

PROFIT MATTERS

Helping you realise your full profit potential



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Closing a sale

Closing a sale is always the end goal for businesses but often knowing how to close the deal can be a challenge.

When closing a sale in business is not your speciality, there are specific sales techniques you can use to convert more potential customers into paying customers and improve your business' overall sales performance.

Consider the following sales techniques:

Pitch to the right person

It is vital that your pitch is well received by the decision maker. Try to put yourself in direct contact with the employee who calls the shots, especially if it becomes clear you are liaising with their messenger. When you deliver a pitch to the person in charge, you are given the opportunity to customise your pitch, build a rapport and wield control over how your information is delivered.

Put aside your agenda

Insincerity can send a customer running in the opposite direction. Authenticity reduces a customer's buying resistance. When closing, you want to prove that the quality of your product or service will bring real benefits to your customer, rather than make a final push for the sale. Put yourself in the customer's position and ask them questions so you can understand their needs. You will then have the credibility to make recommendations. By the time you have explained how this will be a great fit for their unique needs, you will have convinced them you are trying to help them, rather than just yourself.

Give a limited offer

A deadline offer creates the urgency you might need to get your sale across the line. By giving an added discount or free service that expires at the end of the day or week, you are giving the customer an incentive to purchase. The customer will likely be persuaded by the value offered or the perception that they have the upper hand in the deal. To minimise the risk of losing the customer, make sure you also explain that the original deal without the added offer does not have an expiry date.

Take away deliberation

Asking a yes or no question can stall the sale. In some circumstances even allowing a moment of deliberation can kill the momentum vital for your close. The trick is to use language that assumes the customer has already made their decision. Replace questions like, "Would you like to go ahead with that today?" with "What day would you like to organise delivery?". Tweaking your questions is also effective. For example, the question, "Would you like to go ahead with the gold or premium package?", shifts the decision from "Should I buy?" to "Which product should I buy?". Frame your question to guarantee a sale.

Anticipate the problems

Doubt extinguishes the opportunity for a swift sale. Stumbling over the customer's objections loses their confidence in your product or service, and your competence. You can avoid falling into this trap, by preparing strategies to deal with common issues like price, competitors and refunds. In this way, you can beat the customer to the question and integrate these prepared responses into your pitch.



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Correctly terminating an employee

Termination is often a complicated and awkward area for any business owner; however, it is sometimes an inevitable move that has to be made.

There are many situations where termination



can occur. It is important that each situation is handled carefully to ensure the process complies with employment laws.

Redundancy

Redundancy occurs when an employee's role within a business is no longer required. When an employee is made redundant, they are often owed compensation and other entitlements, which are laid out in the award or enterprise agreement.

Abandonment of employment

This form of dismissal occurs when an employee is absent from work for an extended period without providing a reasonable excuse. If an employer wishes to terminate an employee under abandonment of employment, they must show they have taken steps to contact the employee before terminating their position.

Summary dismissal

A summary dismissal is when an employee is

immediately terminated from employment due to a serious breach or misconduct, like theft or assault. Although this type of dismissal occurs quickly, it is still important that the correct formal process is followed, and that any allegations against the employee are thoroughly investigated before they are dismissed.

Dismissal for a cause

Dismissal for a cause is less serious than a summary dismissal. It is used when an employee is terminated for under-performance or other issues such as inappropriate behaviour. Leading up to dismissal for a cause there must be a disciplinary process.

Termination by notice or agreement

This is when an employee's role in the business is terminated by one party giving notice to another. Termination agreements often come with provisions that must be complied with, for example, the timeframe for notice. There may also be other steps to follow listed in the relevant award.

Creating a successful start up

Launching a new business is an exciting, yet daunting time for any entrepreneur, particularly when only a small per cent of entrepreneurs succeed.

Increase your chances for success by taking advantage of the tricks of the trade to avoid common mistakes that can occur when beginning a business.

Consider the following tips when planning your new business venture.

Build a successful idea

To succeed, your business idea must be one that is profitable. Ask yourself, does it solve a problem or fill a gap in the target market? The best way to ensure your great idea will translate to a profit will involve market research and analysing in detail your points of difference in relation to the competition. Considering the following questions:

- Will your customer respond well to this problem being solved?
- How important will your product or service be in their lives?
- Who is your competition?
- How do you differ from your competition?
- What are the ways you can distinguish yourself conceptually and in performance from your competitors?

How to get yourself a winning team

To go it alone is usually not viable. It is crucial in the early stages of your business to surround yourself with the right people and the right amount of people. When it comes to choosing your first team members and hiring additional employees, later on, consider the following:

- Like-minded people you have met before, i.e., university friends and previous colleagues can make for effective business partners or team members.
- Two to three individuals to start with is a good number.
- One member of the initial team should have a strong background in technology.
- When hiring individuals look to online forums like Facebook startup pages and LinkedIn
- Hire for character over skill.
- Enforce a probationary period of three to six months to ensure new employees are a cultural fit for your business.

Getting your name out there

Growth should be organic, to begin with, but eventually, marketing and sales are areas that need to grow for financial backing to follow. For instance:

- Make the most of low cost and free advertising space: your website, LinkedIn

profile and any other social media presence should be as user-friendly and up-to-date as possible before considering any paid options.

- The best way to learn about marketing and sales is to do it yourself before hiring anyone else.
- When hiring do not look for a quick fix but someone who fits in with your startup's ethos.

Funding and finances

Nothing sinks a business quite so quick as running out of money. It is important to plan and budget in the beginning for the amount of capital you will require to keep your business afloat. The working capital cycle consisting of cash (funds available), creditors (accounts payable), inventory (stock on hand) and debtors (accounts receivable) should be applied to ensure you are on top of all incoming and outgoing finances. Consider the following in relation to your business' capital:

- Collect payments from debtors by invoicing early, reducing payment terms and following up overdue accounts.
- Reduce inventory to free up working capital.
- Meet your cash outflow obligations by considering early payment discounts, prioritising suppliers, ensuring the accuracy of invoices before making a payment and making payments only when they are due.

Data cleaning for successful marketing

Data is instrumental in making business decisions, assessing customer engagement and developing growth strategies.

A business' data generally doubles in 12 to 18 months, so inevitably, data decay will take place. Which is why cleaning up your business' data periodically is essential to halt the problems resulting from unclean data.

Below are reasons and tips to keep your data clean.

Benefits of clean data

Data is essential for analytics, which shapes your business' direction and practices. The benefits of clean data are as follows:

- Streamlines business practices by eliminating any duplicate data
- Improves customer acquisition (ensuring the highest return on email campaigns and other marketing strategies)
- Increases efficiency by revealing useless tasks
- Enhances the decision-making process by providing the accuracy of data
- Allows for an accurate assessment of the success of products and services.

Dealing with old data

There is an art to data cleaning that ensures

efficiency and thoroughness, without eclipsing potential opportunities. You should not engage in a mass delete beyond a specific date. Old data is important in tracking business growth and establishing customer lifetime value which can be used to create a targeted reactivation campaign. Therefore, an effective archiving system is vital.

Tools for data cleansing

Several software programs are available to work in tandem with IT professionals, but you should ensure your data cleaning follows specific procedures. For instance:

- Data scrubbing removes invalid customer addresses and checks data has been entered correctly. This is essential as the blacklisting of your systems is a consequence of repeatedly emailing an invalid address.
- Data auditing uses statistical databases to detect inaccuracies. Comparing external data with internal data is useful to ensure the data auditing process is well executed.
- Data consolidation is the process of merging data accounts. The system targets duplicate addresses which can hurt marketing if data provides a misleading picture of the company's reach and inhibits efficiency.

The power of eye contact

Communication in business starts with our body language - so it should come as no shock that holding eye contact works wonders for our professional demeanour.

Professional body language is as important as the verbal communication you use; it can grow or hinder the relationships you develop with other professionals throughout your entrepreneurial career. Holding eye contact with another individual is one of the most effective ways you can ensure they feel recognised, heard and validated during

a conversation. Just like a weak handshake or mumbling your words, failing to hold eye contact also makes it clear you are either unconfident or uninterested in what they have to say.

Here are a couple of things you need to know to maximise the positive impact of eye contact:

Getting the balance right

When it comes to eye contact, you can have too much of a good thing. So while talking to another, always remember to:

- Maintain eye contact during 60 to 70 per cent of the conversation.
- Avoid using too much eye contact, as this can construe the purpose of the conversation as a way to intimidate or belittle, making for an uncomfortable interaction.

The benefits

Once you get the balance right, the benefits are worthwhile.

- It projects confidence, assertiveness and high self-esteem
- It helps to quickly build rapport and strengthen a meaningful connection in a short conversation
- People are more likely to listen, engage and be persuaded by what you are saying.



Wise Words

Courage is what it takes to stand up and speak; courage is also what it takes to sit down and listen

– Winston Churchill

Gesture like a pro

It is not just about what you say but how you say it. This is where hand gestures come into the equation. At times, what you do with your hands speaks louder than your words, so it is vital to get it right.

To master the art of gestures, consider the following do's and don'ts:

Do's:

- Opening your palms implies you have nothing to hide and is a great way to build trust with your audience.
- A hand to your heart is a way to show sincerity and honesty.
- One flat palm with the thumb facing upwards indicates precision and certainty in the speaker.
- Finger counting makes it easier for the audience to understand the different stages or points of your speech.
- Gesture appropriately for the space you are in.

Don'ts:

- Floppy wrists make your point appear weak or trivial.
- Pointing at the audience can come across accusatory or intimidating.
- Fidgeting distracts the audience from what you are saying.
- Clapping appears unprofessional and unnecessary.
- Wringing your hands makes you appear tense, indecisive or even aggressive.

The principles of productivity

Your ability to focus and manage time are the skills you need to maintain higher levels of productivity in your small business.

However, if time management is not your forte, here are three productivity hacks you and your team can adopt to help improve your overall business performance.

Pomodoro Technique

When you find keeping focus over long periods of time impossible, the Pomodoro Technique provides a solution. This handy time management system was invented by Francesco Cirillo in the late 1980s and focuses on completing tasks within strict timeframes. The technique requires you to break down tasks into 25-minute intervals known as 'Pomodoros' (with five-minute breaks in between). Once you have completed four 'Pomodoro' intervals, you can reward yourself with a 15 to 20-minute break. The limited time frame allocated for each task demands higher levels

of concentration, leaving less time to procrastinate.

Pareto Principle

The Pareto Principle, otherwise known as the '80/20 rule' is a well-known strategy first proposed by Vilfredo Pareto in 1906. In business - the principle works on the notion that focusing on 20 per cent of your tasks will account for 80 per cent of results in your business. This will require you to determine which 20 per cent of tasks you complete each day produce the highest value for your business. Prioritise these items to manage your time more efficiently.

Keystone habits

Keystone habits are routines that have the power to push you to success. Introduced by Charles Duhigg in his book 'The Power of Habit', they are simple, yet essential habits you can adopt. Small things like making your bed each morning or creating a plan for the day ahead set you up to form more positive habits down the track. Keystone

habits start a ripple effect, for instance, by eating breakfast every morning or getting sufficient sleep each night, you experience several positive results like increased concentration and higher productivity levels throughout the day. Creating constructive habits like these will help to improve your ability to focus each day in the office.



Make your business goals a reality

Knowing the steps to take to achieve your goals is critical for small business success.

Setting clear and realistic goals is an ideal strategy you can implement to help strengthen and grow your business and develop your skills as a business owner.

Here are three tips to help you effectively reach your business goals:

Asses the goal

To set a realistic goal, you first need to assess what will and will not be viable. Each time you form a goal, ask yourself:

- What is motivating me to achieve this goal?
- What are the resources required and do I have access to them?
- Are there forces out of my control that will act as an obstacle and is there any way I can overcome them?

Break it down

It is important to keep your goals realistic and manageable to achieve them. It is ok to have

big goals - they are exciting and will keep you motivated. The trick is to break down that overarching goal into smaller and more focused steps, making the goal more feasible to reach in the long term. You will not run a marathon, write a novel or become CEO in a week. Take it kilometre by kilometre, chapter by chapter, promotion by promotion to achieve the best results. Smaller goals also help you do the following:

- Stay motivated by maintaining a sense of achievement
- Provide a realistic timeline
- Help track your performance

Find a mentor

Having a mentor on hand will help keep you accountable for the goals you set for your business. A good mentor will help you set measurable goals and keep you on track as you set out to achieve them. They can also provide insight via feedback on better ways to set and achieve your goals in the future. Mentors continually motivate you to keep going if you should hit a speed bump along the way.

About us

Leenane Templeton

Achieving better results for your business

At Leenane Templeton, 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 net worth.

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