

10 tips for the effective small business owner



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The moment you start your small business, you're on the clock: How quickly can you attract customers and drive sales to invest in long-term growth?

No matter products and services you offer, success as a small business owner means making the most of your time and resources. At any given moment, you could be fielding customer requests, directing staff, and making sense of changing business conditions.

The good news is that it is possible to strike the right balance among competing priorities through strategic planning, hard work, and the right technology solutions. Use these tips to start that journey with confidence.

1. Create a customer-focused niche

Differentiating your company from others in the market is one of the most important first steps you'll take as an entrepreneur. You might spend days, weeks or even months researching market demand, existing competition, and whether your idea will scale enough to keep you in business. Those are all critical factors, but they don't necessarily add up to the lens you want to use to examine your niche.

Instead, think of the kind of person who might be most interested in your product and how your company will help them achieve a change they want to make. Whatever your audience, take care that your market communications speak directly to them. Done well, small business advertising can be a critical tool in reaching your niche customer base.

2. Draft an outcome-based business plan

Business plans can have a short shelf life – no one can predict the future, after all. If projected financial outcomes don't account for unseen factors, the marketing analysis in a business plan might quickly become out of date. You may decide in hindsight, for example, perhaps your cash flow forecast needed to account for additional staff or maybe there were budget line-items that became unnecessary.

You can avoid multiple revisions to your business plan by anchoring it in outcomes. Make clear what you'll accomplish in the first month of launch. Then define the outcomes you'll achieve in the next six. Do that again for when you hit the one-year mark.

These defined outcomes should be tangible results, but not necessarily revenue targets. Plan the number of prospects with which you'd like to make a personal connection. Or quantify the A/B tests you'll execute to make your marketing efforts more successful. Approaching a business plan this way allows you to be flexible and adapt it as needed.

3. Mystery shop your competitors

You can read competitors' reviews, study the small business advertising they run and follow them on social media. But nothing will teach you more about the competition than putting yourself in the shoes of their customers. Whether it's walking through a store or placing an order online, you'll see what they're doing well and what could be working better.

These gaps can show you where there are opportunities to develop a better-quality customer experience.

Keep your niche top of mind here. Even if competitors are offering a good overall experience, consider the nuances that will make stronger, more specific contributions to the changes your customers want to make.

4. Begin building a goal-tracking dashboard

Goal-setting seems simple enough: define what you want to achieve, outline the steps and set a deadline. However, it can get complex for small business owners because you'll be tracking many different goals at once, from the number of sales you've made to the number of customers who increase their spending with you.

As you set your goals, map out the ultimate dashboard that would allow you to measure your progress in each area. There may be existing small business technology solutions that allow you to see everything at a glance. More likely, you'll have to add tools over time. Having a clear idea of the perfect dashboard will make you more targeted in how you invest in those tools.

5. Establish a digital presence-in-progress

A small business website puts you on the map for prospective customers researching the kinds of products and services you offer. It's the foundation for a digital presence that could later expand into mobile apps, storefronts within online marketplaces and more.

If you're not sure how to design a small business website, start with your customer-focused niche as a guide. Imagine how your target customer would most likely move from your home page to product and services pages. Consider whether they would benefit from a live chat session. Envision the ideal process for placing online orders. Make sure your small business website is supported by a strong, reliable business internet service. Try to account for all the touchpoints where customers might connect with your company online, such as social media, and incorporate them into the site to simplify the journey.

Innovations in technology mean there are always new ways to serve, support and connect with customers. Your digital presence should always be treated as a work in progress.

6. Hire with the employee experience in mind

The people you bring on are much more than just numbers in your system. They should be inspired by your mission and feel engaged to continuously improve their performance and help grow the business. That part is on you – you can earn their commitment by delivering an outstanding employee experience.

Map out the full employee journey, from onboarding to growth and development to coaching them to become mentors to new employees. Invest in small business technology that makes it easy to communicate and collaborate, no matter where they are. Empower them with tools that boost productivity and efficiency so they can concentrate on solving customers' most complex problems. Recognize their achievements and reward them accordingly.

Much like your customer experience, your employee experience may need to be tweaked or reimagined as your company grows and you learn more about what staff needs from you.

7. Offer anytime/anywhere customer service

When you're struggling with a product or service, the last thing you want is to wait endlessly on hold. If people don't feel like they're getting small business customer service in a timely manner, they might start thinking of taking their business elsewhere. This is another area where small business technology can help. A cloud-based phone service, for instance, can forward calls from a desk phone to a smartphone so you can manage calls no matter where you're working.

When you have a business internet plan, you can offer small business customer service virtually through video conference, showing customers how to troubleshoot their issues.

8. Keep cash flow in constant view

A lot of the decisions you make may boil down to whether there's enough money coming in the door. The usual small business cash flow sources include investments, financing and operations. The latter could be the most variable, so don't lose sight of it.

When you're in the field meeting with customers or attending industry events, for instance, you may need to review receivables or compare your cash flow forecast with actual revenue. One way to stay on top of small business cash flow is to manage the data in a cloud-based service rather than a static spreadsheet. That way you can easily access the information you need via a connected laptop or even your smartphone.

9. Cut costs by doubling down on digital

The less overhead you're carrying, the more wiggle room you have to innovate and compete. Reducing expenses is a regular exercise for businesses of all sizes. Some of the most common tactics range from renegotiating with suppliers and hiring freelance talent to simply spending less on non-essential items.

One piece of low-hanging fruit can be the volume of paper you're using in everyday operations. This is a costly resource that impacts sustainability and can mean paying for physical storage solutions, whether it's filing cabinets and larger facilities.

Look for digital applications that can replace some of the paper-based processes you rely on currently. You may find it not only cuts down on costs but can help boost employee productivity, which could lead to improved revenues.

10. Assemble an advisory council

Large companies have a board of directors who can assist the CEO and other members of the senior leadership team in shaping the direction of a company. You can do something similar by developing a network of trusted experts you can turn to with questions as your business grows.

Your advisory council could include vendors and service providers, peers from non-competitive companies and even long-time customers. Whether they all come together for a collective discussion or you pick their brains individually from time to time, see what you can learn from an outsider's perspective.

Becoming a small business owner often starts with a dream. Now it's up to you to find the right tools and processes to make it a reality.

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