

Boss It

What's in it for me? Learn the right way to start and grow your business.

It seems like everyone is now freelancing or working the gig economy. In the UK, one out of seven have chosen to be their own boss. The world is becoming self-employed, so why shouldn't you? The global pandemic has quickened this trend. Across many industries, businesses have been forced to pivot and adapt, whether that means utilizing new delivery systems or transitioning to remote work. And while it may feel like you're being forced to adapt, you do control your actions and how you live your life. Whether you're an entrepreneur, freelancer, or investor, the wisdom in these blinks will help you start and build your new business, allowing you to flourish in the long run. In these blinks, you'll learn

Why big dreams are important to starting a business; How to identify and retain your key customers; and The crucial concepts to scaling a business.

Get clear on why you're willing to take on the hard work of running your own business.

So why do you want to be your own boss? If you think it'll allow you to escape the rat race – it won't. Or maybe you think you've got a foolproof plan? Well, you don't. In fact, it's almost certain that you'll miss your targeted projections. And while your previous job provided security, running your own business leaves you at the whims of the market. That means there won't necessarily be a paycheck at the end of the month. But your optimism will help when you're pushed outside your comfort zone. Because in the beginning, you'll be doing all the work, not only as manager, but also as everything from secretary to coffee-fetching intern. In fact, you'll be working longer hours than you ever did for your boss. That's because when there's no one else to take care of business, it's all up to you. The key message here is: Get clear on why you're willing to take on the hard work of running your own business. The extra struggle and hardship of striking out on your own is worth it, though. At the end of the day, you can expect to feel happy and fulfilled. At last, you'll be in total control of your hours, your earnings, and the work you do. But first, are you starting a business or becoming self-employed? The only real difference is that a business can run without your day-to-day involvement — in other words, you have employees. Self-employment is no less legitimate, of course. In fact, 76% of the 5.5 million businesses in the UK have no employees. Next, ask yourself whether you're motivated by the carrot or the stick. Sure, most people would say they're motivated by reward, but be honest: Have you ever put off studying and then pulled an all-nighter before a test? Some tasks really are unpleasant. And when you're running your own business, all those unpleasant tasks are going to be your job. Are you ready to handle them? If your motivation still holds firm, consider the following steps for running a successful business: dream, plan, do, and review. Do you have a vision for a product or service that can survive in a saturated marketplace? And does this vision have an actionable plan? If so, will you take the next step and actually put it into practice? Once that's done, are you willing to review what you've done and tweak it for better performance? If you answered yes to all these questions, then you have what it

takes for long term success.

To do big things, you have to dream big first.

Now that you've decided to start a business, what exactly will you do? Just having an idea isn't enough – you need it to be compelling. Yet many business owners limit themselves from the start by only dreaming rational dreams, so that's all they achieve. In doing so, they prevent themselves from growing and remain stuck doing business as usual. So dream big, because it'll help you stay motivated over the long run. And align your dream with your values and ideas about success, too. While it may seem a long way from where you are now, remember that you're dreaming about the future, not the present. So go into it thinking the sky's the limit. This is the key message: To do big things, you have to dream big first. While it's important to go for broke with your vision, you still have to live in reality. That means you also have to dream clearly. Your vision needs to be easily relatable so future customers and employees can tap into your enthusiasm. And really, most great ideas are simple. Amazon's vision, for example, was to become the most customer-centric company in the world, helping people find whatever they want at the lowest price. That vision is big, clear, and exciting – and clearly, it's served them well. Once you've got your dream in hand, put together a plan. In doing this, some people prefer to create a big-picture overview with short-term actions, while others prefer more structure. Either way, make sure your plan has actionable steps, targets, and a built-in review process. In other words, make sure you cover the how, what, and why of each step. Think of your plan as a living document that grows and changes along with your business. Typical business plan structures are readily available online, but make sure you choose one that includes instructions for doing a SWOT analysis. That will identify your Strengths, Weaknesses, Opportunities, and Threats, and paint a clear picture of the state of your business. And don't forget your sensitivity analysis, either. This is your backup plan, with pre-planned adaptation strategies – such as sourcing cheaper supplies or adjusting for lower demand – that cover any “what ifs” that could arise. This helps protect your business against the unexpected. Putting together a business plan will require a lot of research, but in the end you'll have a roadmap dotted with actionable items, like fundraising prep and launch to-dos, and showing you the steps you need to take to get your business going.

Don't be afraid of “good debt.”

While some people might be lucky enough not to need funding, most new business owners require some assistance. And as any entrepreneur knows, you have to spend cash to make cash, putting fundraising at the top of your to-do list. Maybe your business is part of an industry in which there are grants, or maybe it's located in an area that provides subsidies. If not, you'll have to be ready to take on some debt. That idea probably doesn't sound appealing. However, there's “bad debt” and “good debt.” Bad debt is either a loan you don't have the means to repay or money lent at too high an interest rate. Good debt, on the other hand, allows you to turn your business idea into an asset. If you have faith in your idea, consider taking on some good debt to get it off its feet. The key message here is this: Don't be afraid of “good debt.” Let's quickly get clear on the different types of funding available to you. For starters, you can finance your business either through debt funding or equity funding. For small businesses, debt

funding is most common in the form of small business loans from banks. Equity funding, on the other hand, allows individuals to invest in your business in exchange for partial ownership and profits. Although this funding method is typically associated with pricey start ups and deep-pocketed unicorn investors, it can also be as simple as two friends forming a company – one of them brings the idea and the other contributes the cash. While equity funding has the benefit of initially being flexible, it's loose structure may cause problems when it comes to paying back your investors. In contrast, debt funding can be harder to obtain, but it comes with rigidly structured agreements that make the terms of repayment crystal clear for everyone. No matter which funding structure you choose, you'll have to present your lenders with the financial part of your business plan – including profit and loss projections, anticipated cash flow, and balance sheets. When meeting with your lenders, remember that you're asking people to invest in you, so treat their time with respect by being fully prepared. Deliver your pitch in a confident and compelling manner, but make sure to back it all up with logic and numbers, using industry data points and showing a clear understanding of your margins.

To help your business grow up healthy, set up operational systems with care.

Once you've received your funding, built your website, and even made a few sales, it might be tempting to go full steam ahead. After all, you've probably been working without a paycheck, so why not try to reel in more profits? Well, the problem is you're already doing a lot, including serving your customers while searching for new ones. If you go all in now and grow too quickly, things can slip through the cracks. For example, what if you miss a few emails and forget to pay a supplier? Then your supply chain is disrupted and production gets held up. Here's the key message: To help your business grow up healthy, set up operational systems with care. Unfortunately, you only have two hands. But the faster you try to grow, the more tasks you'll have to juggle. To help you keep a lot of balls in the air, you'll need to set up the right systems and processes. So let's get clear on what the difference between systems and processes actually is. A process is a series of steps to deal with a task or an event. For instance, you can create a process to deal with a customer service request. A system, on the other hand, is a whole series of processes concerned with a specific area of your business. Most businesses will require systems for marketing, sales, operations, human resources, and money management. In order to make sure your business is healthy, you'll need to define Key Performance Indicators, or KPIs, for each system. That might mean tracking the yearly employee turnover rate or customers brought in through Facebook campaigns. Try to keep the KPIs to a minimum, tracking only the most important values for each system. To make your system run, you'll need to put processes in place. To be effective, these need to have a direct impact on the KPIs; they also need to be clear and efficient and cover contingencies. Designing these processes may sound like a tall order, but the truth is that they're already in your head. To scale your business, you'll just need to get them out and into an operations manual, allowing future employees to follow your thinking. That way, over time, your business can run without you.

Know your customer and how to find them.

Above all, the most important factor in the sustained success of your business is the ability to find and retain customers. That's because reliable, steady customers bring in money. And in addition, the cash flow they provide allows you to strategically plan for the future. Likewise, losing customers is bad for business, not only because you lose their money, but because finding new customers is more expensive than keeping them. Too many business owners think that the quality of their product alone, their strategic location, or their snazzy website is all it takes to reel in new customers. Sadly, that isn't true. To get customers interested in your product, you'll need to have a clear understanding of who they are – or who you want them to be – and how you can capture their interest. This is the key message: Know your customer and how to find them. Before you rush off and buy advertising, take a moment to consider your ideal customer and what they might want. What's their age, their job, and their educational background? What's important to them and what are their life goals? Feel free to go wild with these questions, because ultimately you're trying to get into your customer's head. By having a better understanding of who they are, you'll have a better chance of grabbing their attention. Figuring out your ideal customer clues you into your ideal market. This is useful from a marketing standpoint, because you'll be able to appeal directly to their values. You might show them how your product will help them achieve their goals, use cultural references that they vibe with, or promote yourself on websites they frequent. Organic online marketing starts with the basic but crucial step of building a website, and it has to be supported with proper search engine optimization, or SEO, which ensures that your product appears near the top of search results. This strategy also extends to social media, because these days, business is becoming increasingly H2H – that is, human-to-human. Keep in mind that you can “hack” all of these methods by paying for better search results, instituting social media campaigns, or using influencers to push your product. No matter which method you choose, make sure you have a clear marketing plan that tracks both expenditures and results. You only have so much money in your budget, so make sure it's being put to the most effective use.

Your key customer is your business's best friend.

No matter how important customers are, there are still some that you don't actually need. Of course, in the beginning, every dollar counts so every customer is necessary. But do you really care about a customer who isn't likely to come back? If you can't make money by serving them, do you really need them? And if interacting with them is unpleasant – if they're dishonest or don't share your value system – isn't it best not to work with them? As the business owner, you profit directly from every purchase, so you might be tempted to take a rosier view. But as your business takes on staff, they might not feel enthusiastic about serving the bad apples. That's why it's so important to understand who your key customers are and then do whatever you can to encourage them to keep coming back. The key message here? Your key customer is your business's best friend. Good customer service stems from a healthy customer service culture within your company. This culture is created by the values and vision that you as a leader establish, and which then trickle down to your employees. But while that sounds great, it's also easier said than done. In decades past, businesses were in competition with other small companies. But today, customers have gotten used to the cheap and speedy services offered up by tech giants like Google and Amazon. In other words, they might have unrealistic expectations about what you can deliver. This is especially true

when it comes to customer service, making fast response time absolutely crucial. Sadly, when you fail to meet a customer's expectations – as you're certain to eventually do – they'll likely take to social media or a ratings platform. Although this will feel unfair – especially if they try to leverage the threat of a bad review for a discount – you'll need to keep your cool. Whether or not the bad review is warranted, try to remain professional and resolve the issue quickly. Finally, you can use customer surveys as an easy way to check in on customer satisfaction. Just make sure they're quick and easy to fill out and rely primarily on yes or no questions. You can also look at the numbers: How much is the average customer spending? And how many return customers do you have? Those figures should show a clear picture of your customers' happiness.

Find the right people and set the right mood to help you scale your business.

So now your business is humming along. You've taken on employees who are free to make decisions, so you're no longer responsible for everything. Workflow bottlenecks are a thing of the past because the processes you've put in place run smoothly and automatically adjust to the growing business. Now if you want to keep growing – perhaps by expanding to new cities or taking things to a level where the company can function without you – then it's time to consider how to scale up. To do this, you'll need to acquire and retain new talent – and, more importantly, lead them into the future. Your ultimate goal here is to structure a business that runs itself. The key message here is: Find the right people and set the right mood to help you scale your business. For a company to run itself, you not only need the right people, but also the right systems in place to locate and train them. While so much of running a business comes down to facts and figures, building a great team requires engaging human complexity. Sadly, many companies make hiring mistakes by failing to plan and then rushing recruitment. Knowing you need new talent, don't just hire the first person to show up with the right skillset. Instead, take the time to find someone who's the right fit for the company. Because a wrong hire isn't just a waste of time and money – it affects the morale of the whole team. To avoid this, plan recruitment before you need the position filled. That way, you take urgency out of the equation and give yourself time to make a thoughtful choice. Hopefully, you'll soon find yourself in charge of not just a workplace but a culture. This isn't just the office vibe, complete with ping-pong tables or boozy parties. Your company's culture is a set of attitudes and behaviors, which you need to consciously build on rather than leaving them to develop on their own. A great workplace culture supports a shared identity and values – expressed in everything from office decor to guiding operational principles – as well as a clear management style and a cohesive, company-wide decision-making process. And at the end of the day, all of these elements begin with you. So be mindful of how you lead. Try to give praise in public, hire people who are smarter than you, and be open to others' advice. You may be the leader, but try to stay grounded and remember that you don't know everything.

Final summary

The key message in these blinks is that: Whatever your reasons for thinking about starting your own business, all the hard work and planning you do will pay huge dividends in the form of fulfillment and a feeling of self-actualization. Instead of working for a paycheck, working for yourself is both an investment and an asset, granting you

both personal freedom and, eventually, a business that runs itself and generates your income. Do the research, plan thoroughly, and remember that it'll always be a work in progress. But at least it'll be your work. actionable advice: Don't forget to consider indirect marketing. Indirect marketing includes your company logo, website design, promotional merchandise, and signage. While these things don't necessarily equate to sales, they add credibility to your business and make you more recognizable as a brand.