

July/August 2012

DMC
Chartered
Accountants

DMC Newsletter

This year, DMC celebrates 25 years in business! We will be having an anniversary party at our office in October, so expect an invitation in the mail soon!



Customer Centricity in Small Business

The current hot topic of debate in the world of small business is: does being customer centric play a role in success? Can great customer service alone do the job? Can being customer centric be detrimental?

Every company with a client list relies heavily on their customer service to retain those clients throughout the years.

"Success is the provision of service to customers before, during and after the sale of a product or service."

Being customer centric is defined as "creating a positive consumer experience at the point of sale, or post sale". To the point, it means putting the customer at the center of a company's marketing efforts, without the main focus being solely on closing the sale.

The question here is whether being customer centric is a beneficial or detrimental strategy for small businesses. The debate is heated, as many believe that becoming customer centric implies that the customer is always right, and that the customer shall be satisfied at any cost.

The concern is that a small business would most likely suffer in this environment, as budgets are often too tight to accommodate such an approach.

Some have broken customer centricity down into a more streamlined formula that can easily be applied to each customer, in each sale.

1. Awareness and Consideration: Be aware of what the client is looking for and make sure you are offering that, at all stages of the communication.
2. Select and Buy: Streamline your purchasing process to make sure that it is as simple as possible for clients to buy from you.
3. Initial Experience: Prevent buyer's remorse by actively engaging your clients from the initial buy, inquiring immediately about their level of satisfaction; in other words, nip problems in the bud.
4. Use, Learn and Support: This is the crucial part of customer retention, post sale and follow up - you must continue to nurture the relationship at all times.
5. Repurchase and Recommend: A successful completion of stages 1-4 will ensure you arrive at the last stage where you have engaged your clients into generating new business seamlessly.

While customer centricity embraces the contested belief that the customer must 'always be right', in the long run, customer care benefits should not be overlooked as a strategy for small business owners.



July/August 2012

DMC

Chartered
Accountants

IMPROVE PRODUCT AND REDUCE EXTREME ADVERTISING COSTS

Instead of shelling out the big bucks for a huge advertising campaign, zero in on ways to improve your products or services. Spending resources on product or service improvements can bring immediate results. Your customers will be impressed with your efforts. People love sharing discoveries with others so they may well become a real advocate for your business by spreading the word to their own customers, family and friends, and therefore providing you with a free advertising boost.

Tips for Recruitment

As one expert puts it, "Gone are the days of simply putting out a 'Hiring' sign". Competition for the right person and the right skill sets can prove a difficult task with disappointing results. However, there are simple steps you can take to make your business more attractive to job seekers without compromising your own needs. A common mistake made by business owners is to offer salaries according to budgets rather than using market rates. Make sure your offer matches the current climate in your sector if you want to attract top talent. Examine your own position as a business owner and what it is that you expect from your team members. Having a sound recruitment manual in place to outline your specific

requirements can help to conduct better interviews and cover all skill sets needed to fulfill a position. Newspaper classifieds continue to be highly referenced so contact local papers as well as online sources and produce well-written and specific ads. Widen your search by advertising at local universities, colleges and vocational schools. Recruiting Co-operative Education students or interns provides opportunities for temporary employees to commit and the company time to reassess fit and competences. They can be hired on a trial period, which enables you to assess their skills before committing to a contract. Or they can be a real benefit during workload peaks.

"Make sure to offer something 'the other guys' are not."

Promote from within whenever possible and turn to your most trusted and valued employees for referrals or recommendations on new candidates before opening the position up to the general public. Open up to other common employment ideas, such as remote workers (team members who can complete their tasks from home) and job sharing to widen your candidate pool. Be creative with your employee benefit packages, incorporating interesting perks and promoting a balanced lifestyle as one of your company mottos. Design your recruitment strategy to align with the values and norms of the generations entering your business.



Short Term Goals

Long-term goals are crucial for a successful business. Mission statements, business plans and marketing campaigns all contribute towards achieving your goals. While long-term plans help you to keep an eye on the overall goals, short-term goals are necessary on a day-to-day basis to ensure their delivery. For short-term goals to be successful, they must be achievable, encouraging and have realistic timelines. While a business plan plays out over years, short-term goals can cover daily, weekly or monthly timelines. Many recommend adopting the S.M.A.R.T. method of setting short-term goals: **S**pecific, **M**asurable, **A**ction-Oriented, **R**ealistic and **T**ime specific. Each goal should be submitted through this model to increase the chances of a more successful outcome. Break your larger goals down into achievable short-term objectives. It will also

help you to better monitor employee performance. Patience and persistence are the keywords when it comes to managing and achieving goals. Consistently reviewing your goals and finding out the reasons why they have not been accomplished will help you evaluate what is working and what is not. *"Increasing sales by a smaller percentage each month is more realistic than setting an annual percentage."* Don't overwhelm yourself. Start with a daily goal, a weekly goal or a monthly goal. Including colleagues in the setting of your short-term goals is also a great way for them to stay inspired and motivated. Record your goals in a planner, on your calendar or on your computer and keep them in plain sight. Visualizing the goals will help remind you of what you are

working towards. Employers can help employees establish and attain goals through performance systems such as score cards. Be flexible and realize that some goals change or become obsolete along the way. Always be ready to review them. Keep morale and energy flowing by adjusting the goal as required. One prominent business advisor once said, "Goals are not separate from the culture of the organization." Your goals should reflect your mission statement and values at all times. Successful businesses know how to direct employees to accomplish their short-term goals in order to achieve their long-term goals.



DEAN MASON & COMPANY INC
CHARTERED ACCOUNTANTS