

HUMAN RESOURCES

How Small Thinking Can Cheat You of Talent

Are you someone who just can't let go of details? Do you find it difficult to delegate tasks or turn projects over to others? Do you tend to focus on small things rather than the big picture? Do you frequently second-guess your employees' decisions?

Micromanagers prevent employees from making decisions and assuming responsibilities. But it's the process of making decisions and living with the consequences that allow people to learn and improve.

A truly effective manager sets his employees up to succeed. Good managers empower their employees by giving them opportunities to succeed - and accept occasional failures.

Micromanagers, on the other hand, take power away from their employees. And workers who are disempowered tend to become unmotivated, disengaged and risk averse.

In a work environment of mistrust, fear and inertia, employees require a lot of supervisory time and attention.

Micromanagement stifles creativity and discourages growth and development. The style is based on a lack of faith and trust in other people.

When employees do not feel a bond of trust between themselves and management, they become unwilling to share opinions, ideas or information that might help the company meet its goals. Morale suffers, teamwork disintegrates and productivity plummets.

As an owner, you always have the final say if you want it. But good employees are your company's greatest assets.

If you don't trust your employees to use their judgment, or you simply cannot allow them to take on responsibility, you are cheating yourself of the talent you're paying for.



How to Survive the Recession ...Stronger Than Before

As bad as it is out there, it's important to recognize that this is a time of tremendous opportunity. Get my free report, "How to Survive the Recession...Stronger Than Before," by emailing me brad@kanterpa.com or calling 813.855.5433

FINANCE

Essential Tips for Reconciling Your Accounts

Reconciling accounts is the process of verifying that your financial records are accurate and that your books are consistent with what your bank statement shows. You should reconcile your accounts every month to stay on top of cash flow and to avoid any nasty surprises from your bank. The following tips might make the process easier:

- Log all expenditures, withdrawals and purchases into your books immediately.
- Be sure to include regularly scheduled bill payments, electronic payments and automatic debits.
- Enter every deposit promptly, whether made at the bank, at an automated teller machine, or by direct deposit.
- Limit access to company checks and business credit and debit cards.
- Establish clear policies for employees who expend or handle money for the company.
- Do a spot reconciliation daily or several times a week.
- Check your bank statement carefully and follow up on any unexplained items.

The most common outstanding items will likely be checks that have not yet cleared and deposits that have not yet been credited to your account. Other discrepancies may result from miscellaneous charges or credits, such as fees, penalties and interest earned.

If your bank charges a monthly account fee or requires you to maintain a large balance, check around for another bank that offers a free or even interest-bearing checking account. Look for a bank that offers special programs for small and medium-sized enterprises and provides services targeted to the specific needs of small businesses.

MARKETING

Market Your Business by Tapping into Twitter

One hundred and forty characters may not seem like much to work with. That's what you get per tweet on Twitter.

The social networking site is all about spur-of-the-moment thoughts and short, spontaneous comments.

But marketers, politicians, publicists, celebrities, fundraisers and a host of other creative types have found ways to use 140 characters effectively to generate buzz about products, people or events; to promote ideas and sway public opinion; to gain global attention for their causes; and to build credibility and influence.

No matter how small your business or how limited your marketing budget, you can use Twitter to make connections and to engage in conversations with prospects, customers, peers and others.

The following are some tips for using Twitter as a promotional tool:

- Monitor your company and brand on Twitter. Know who's talking

about you and what they're saying. Twitter has a search engine to help you do this.

- Connect with influencers such as media types, bloggers and well-known individuals.
- Contribute to conversations about issues and trends in your industry.
- Use Twitter to launch promotions and announce special sales.
- Send out frequent updates about your company's activities and events.
- Generate news about your people, your brand and your products.
- Create a buzz around new technologies, cool products, innovative methods and other breakthroughs.

If you participate in or hold events such as trade shows, conventions or training sessions, use Twitter to invite people and to announce last-minute changes, updates and reviews.

WISDOM

Quotes by...Jim Collins

"If we only have great companies, we will merely have a prosperous society, not a great one. Economic growth and power are the means, not the definition, of a great nation."

"A culture of discipline is not a principle of business; it is a principle of greatness."

"Greatness is not a function of circumstance. Greatness, it turns out, is largely a matter of conscious choice, and discipline."

"Smart people instinctively understand

the dangers of entrusting our future to self-serving leaders who use our institutions...whether in the corporate or social sectors...to advance their own interests."

"If we allow the celebrity rock-star model of leadership to triumph, we will see the decline of corporations and institutions of all types. The 20th century was a century of greatness, but we face the very real prospect that the next century will see very few enduring great institutions."

Jim Collins is the author of business books Good to Great and Built to Last.

Worth Reading

Selections from the most interesting articles seen online

How to Keep Good Employees in a Bad Economy

From Harvard Business Review

As we make our way through the challenges of the global economic crisis, high-impact performers are in demand. How do you retain these people? The answer, simply put, is leaders must manage their human assets (i.e., employees), and they must do so with the same vigor that they devote to financial assets.

More: <http://tinyurl.com/ye53yab>

The World's Most Innovative Companies: 2010

From Fast Company

Even in these tough times, surprising and extraordinary efforts are under way in businesses across the globe. From politics to technology, energy and transportation; from marketing to retail, health care and design, each company illustrates the power and potential of innovative ideas and creative execution.

More: <http://tinyurl.com/yhs9wpl>

Pennies and Dollars

From Seth Godin's Blog

The thing to do is invest in scary innovations, large leaps, significant savings. Instead of renting a skimpy booth at the big trade show and scrimping on all the extras, why not rent a limo and drive the key buyers around town, or sponsor the awards luncheon? When you skip all the time, you signal that you're struggling.

More: <http://tinyurl.com/yh4njh4>

How a Working Budget Benefits Your Business

Many microenterprises and solopreneurs believe they are too small to need a working budget.

Some start-up owners who are busy launching their operations think it's a waste to spend time developing one.

And some small and medium-sized enterprise owners reason: "It's just a shot in the dark, anyway."

But no matter how small or entrepreneurial your business, you need to have a working budget.

A budget is a critical part of the initial planning stage, a crucial component of your business model and a vital tool for ongoing strategic planning.

A working budget can help an entrepreneur determine whether a new product or idea is financially viable.

It serves as a game plan for planning and timing the growth of a young business.

For an established business, a working budget is a way to monitor the firm's financial condition and a key part of sound fiscal management.

The term "working budget" refers to the fact that the budget is a work in progress and that it will undergo modification and adjustment as time goes on.

The more detailed and thorough your budget is, the easier it will be to use it to secure funding from banks and institutions.

You may need an accountant or financial professional to help you set up your budget initially, but it's important that you be familiar with the numbers and thoroughly understand all the components of your budget.

If you are a new business owner or an entrepreneur with just an idea, you will need to do some research to come up with realistic budget numbers.

Look at similar businesses in your industry or sector and in your area.

This research will enable you to understand the market potential of your business and will help you in many other ways as you develop products, pricing, promotions and market presence.

Of course, if you are an established business owner, you can use your historical data to estimate future revenues and expenses.

Make sure that your numbers are reasonable or, better yet, on the conservative side.

And be sure that you add plenty of detail about items in your budget, including specific data relevant to your particular business.

The more detailed and thorough your budget is, the easier it will be to use it to secure funding from banks and lending institutions and support from investors.

From time to time, you will need to adjust your budget based on variances between the budgeted figures and your actual figures.

This is a good opportunity to evaluate your financial situation and tailor your business plan to help you reach your business and financial goals.

Maintaining a budget for your business on a regular basis will also help you track expenses, analyze your income and anticipate future financial needs.

Use your budget as a tool to improve and fine-tune your business - and to keep expenses in line.

By having and using a working budget you will be better able to make good decisions about your business and any new ventures you're considering.

BOOK REVIEW

Linchpin, by Seth Godin

Seth Godin has the remarkable talent of tapping into what the business world needs right now. Sometimes his observations are so relevant that they seem horribly obvious.

But the thing is, Godin puts into words what we're on the cusp of understanding. He finds a concrete term for that feeling that's going on in the back of our minds.

His latest work is his most ambitious - and most important. The thesis of Linchpin is this: Gone are the post-

Industrial Revolution days when to succeed you had to fit into the corporate world like a cog in a steam engine. Instead, those who are succeeding are creative - Godin calls them artists. They're the people who come up with ideas and create stuff. They make a difference.

But the trouble is, the education system, business and society in general haven't caught up to that yet. He says Linchpins must battle that status quo to succeed in the modern world.

Quick Quiz

Each month I'll give you a new question.

Just email me at brad@kanetrpa.com or call 813-855-5433 for the answer.

This month's question:

A riddle for you this month: What thing can you keep after giving it to someone else?

Business Success Today



MARKETING

What Businesses Can Learn from Apple's Steve Jobs

Steve Jobs has been hailed as a creative crusader, a technology pioneer and an entrepreneurial wizard. He's known for insanely great products that are both functional and elegant and are at the forefront of commercial innovation.

As co-founder and CEO of Apple Inc. and later CEO of Pixar Animation Studios, the iconoclastic business leader and entrepreneurial icon has almost single-handedly transformed the way we compute, communicate, play music and view video.

He's adept at foreseeing and setting trends. His strategy of focusing on the most profitable customers and coming up with new, exciting things to sell them has made Apple Inc. a formidable success.

But at the same time, much has been made of Jobs' mercurial and demanding personality.

He is both admired and criticized for his charismatic salesmanship and for his volatile management style. His unique blend of fiery temper and chill temperament is embedded in virtually all of Apple's products: think iMacs, iBooks, iPods and the new iPad.

Are there lessons from Steve Jobs' experience that can be applied to your business? Here are a few:

- Stop at nothing to ensure excellence.
- Make a full-on, no-holds-barred commitment to customer satisfaction.
- Know your customers and give them what they want.
- Don't be afraid to buck conventional wisdom.
- Let go of things that aren't working or aren't central to your vision.
- Never compromise on quality.

For that matter, never compromise on style, functionality, innovation or presentation either. Above all, don't be afraid to blaze a trail. As Steve Jobs has shown, that trail just may lead to greatness.

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