THE PROFIT IMPROVER

helping you realise your full profit potential

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Updating your insurance

Many businesses simply renew their existing insurance policies each year. This can be a costly mistake.

You may be paying unnecessarily high premiums based on outdated information, miss out on a better deal that has become available, or have failed to cover your business against new risks that have arrived with growth.

Here are some things for you to consider before you next update your insurance policy:

Using a broker

Deciding whether or not to use an insurance broker is an important decision. Brokers are expensive and for a small business with very straight forward insurance needs this can be an unnecessary expense.

However, the more complex your business is the more likely you are to benefit from the expertise of a broker. A good broker is aware of which insurance companies excel in specific areas, and will be able to customise the best possible package of products to suit your needs.

It is also common for brokers to be influential in persuading an insurer to approve your policy. If you are a member of any professional associations it is a good idea to seek out any recommended brokers.

You may benefit from an associated discount and the broker will likely have a sound understanding of needs specific to your industry.

Recording your assets accurately

Ensuring that the information you provide to your insurance company is completely up-to-date and includes all of your relevant information is extremely beneficial. Regularly cross-checking your list of assets with what you actually have will ensure that you are not paying unnecessarily high premiums to cover things you no longer own.

Consistently updating the value of assets that are depreciating will also help to bring down your premiums. For example, it is common for businesses to be paying to cover the value of a brand new car when its value is actually now significantly reduced.

Good Risk Management

It is well known that a robust risk management plan is the best way to protect your business. What many businesses overlook is that a good risk management plan can also significantly reduce your insurance premiums.

If you have updated or improved your risk management systems then you should let your insurance provider know, as it may change the risk category in which you are placed. Additionally, over time a good safety record will significantly reduce your premiums.

Collecting customer feedback

Customer feedback is a great source of learning for any business looking to improve their competitive edge.

Formalising your customer feedback can help you to assess your current products/services, give you valuable insights into the way customers view your brand, and even guide you in future product development.

Unfortunately, the task of gathering customer feedback can be onerous and confusing. It is extremely important that your collection methods will not irritate customers, as this may potentially damage your brand.

Furthermore, you want to make the prospect of responding as enticing as possible because every piece of feedback is valuable.

Here are some important things to consider when collecting customer feedback:

1. Clarify your objectives

You should always have a specific goal in mind when collecting customer feedback. For example, gauging customer's satisfaction with a particular product.

Blindly asking customers for their general opinions is likely to lead to confusion, both for you and your respondents. A specific goal will also ensure that your questionnaire is short, increasing the likelihood that people will complete it and also reducing the possibility of annoyance.

2. Use your staff

Before finalising the contents of your survey, ask your staff for their opinions on what you should include. Often your frontline staff will have valuable input into what they think would be the most useful feedback.

An added advantage of this is that it will increase your employees' sense of ownership in the company by showing them that you value their input.

3. Consider the best medium

If you want to host your customer feedback online then the sheer number of social media and survey software options available to you can be daunting.

When selecting an online feedback channel you should consider three things. First, determine the degree of functionality you require.

There is no point paying for features you do not need. Second, assess the extent to which the software visually represents your branding (some of the inexpensive versions can look cheap). Finally, you should decide whether you want the feedback to be one directional (they provide you with responses) or an open dialogue.

4. Wording your questions

Wording your questions and/or statements can be tricky. If your questions are deliberately leading or loaded, they are likely to irritate or even offend your respondents. Take care to avoid double barrelled questions as this can lead to confusion.

It is also important to ensure that you have not accidently assumed a degree of knowledge that the respondent might not have. For example, 'Do you consider our new website to have improved functionality?' assumes the customer was familiar with the old website.

5. Thank your respondents

A common complaint about providing customer feedback is that it was time consuming and that people feel that their opinions were not valued.

Something as simple as a generic thank you email or notification that they have been entered into a prize draw can make all the difference to a customer who has just given up their valuable time to help you.

Additionally, providing respondents with details about action that will be taken as a result of their feedback is an excellent way to promote your company as being proactive in meeting customer needs.

Learning to delegate

Learning to delegate tasks and responsibilities can be a challenging adjustment for many leaders and business owners.

While it is tempting to try to maintain control over all aspects of your business there comes a time when there are simply not enough hours in the day. Effective and well executed delegation can add considerable value to your business.

The most significant advantage is that once you have delegated some of your responsibilities to others you will be able to truly apply yourself to the more pressing or complex tasks that require your attention.

Additionally, you will be increasing the skill set of your staff members. This is not only beneficial for the business but also gives your employees a sense of pride and career progression.

Delegating a task to someone is also a fantastic opportunity to assess their potential for leadership or promotion. One of the most important aspects of learning to delegate is

choosing the right person. You should consider their capacity to work independently, their interests and ambitions within the company, and whether or not the new responsibility will put a strain upon their current workload.

It is important to explain to the person the reasons why you have chosen them, as well as the value in the delegated task.

This will demonstrate your appreciation for their efforts. You need to make sure that you have set aside adequate time to train them to do the new task.

It is also important to avoid the temptation to watch over their shoulder and micro-manage. Instead, set them a time frame and when the task is completed give them your full and honest feedback.

Once they have completed the task several times, if you are satisfied with their performance, you should sit down with them and discuss how the task can be incorporated into their regular responsibilities. It may be necessary for you reduce their current workload.

You should also ensure that they feel sufficiently rewarded. While increased remuneration in the form of a salary increase or bonus may be unfeasible, taking them to lunch or sending an office wide acknowledgment of thanks can go a long way.

Using LinkedIn

LinkedIn is a professionally focused social networking site and has a lot to offer business owners and leaders.

This professional focus does, however, mean that there are a couple of considerations, specific to LinkedIn, that you should be aware of.

LinkedIn requires a more professional tone than other social media platforms. Therefore, you need to consider your posts very carefully, triple check your grammar and avoid colloquialisms.

Many companies align their social media platforms, which can be a great idea.

However, you need to consider whether or not your Facebook and Twitter profiles should automatically update your LinkedIn profile. For some companies the tone may be inappropriate.

As LinkedIn does require such a professional tone, many profiles can end up being lost in the crowd as repetitive phrases and taglines emerge. There are numerous ways to make your business's LinkedIn profile stand out. Including quotes, anecdotes and links to external sources is a good way to create a point of interest.

It is also a great idea to include a call to action at some point in your profile. You can encourage people to visit your website, ask a question on LinkedIn or include a connection to a video source (this can be particularly effective).

Ensuring that your key words appear in every section of your profile will also significantly improve your search ranking.

Never forget that LinkedIn is, above all else, a networking platform. This means that in order to get the most out of your LinkedIn account you need to be active on the site.

Recommending and endorsing people is an effective way to do this, as it will make your company appear active and professionally engaged. Joining special interest groups and regularly commenting is another great way to ensure your LinkedIn profile remains active.

Wise Words

It takes twenty years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently.

– Warren Buffett

Networking events

Considering the extent to which people are now networking on social media, many professionals are questioning the value of in person networking events.

However, networking events still have some significant benefits for business leaders. By attending a networking event you may have the chance to promote your business to other decision makers, an opportunity that is harder to come by on many social media platforms.

Attending networking events, especially those that are industry specific, can significantly improve referrals to your business.

Here are some tips for attending networking events:

- The easiest place to strike up conversations is in high traffic zones such as the front entrance or the queue for food

- When talking to people remember that you are trying to establish a relationship. Always ask them questions about themselves as this will help you to make a positive first impression

- If you want to contact someone following the event it is best to do so within 72 hours, while the meeting will still be fresh in their memory

Managing social media risks

While the excitement surrounding social media has deservedly taken the marketing world by storm, it is important to remember that this new communication platform brings with it a range of new risks to businesses.

Damage to your brand or reputation is a potential risk posed by social media. This may come from your own activity, the activity of your employees on their personal social media sites or from negative customer feedback.

These risks can never be fully eliminated. However, there are steps you can take to prepare and protect your business.

It is important to have a comprehensive social media policy that all of your employees are familiar with. Your policy should cover use of personal social media sites during office hours, a code of conduct for employees who have identified their employer on social media, guidelines for discussing competitive information and rules regarding using company handsets to access social media sites (as this can potentially pose a data breach).

It is also advisable to prepare to deal with an unhappy customer on a social media site. With any luck you'll never have to put your plan into action but it always pays to be prepared.

While dealing with an unhappy, sometimes even unreasonable, customer in such a public space can be difficult, situations like these are a great opportunity to demonstrate your company's attentiveness, transparency and commitment to customer service.

Improving decision making

The ability to make the right decisions is central to good leadership.

What many leaders fail to realise is that decision making is a skill that can be improved and refined just like any other.

While some people are more naturally predisposed to make confident decisions in a timely fashion, this does not necessarily signify a good decision maker.

Here is a step by step guide to improving your decision making skills:

- Always ask yourself if you are making the best decision or the most readily available decision

- Reflect upon whether you have all of the relevant information upon which to base your decision

- If the stakes are high, allocate a proportionate chunk of your time to considering all possibilities. If necessary map out all of the potential outcomes and speculate on how your competitors may react

- Acknowledge what you currently don't know

and what information you can't find out. This will strengthen your final decision

- Analyse times in the past that your decision making has been poor. Aim to identify any flaws in your decision making process

- Be aware of your gut instinct – sometimes it can be your saviour – but learn to differentiate it from your logical thought processes

About Us

MARSH TINCKNELL

Achieving better results for your business

At Marsh Tincknell Accountants, we can:

• positively help you identify opportunities to improve your profits

• work with you to achieve your business goals

• give you more time to run your business

We use our business advisory experience and expertise to monitor your business and give you proactive advice on how you can improve your bottom line and business value.

At Marsh Tincknell, we offer a range of services including business services, taxation services, superannuation advice and asset protection strategies.

Office productivity

Productivity in the workplace is affected by a number of different things.

Being aware of common barriers to productivity in the workplace, as well as engaging with advice on how to boost your productivity to above average levels, can be extremely beneficial to your business outcomes.

Here are five things that all businesses should be thinking about:

1. Motivating Staff

More motivated staff equate to a more productive company. Adequate remuneration is an important factor in job satisfaction (and staff retention).

However, there are a lot of other important contributors to job satisfaction, including an appropriate system of reward and recognition.

Ensuring that workplace complaints are heard and seriously considered is another significant

factor in staff motivation. Additionally, increasing individual accountability for tasks will improve work ethic and increase people's sense of achievement.

2. Expanding Skill Sets

There are a lot of advantages to rotating employee tasks wherever possible. Your staff will develop a more diverse skill set, people will feel that they are making career progression and it will increase employee engagement.

Assigning one staff member as a trainer or mentor to others who will be learning skills from them is a great way to demonstrate your confidence in someone, while simultaneously giving you an opportunity to evaluate their leadership skills before a promotion.

3. Digital Organisation

With so many workplaces having become paperless it is now easy to feel that your office is an organised environment. However, digital clutter can be an issue when servers and hard drives become a disorganised mess.

If staff have difficulty locating documents or programs this can be a significant barrier to productivity. Additionally, it creates a sense of disorder that can impact their perception of management.

Organising the company's digital work place, and encouraging individual staff members to be similarly organised, can go a long way in improving your productivity.

4. Productivity Software

There are a lot of new productivity software products and apps that are designed specifically for the workplace. Some of these are even created for specific industries and/or roles.

Examples of helpful software products or apps include digital time trackers, to do lists, productivity monitors and project management software.

Remaining aware of new workplace productivity software, especially if it is an industry specific development, will ensure that you maintain your competitive edge.

If you do go ahead with purchasing productivity software, ensure that you provide staff with adequate training in using it.

5. Scheduling Communication

Returning phone calls and responding to emails is not just time consuming, it can also be extremely bad for employee productivity. Constant interruptions break people's concentration and can be very distracting.

By encouraging your staff to have specific times each day that they return phone calls and emails you can improve the productivity and concentration of your staff.