



Small Business Resources in Your Community

Presented by:

UMKC

Missouri Small Business & Technology
Development Center
Kansas City, MO



U.S. Department of Energy — 12th Annual Small Business Conference & Expo
May 10-12, 2011 - Kansas City, MO

A Best Practice is a...

Technique

Method

Process

Activity

Incentive

Reward

**...that is more effective delivering
a particular outcome.**



Best Practice is Defined as...

- the most efficient (least amount of effort),
- and most effective (best results)

...method to accomplish a task based on...

- repeatable procedures
- proven procedures
- over time
- for large numbers of people



What is a Best Practice?

- The process of finding and using ideas and strategies from ***outside*** your company and industry to improve performance.
- Big business has used best practice ***benchmarking*** over decades and realized billions in savings in all areas of business operations and sales.
- Small business can reap even greater rewards from best practices.



Benefits of Best Practices for Small Business

1. Reduce Costs

- Small companies often do not have the deep financial pockets of big business to "re-invent the wheel".
- By learning what other companies have successfully done, a small business can save money without testing new ideas.



Benefits of Best Practices for Small Business

2. Avoid Mistakes

- Solving business problems on your own can result in costly errors.
- Learning what others have done can keep your business in business.



Benefits of Best Practices for Small Business

3. Improve Performance

- When your business looks for best practices outside your business, a wonderful thing happens.
 - You raise the bar of performance and set new standards of excellence to propel your company forward.



Benefits of Best Practices for Small Business

4. Find New Ideas

- Adopting the "Not-Invented-Here" attitude can spell disaster for small business.
- Learn to borrow the best from beyond your company.



Six Steps for Best Practices



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Six Steps for Best Practices

1. Identify one business process or service to improve.
(Product delivery)
2. Look for one metric to measure.
(Late Shipment %)
3. Find competitors and companies within your industry and outside your industry. *(FedEx)*



Six Steps for Best Practices

4. Collect information on the successful, best practices of other companies.
(FedEx spoke and hub system)
5. Modify the best practice for your situation.
(Have one retail store per city act as central hub for shipments.)
6. Implement the process then measure the results.



Top 10 Small Business Best Practices



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Top 10 Small Business Best Practices

1. Keep Score and Set Goals

- It's amazing how few small businesses have any idea of the daily, weekly, and monthly numbers and financial trends in the organization.
- Like keeping score, setting goals and objectives is an essential part of business success.



Top 10 Small Business Best Practices

2. Surround Yourself with Experts

- Get feedback from advisors you trust.
- Entrepreneurs count on SBA programs for free and confidential business mentoring.
- Use a mentor to test ideas, map a sales plan and focus on success.
- Ask the SBTDC for advice.



Top 10 Small Business Best Practices

3. Use High Impact Marketing

- It's easy to waste money on ineffective marketing.
- Learn how to use low budget high impact marketing to improve your small business.
- Add e-commerce through a web site.



Top 10 Small Business Best Practices

4. Monitor Trends

- No business operates in a vacuum.
- The events and changes in the global landscape have an effect on your business.
- Stay current on trends and issues.



Top 10 Small Business Best Practices

5. Sharpen Selling Skills

- A high return area for business improvement is the sales function.
- Never forget to focus on sales improvement.
- Host special events like demonstrations, shows, and classes.



Top 10 Small Business Best Practices

6. Find Best Practices

- Every industry has its own best practices or ways of doing things that are tried and true.
- Avoid wasting money and time by trying to reinvent the industry.
(This is generally a good approach unless you're set on building the next Google).



Top 10 Small Business Best Practices

7. Track Your Cash Flow

- All businesses need cash.
- Collect receivables within 30 days. (*or according to your terms*)
- Monitor invoices.
- Pay early when you can get a discount.
- Always keep an eye on your cash.
- Prepare cash flow statements.



Top 10 Small Business Best Practices

8. Motivate Staff

- Talented and motivated staff members can bring on big improvements in business.
- Learn what motivates your employees to higher levels of performance.



Top 10 Small Business Best Practices

9. Know Your Limits

- Every successful business owner, even Bill Gates, has a clear idea of their limitations.
- By knowing your entrepreneurial personality type, you can manage your resources and find help in areas of weakness.



Top 10 Small Business Best Practices

10. Take a Break

- Running a small business is hard work.
- Sometimes the best way to improve your business and re-ignite your passion is to take a vacation.



Resource Links



- [Best Practice Institute](#)
- [Human Resource Best Practices](#)
- [Sales & Operations Best Practices](#)
- [Small Business Employee Benefits Best Practices](#)
- [Small Business Administration](#)
- [UMKC Small Business & Technology Development Center](#)



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Thank You
For Coming!

