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"Quotes"

"It's easy to measure success by the number of dollars spent or by the number of programs initiated, without having too much regard for what was bought and how useful it was to the people who need it[.]"
~Stephen Cambone

"When all is said and done, our purpose is to raise money for local ... education and service providers. We measure success by the amount of money we raise."
~Michael Collins

"I want to give them the best they've ever had at a really good price. Everything we do here is done the best we can possibly do it, mostly from scratch."
~Melissa Ettinger

"The new structure ... is focused on ensuring growth in our core businesses and on being able to take full advantage of new growth opportunities."
~Brian Ferguson

"[W]e can't bury our heads in the sand. We have to do more to attract customers and keep regulars coming back."
~Dan Glickman

"I think it's a great concept. It's something unique to the market and something that hasn't been done before. I think they've created a niche people are going to understand."
~Ted Manning

"Like any small business owner, I

Dear Friend,

What Do I Do Now?

I was flipping channels recently and ran across the old show, "King of Queens". Now, I'm not a big fan, but there's one episode that always makes me shake my head. It tells the story of Doug as a small-business owner. Doug -- the tremendously undisciplined, spontaneous man, who never met a food he didn't like -- gets the brilliant idea (and the opportunity) to open a sandwich shop! And, he had no clue. Well, as you can guess, it didn't end well (hence my head shaking).

Although greatly exaggerated for TV, there's a part of many business owners that's just like Doug. You get the opportunity to open the business that you've always wanted, or you've been able to keep afloat that business you've worked at for so long. But, still there's a gnawing within. And, if the truth be told, what you're feeling is: "What do I do now?"

This month's edition of *EA Insights* offers some suggestions to ease your questioning. Prospective, novice, or old-hat business owners or leaders, keep reading as we lay out our *MUSTS* for any business.

All the best,

June

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5 MUSTS for Every Business

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Especially in the small-business setting, the owner or leader is a significant part of the success equation. (See the January 2015 *EA Insights* article, "[Are YOU Enough for Your Business?](#)") Yet, a larger-than-life, or even an extremely passionate or capable, owner alone isn't enough. For a business to take off and for it to be sustainable, constant attention to the business itself also is warranted.

Attention to the business...what does that really mean? Here are five continuous activities that every owner or leader *must* do in order to create and cultivate a solid business.

MUST #1: Decide on a Niche

I say this repeatedly. (In fact, my face is turning blue as I type.) A business must be clear on the goods and/or services that it offers.

You need to be able to articulate definitively, "Here's who we are. Here's what we do. And, here's how we kick butt doing it!" Diversification is fine...at the right time and in the right way. However, until you carve out a real niche for yourself -- that thing, or that small and related group of things, for which you are or will be chiefly known -- then variety just looks like a lack of focus. If people aren't sure *why* they should call you or come into your shop, chances are they won't.

MUST #2: Designate Structure

Start with a legal structure. Should you incorporate, establish a partnership, or opt for another legally recognized status? Making the right decisions here can be important for ownership, license, tax, liability, and other purposes.

Move to the organization. Is your work best done, or best done now, with you as a solo-preneur? If the work requires hands beyond yours, how do you accomplish that at this stage in your businesses' life -- with a partner, employees, contractors, volunteers? What about the back-office tasks of any operation, like bookkeeping, office management, and similar functions? What's the right structure for carrying those out?

Often, small-businesses give short shrift to decision-making about structure-related matters. This can be technical and tedious, I know. Yet, these are the below-the-surface wheels that keep your business operating; so, they're too important to ignore or leave to chance.

MUST #3: Determine Price

Be realistic. What is your product or time REALLY worth?

In too many conversations with business owners, it's like pulling teeth to discover how they arrived at the price points for what they're selling. Honestly, did you see the number in a dream? Did you hear that somebody else is charging a certain amount and so you just chose to come in at the same level? Did you simply lock in the amount the client offered to pay?

There's got to be some rhyme or reason to setting product or service pricing. And, that activity should be undertaken by *you*.

Determine what it costs you to provide the service or to produce the goods you're selling. (Of course, consider your direct costs, like materials, personnel, etc. But, don't forget those indirect and overhead costs, like facilities, technology, and utilities.) Figure out how much of a profit you're seeking to make; it's with that profit margin that you're able to reinvest, expand, or even retire faster.

The point is that *you* must determine the worth of what you're selling. You're really the only one who can.

MUST #4: Draw Customers

"Why are you in business?" Ask that to a roomful of business owners, and you're bound to get a whole slew of answers. If you ask me, Peter Drucker, an icon in business management education, provided the best response by far: A business exists to attract and retain customers! (Was that your answer?)

Yes, you may have started your business so that you could pursue your passion and live out your dream -- and I desperately encourage you to have both of those on your list of reasons for launching out on your own. However, passion and dreams don't get you very far if the phone's not ringing or the path to your front door is unused.

A *must* for any and every business is to determine the best way to interest potential customers, to engage them during their decision-making so that they select your product or service as right for them, and to follow through in a manner that leaves them wanting more and raving positively about you to others. You see, without the customer, there is no business. And so, figuring out the best way to draw, gain commitment from, serve, impress, and retain this essential group has to be a key factor for every business owner or leader.

MUST #5: Define Success

There's an old saying, "*If you don't know where you're going, any road will get you there*". How true! Well, it's the same with your business. If you don't know what you're trying to accomplish, anything (or nothing) looks like success.

In many respects, a business is just like that 1,000-piece jigsaw puzzle. It's hard to know how to put all of the pieces together without the picture on the box cover that offers a glimpse of the finished product. Similarly, it's hard to know whether your business is working well if you've never taken the time to define *success*.

Thus, it becomes a must-do for the business owner or leader to draw the picture -- to craft achievable targets for your business to meet as you start out and also on an ongoing basis thereafter. What you're doing is setting the stage so that you know whether (and which of) your efforts are successful, where minor adjustment or major retooling is needed, as well as if and when you're ready to move on to different or higher goals. While your team can support this effort, final decisions rest with the business owner or leader. It's not optional; it's essential.

There are things you *MUST* do as a business owner. The good news is that you don't have to grapple with all of this on your own.

Why don't you let **Executive Advantage** help you as you start or continue your business ownership journey? Contact us today to explore how we can partner with you. We're here to help you build your thriving [business](#) or [career](#).



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experienced the pressures of building a company from the ground up -- developing a business plan, balancing the books, meeting payroll and building a customer base."
~Gavin Newsom

"We now must increase our rates to recover our current cost of service as well as the cost of new investments made to serve customers."
~Morgan O'Brien

"The person who starts out simply with the idea of getting rich won't succeed[;] you must have a larger ambition. There is no mystery in business success. If you do each day's task successfully, and stay faithfully within these natural operations of commercial laws..., and keep your head clear, you will come out all right."
~John D. Rockefeller

"It all comes back to the basics. Serve customers the best-tasting food at a good value in a clean, comfortable restaurant, and they'll keep coming back."
~Dave Thomas

"Our aim isn't to win over customers by offering the highest incentives. Instead, we want to attract customers by offering them great products with excellent value for their money."
~Dieter Zetsche

About Executive Advantage

At **Executive Advantage**, we are committed to providing results-based business and management consulting, leadership development, and coaching support. We partner with business leaders to build healthy, well-functioning organizations, where goals are met and people thrive. We also partner with individuals to create professional (and personal) lives with clearer direction, improved results, and greater balance.

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