



# Tips Top<sup>®</sup>

FROM THE

Business insights  
from those at the top  
for those at the top

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## LOCAL EVENTS

### 270 Business Owners and Leaders Hear Michael Gerber Speak on October 4 in Mountain Lakes

The Alternative Board brought worldwide best-selling author Michael Gerber to The Villa in Mountain Lakes to speak to business owners about escaping the entrepreneurial “trap.”

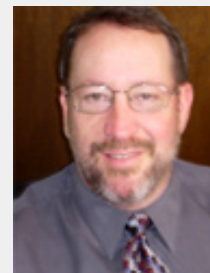
“So often, businesses are started by people with great technical skills who suffer from an ‘entrepreneurial seizure,’” Gerber told the crowd. “They get stuck doing everything themselves and never run the business as a growing enterprise. *As long as the business owner is doing it, doing it, doing it, all they have is a job.*”

Gerber reinforced key themes from his ground-breaking book, *E-Myth Revisited*:

- Document policies and procedures that don’t require your best performer to get the best results.
- Build systems that are scalable; how would you structure your business if you were franchising it?
- Your job is strategizing, dreaming and innovating. Find the time and



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space to do this.

- Remember, the business is there to serve you, not the other way around.

There was a lively Q & A session after his presentation and many business owners in attendance signed up for follow-up seminars to learn how to apply some of these practices in their own businesses.

## MANAGEMENT

### Effective Delegation

When closing a sale with a new client, identify the person within your company who will be their direct contact for all future needs. Have that account executive quickly establish contact with the new client. In that way, you'll avoid the problem of clients who only want to deal with you, as the owner, and also reinforce that the client now has a 'personal assistant' within your firm to answer all questions and resolve all problems.

*Lorri Cochrane, Certified Payroll & Tax Services, Bohemia, NY*

## HUMAN RELATIONS

### The Success Differentiator

As an entrepreneur I am often presented with particularly unpleasant tasks that need to be completed. Whenever I start to get down about cleaning up a mess created by one of my employees, or having to complete an especially difficult or tedious task in my business, I remind myself that successful people do what unsuccessful people are unwilling to do.

*Brian Pevec, Newark Door & Window, Newark, DE*

## SALES

### Sales Team Compensation Considerations

When determining how to compensate salespeople consider:

- Paying a commission on net margin not gross revenue. If basing commission on pure revenue, you will tend to find that the salesperson will be too quick and eager to discount a sale.
- Under a base plus commission plan, set a quota with a minimal sales threshold. Until the threshold is reached, no commission is earned. In this way, if a salesperson does not generate enough revenue to cover expenses in a month, you won't have to cut a commission check. The higher the base, the higher the minimal quota.

## CALENDAR OF EVENTS

### UPCOMING EVENTS

@ THE PARK AVENUE CLUB

Thursday, November 8, 2007

12:00 PM - 1:45 PM

TAB Informational Meeting

Tuesday, November 13, 2007

12:00 PM - 1:45 PM

TAB Informational Meeting

### TAB Meetings

Wednesday, October 10, 2007

Bottom Line Board

Wednesday, October 17, 2007

President's Board

Thursday, October 18, 2007

Arthur's Board

CEO Board

Thursday, October 25, 2007

Strategic Board

### Facilitated Peer Training

Tuesday, October 9, 2007

Facilitated Peer Training Group # 1

Tuesday, October 23, 2007

Facilitated Peer Training Group # 3

Thursday, November 1, 2007

Facilitated Peer Training Group # 4

## QUICK TIPS

*Ron Mondor, Zantek Information Technology Inc., Winnipeg, MB*

## FINANCE

### Looking for Lower Interest Rates

During a recent exercise in trying to lower my business loan, I found an interesting approach that worked quite well. After doing all the legwork (and paperwork) to apply at several banks, I approached my current bank. They indicated they could lower my rate from 10 percent to 8.5 percent just because I asked. And, if I included the paperwork and offers from the other banks, they would try and match them. This would result in an even better offer since I wouldn't have any points or up front costs. They win because they don't lose a customer or have to spend a lot of money, time and effort getting a new customer. I win because I get the best deal I can!

*Jim Thiessen, Ancona Job Shop, Colorado Springs, CO*

## HUMAN RELATIONS

### Vendor Relations

Treat vendors (i.e. accountants, attorneys, other professionals) as if they were your employee. Hold them to the same level of accountability and standards that you would hold an employee to.

*301 Board, Central CT*

## OPERATIONS

### Tracking CRM

Do you have trouble keeping up with the notes in your CRM? For as little as \$50 a month for unlimited use, you can have a service that transcribes voice mail notes and e-mails them in. An assistant can cut and paste the notes into your contact system. Alternatively, you could dedicate an internal voice mailbox for the same purpose.

*Ann Kilmer-Robinson, Kilmer & Company, San Antonio, TX*

## FINANCE

## Drug Tests

Like many employers, I make job offers contingent upon passing a drug test. I found that too many prospective employees failed their drug test which cost me money on the testing fees. Now when I make a job offer, I tell the prospective employee to pay for the drug test themselves. If they pass, I reimburse them for the testing fee after they start work.

*Matthew Booco*

*A&M Glass, Inc.*

*Greeley, CO*

## Checking Employment References

When a prospective new employer calls for a reference on a not-so-stellar former employee, many people hesitate to give a bad reference for fear of legal reprisal. To get the message across discreetly, have them write down, "I cannot recommend him highly enough," but stated in a deadpan voice to emphasize the middle four words. The written copy is praise, but the message gets through.

*Bob Vitullo*

*Vitullo & Associates*

*Warren, MI*

## Pay Now, Not Later

I'm very conservative about offering credit terms to customers. My product is not for resale so it's not going to immediately result in revenue for my client. Therefore, if they are not in a position to pay for it now, there's no reason to assume they'll be able to do so in 30 days.

*Phil Del Giudice, Aztec Industries, Inc., Bohemia, NY*

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