to not becoming obsolete.



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