

SMALL BUSINESS SUCCESS



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Tips on Effectively Hiring Freelancers *(Part 1)*

Whether you're a one man/woman show working on your own in your home office, or a small business owner who employs staff, the time may come when you are in a position to hire a freelancer to help out with your workload. This can be a scary proposition, especially if it's your first time, or if you've had a bad experience with contractors in the past. Situations where you may consider hiring a freelancer may be: when you have more work than what you or your staff can currently handle, but it's not feasible to hire more staff because it's only temporary; when you have a project that requires a specific expertise or skill set that isn't represented in your current staffing situation. You may even decide to hire a freelancer because you want an unbiased outside perspective on a certain project.

Hiring freelancers can be a very cost-effective way of dealing with seasonal, or extra heavy workloads. Since freelancers carry the burden of dealing with their own taxes, you don't need to worry about source deductions, and simply pay an hourly or per project rate. You don't have to pay benefits or provide valuable office space. It means you'll be treated like a client instead of a boss - the freelancer's ultimate goal is to make you happy. It is also an opportunity to infuse new energy and expertise into your business, and is often the most inexpensive way to bring a skilled, talented new team player into your company.

Whatever the reason, consider the following tips on making the process of working with a freelancer, a successful one.

Things to Consider When Hiring a Freelancer

Do they have a portfolio? If not, consider seriously whether this is the right person for you. A portfolio provides an instant snapshot of the kind of work the person does. You'll be able to gauge from the work they've done previously, whether or not they may be a match for you. If you require someone to write a corporate

annual report for your board of directors and the freelancer has nothing but fiction short stories in her portfolio along with a few chapters of her new novel, it may not be a good match. If you need a graphic designer and see their design portfolio contains only conservative, corporate designs, but you need something really contemporary and edgy, you may want to discuss whether he can do what you need.

Can they provide a list of clients/references? Any freelancers worth their salt should have a list of clients and references. If not, you should ask yourself why. Don't be afraid to contact those people and ask important questions. Was this person easy to deal with? Was their work and their demeanour professional? Did they deal effectively with deadlines? Were they willing to listen to what the company wanted over and above their own preferences? Did they deliver what was promised at an acceptable level of quality? Did they contribute to the project with insightful and creative ideas?



Do they have a web site and professional-looking marketing pieces? In this day and age, anyone who is serious about his/her business, including freelancers, will have a web site. Looking at their web site can tell you a lot about them. If their web site is disorganized or difficult to navigate, full of errors, broken links, or inconsistencies, consider this a representation of the kind of work they will do for you. So are the marketing materials they present to you. Is their business card neat and professionally produced, or does it look like they created it and printed it on their \$50 bubble jet as they ran out the door? If they have a brochure or portfolio, is it also professional looking and free of errors. If a freelancer is serious about their work, they will have spent the time and money to make a professional impression.

Are they making promises that sound too good to be true? Although you want someone skilled and qualified to perform the work, if a freelancer is telling you they can do it all - write copy, design print media, manage projects, create web sites, and a whole list of other things - you might want to be a bit wary. No one is that good at everything. Your freelancer should have an established specialty, even if they can do other things. Someone who is promising you the moon, probably won't deliver it.

Do you get a good "gut" feeling about this person? Don't discount your intuition when hiring a freelancer. At least half the process of working with a freelancer is a comfortable, trust-based working relationship. They can have a resume that blows you away, but if you get an uneasy feeling about them when your talking with them - listen to that and go a little deeper. You can usually trust your sense about people - if you're uneasy, there's probably a reason. Try to find out what it is before you proceed.

Choosing the right person for the job is an important part of the freelance process, but just as important, is establishing clarity around your project, and managing that relationship effectively. Join us next month when we look at those issues in part 2 of this article.

Applying the "7 Habits" to Your Marketing Strategy

In January 2006, we published a similar article titled "Applying the 7 Habits to Your Sales Strategy". Half-way through the year, we thought we'd take the same approach and apply them to your marketing strategy. If you've never read or listened to "The 7 Habits of Highly Effective People" by Dr. Steven Covey, you should add it to the list of things you'd like to do before the end of the year! This time-tested, proven and brilliant series of life-rules has been on the best seller list for almost 20 years, and is as relevant and cogent today as it was when Covey wrote it years ago. These seven principles can be applied to any area of life, and this month, we're taking a fresh look at them as they can pertain to marketing your business.

Habit #1 - Be Proactive

You should be planning your marketing strategy a year in advance to make the most of your marketing dollars. Know when you're planning to have annual or semi-annual sales events and schedule marketing initiatives around them. Plan your promotions so that your marketing can augment them. Look ahead and think about what your customers will need (this requires being aware of what's going on in your industry and in the world of the consumer). Avoid getting caught by surprise and coming from behind to get your marketing to line up with what else is going on in your industry or your community.

Habit #2 - Begin with the End in Mind

What do you want your marketing to accomplish? Decide that first, and then work backwards. Do you want to increase your company's visibility? Do you want to direct your customers to make a buying decision? Do you want to inform your community about your industry? Do you want to draw attention to a specific event, product or service? Answering those questions will give you the best chance at creating marketing that will accomplish those objectives.

Habit #3 - Put First Things First

What's important to you? What are your priorities, both in business and in life? What do you value? Your marketing efforts must reflect those things. If family values are important to you, your marketing may look quite different from someone who values corporate culture. Although these things aren't necessarily in conflict with each other, you'll need to decide what values are reflected most strongly in your marketing efforts. If your marketing always reflects your "first things", it will always have integrity, and potential customers will see and be drawn to that.

Habit #4 - Think Win/Win

Although the purpose of marketing is often increasing your bottom line, if that's all it's about you won't be very successful. Thinking win/win means you also have your customers' needs in mind. Yes, you want them to buy from you, be loyal to you, and add to your success, but you must also think about what you will do for them if they do buy from you loyally, and add to your success. What is it about the relationship that makes it worth it for them? They need to "win" in that relationship, or it won't last for long. Your marketing should reflect your desire to help them in feeling that win.



Habit #5 -Seek First to Understand, Then to Be Understood

This goes hand in hand with thinking win/win. Understanding your customers or potential customers is paramount to your success. If your marketing is all about what you want them to know about you, you're less likely to win them over than if it indicates that you truly understand them, what they need and what's important to them.

Habit #6 - Synergize

There are so many ways you can do this, and it can be a lot of fun! Think about creative ways you can work with similar, or complimentary companies. Can you collectively plan an event to market your companies? Can you meet regularly to form a business focus group to encourage and support one another's success?

Can you find ways to cost-share? Can you find ways to reciprocate referrals? The possibilities are endless. Covey's point here is that many are always better than one. We learn, gain inspiration, enhance our creativity and get support and energy from other people. How can you find ways to synergize with others to enhance your marketing strategy?

Habit #7 - Sharpen the Saw

Keep getting better at what you're doing. Are you constantly looking for ways to improve your product or service? Do you listen to your customers and your staff when they suggest things to make your business better? Do you consult with colleagues and industry professionals to stay on top of developments in your industry? Are you regularly upgrading your own skills? The best form of marketing, is your ability to deliver what your customers want. They'll do the rest for you through repeat business and referrals.

Covey's time tested principles are worth reviewing in all areas of life. In these next few months, take a look at them from the context of how you can apply them to your marketing strategy. Making gains in this area could lead to big results!

Homepage Priorities

Most business owners understand the importance of having a great web site to assist your business in achieving success, but what about that web site is most important? Without a doubt, your home page is what will keep customers there, or send them away. Your home page is like your online business card, and how you are perceived in the first 30 seconds of someone visiting your site, will make or break your relationship with them. It doesn't matter what's on the remainder of your site, if your home page doesn't attract and keep the visitor's attention, they won't get any further. Do a web-site check up and make sure the following things are priorities on your home page.

Minimize Loading Time

The more time it takes to load your page, the more likely your visitor will leave before it comes up. Make sure your images are small (you don't need high resolution images on a web site), that you've specified height and width of images in the source code, and that there aren't any unnecessary elements on your page. Flash is fancy, but don't use it if static images will do. It hugely increases download time. Some sites I've seen load automatically with Flash, but offer a plain html alternative for those of us who hate waiting for those flashing pages to load.

Make it Meaningful

Images-only, or Flash-only home pages not only take forever to load, but also don't register well in search engines. Unless you're in a highly graphic industry, you may be better off to stick with a traditional, html home page for faster download speed and search engine optimization.

Create Well-Crafted Content

Minimize the amount of words you actually use on your home page. Very few people read long-winded messages. Make the words you do use count. Summarize your product or service concisely, tease people to look further, and sprinkle liberally with keywords. Finally, make sure the content is error-free and grammatically correct. Mistakes here reflect on you and your business, and will leave the impression you do shoddy work.

Lavishly Use Links

Links are the best way to get visitors to keep looking through your site. Make it easy for them to find products, services, FAQ's, support, payment options, etc. The more easily and quickly people can navigate your site, and the less time they spend searching for what they're looking for, the more likely you'll be to make a sale and keep that customer.

Promote Promotions and Sales

Keep your home page content current by posting promotions and sales regularly. People will enjoy coming to your site to find out what's new or on sale this week. It's a great way to generate interest and attract sales.



Avoid Using Popups

I've never met a person who isn't completely annoyed by pop ups. No matter how well-intentioned or creative they are, most people react to them negatively. It's not worth the very remote chance someone will respond to them, as most people will likely be turned off.

Prioritize Professionalism

I've already alluded to this - you can have the best product in the universe, at the most amazing price, offered by the most skilled people - if your home page gives the impression you spent ten minutes cobbling it together, people will think that anything you have to offer will be just as unprofessional. I can't emphasize this enough. Make sure you've had a professional edit your content so it makes sense, is grammatically correct and free of errors and typos. Ensure that graphics are meaningful and neat, and that you make good use of "white space". Keep your page up to date with current information (nothing more irritating than trying

to purchase last week's sale only to be told the information on the web site isn't correct and this week, it's back to regular price). Make sure all the links on your home page are current and that they work. This is especially true for reciprocal links you may have with other organizations.

If you're not sure what kind of an impression your home page is making, ask a few friends or clients to take a look and give you some feedback. They will see things you won't, and it may help you to fix the things that are turning people away. Think of your homepage as a 30 second opportunity to make an impression - often a lasting one.

15 Money-Saving Tips for Your Small Business

It's happened again. You've paid all your bills, and your staff, and were looking forward to having some extra money to finally purchase that new computer you've been needing. But when your accountant sends you the monthly statement, there's nothing left in your account! Can you relate to that scenario? Almost every small business I know could benefit from an occasional review of how money is spent to see whether there is any way to pinch those pennies and come up with a way to save a little extra money. By changing a few small things, you'd be surprised by how much money you can save at the end of each month. By the end of a year, that amount could be substantial. So dive in. Among these 20, hopefully you'll find a few you may not have thought of that will work for you.

1. **Make the most of mailouts** - save on postage by piggybacking your advertising with things you're already mailing out - invoices, statements, etc.
2. **Be a bold neighbour** - approach other businesses in your area to see whether they'd share the cost of mailing or promotion. Perhaps you can plan a joint event (sidewalk sale, customer appreciation day, etc.) and both benefit from the shared expense.
3. **Offer your expertise** - invite your customers or community to a workshop or seminar on a specific topic you are experienced enough to teach. This establishes you as an expert, and brings traffic into your store on a regular basis.
4. **Promote your web site** - getting people to regularly visit your web site gives you the opportunity to sell through a different channel. The web is increasingly becoming a preferred way to gather information. Don't miss out on that opportunity.
5. **Buy recycled printer cartridges** - buying them new can be really expensive. Check your local yellow pages or the internet on suppliers of these recycled goods. You can often pick them up for a fraction of the price of the new.

6. **Create your own forms** - instead of buying prepared forms, or paying another company to create them for you, make your own. There's lots of great software out there to help you do this, and although you'll pay for the cost of the software, it will save you a lot of money in the long run. Check this out on the internet as well!

7. **Buy used equipment** - again, unless you are leasing, purchasing new equipment costs significantly more than buying something slightly used. Although warranties may be a motivation for purchasing new, most equipment only comes with a 1 year warranty, and everyone knows that if it's going to break down, it will do so the day after the warranty runs out.

8. **Join an association** - if you have a trade association, local chamber of commerce or business association, you can often benefit from discounts and group savings on products and services.

9. **Raise your deductible on your insurance** - although you will have to pay that money if you ever need to make a claim, the money you save on a lower monthly premium will most often more than make it up the difference.

10. **Benefit from the experience and enthusiasm of a student** - need some extra hands to work on a specific project? Consider hiring a student from your local university or community college who might be looking for an apprenticeship or work experience. You can often receive government assistance with student salaries.

11. **Use freelancers** - see the article in this issue on hiring freelancers. Lower your expenses and get valuable skill and expertise to apply to your projects.

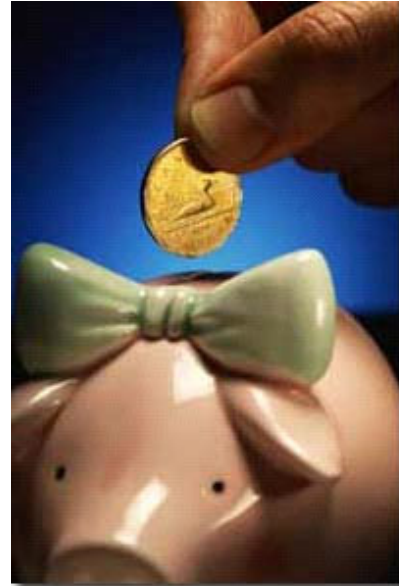
12. **Keep your mail list current** - all that postage adds up if it's going to defunct addresses or getting sent back to you. Make sure your mailing list is current at least twice a year.

13. **Keep tabs on your petty cash** - it's one of those things that's easy to ignore - but you may be surprised at what kinds of things are coming out of your petty cash account. Track these expenses and make sure they are legitimate.

14. **Don't forget critical home-based business tax deductions** - if you don't have a good accountant who can help you with this, get one. You can deduct portions of your mortgage payments, house taxes, utility bills, home maintenance, and other things on your taxes. Don't miss out on these.

15. **Stretch your budget with bartering** - everyone has a skill or product they can share with someone else. If you can do something really well, approach another business with a barter to provide something you have, for something they want. Both of you will benefit by saving money.

By changing just a few habits, you can start saving money! Wouldn't it be nice to get to the end of the month and actually have that extra \$1,000 to spend on those "wish-list" items? Start today and see where these money-saving tips can take you.



Surviving the Slump

You started your business with great hopes and dreams of running this exciting race and finding fortune from the efforts of your skill, determination and enthusiasm. You hit the ground running and for the first little while, it seemed everything you had hoped for was coming true. People were coming, business was growing, you were even making a profit! Then, for whatever reason, things just stopped moving forward. Sales leveled out, and you hit some kind of weird plateau. No matter what you did, you couldn't jump-start it to the same level you'd been functioning at previously. You start doubting yourself and the thought that this crazy idea would really work. In reality, you've just come across a phenomenon that occurs at some time or other, in all small business - the inevitable small business slump! Business runs in cycles, and while we always enjoy the "boom", we also need to learn how to survive the "bust". If you realize this is a normal part of the small business cycle, and can take some of the following proactive steps when you're in the slump, you'll be much more likely to come out the other side confident, and ready to ride the next "boom" wave!

Revisit your customer list

Keeping in touch with past customers can be one of the best ways to get through this difficult time. When things are going well your efforts are often on finding new customers. In the slow times, reconnect with those who have purchased from you in the past. Send them a friendly note, invite them to come by the store, or give them an incentive (discount coupon or offer) to drop by and visit. Be careful not to let them know you're going through a down time or to sound desperate. From their perspective it should just look like good customer service.

Avoid the temptation to slash prices

It's often a first instinct to think - "if we cut the prices - they will come". In fact the opposite can be true. A sudden slash in prices can cause people to wonder what's going on, and to suspect things are going well. No one wants to be a customer to a business that's on shaky ground. Confidence that a business will be around for a long time to support their product or service is a huge component of the purchasing decision. Slashing prices also devalues who you are and what you do. Instead, have confidence that you will eventually ride out the slump. When you come out the other side you won't be struggling to explain why suddenly your prices are back to their pre-slump position.

Visit your bank

Letting your bank know you're in a down cycle is usually appreciated. They would rather know ahead of time and be given the opportunity to be part of a strategy, than suddenly finding out you can't make your loan payments. Maintain a strong relationship with your bank when times are good, and they're likely to help you out when you really need it.

Curb your spending

This is the time to tighten the reins a bit. Look at your budget and determine whether there are any places you could pinch pennies and maximize your cash flow. (See article in this issue on Money-Saving Tips).

Be honest with your suppliers and negotiate terms

Just like the bank, your suppliers will appreciate your honesty if you come to them ahead of time and let them know you may need some grace. If you've been a faithful customer, they're likely to be willing to work with you to get you through this time. Also, think about ways you can barter to exchange products or services with your suppliers that could assist you with your cash flow..

Never appear desperate

Be honest, but maintain professionalism. Don't be ashamed that things are the way they are right now. It happens to everyone. It doesn't mean you're bad at business - just treat it as a normal part of business life, and you won't cause any alarm. This is especially important in regards to customers' view of your business.



Remind yourself of your vision

Take some time to reconnect with why you started your business, what you hoped to accomplish, and to review your success so far. When you put the current slump in perspective with the big picture, it can help you to remain calm when it feels like things are out of control.

A slump doesn't mean failure - it just means you've stopped for a while - before you depart for the next leg of the race. Trust in your skill and your vision, and maintain your confidence, and you will be back in the race again soon!

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