

MONTHLY NEWSWIRE

Monthly Update

31-01-2014



Welcome to our monthly newswire. We hope you enjoy reading this newsletter and find it useful.

Best wishes

DKC

CREATE IMPACT WITH YOUR BID PRESENTATIONS

The pressure to win new business in today's market has never been so great. With more firms chasing less work, the market has become highly competitive. Consequently, firms have had to adapt and retune their business development models. How firms design and package their bid presentation can make the difference between success and failure.

Be Dynamic

How you look is a big influencer on how people react to you, especially if they are unfamiliar with your business. Of course, clients want to work with professionals and experts in their field. However, in today's market they can afford to be selective and work with people who are dynamic and progressive. Creating a typical standard document gets you nowhere. Be prepared to be bold and clever in order to stand out.

Pushing Creativity

Tenders come in different shapes and sizes. Firms respond by using a variety of applications such as Word, PowerPoint and In-Design. There is no right or wrong application for replying to tenders, but In-Design or a similar design package can enhance the creativity of your response. Remember though, that accountants, lawyers and business development people are not designers. Focus on getting the content right and, where possible, use designers for the design work.

There is a balance to be achieved in trying to design a document that satisfies the needs of different stakeholders. However, if you are not pushing how you present your key differentiating messages, brand values and personality, your competitors will be. When your client has a few tender documents in front of them, all roughly saying the same thing, they are more likely to reject yours if it's just another run-of-the-mill document. This can only benefit your business.

TIPS FOR BUYING OUT A COMPETITOR

As the economy begins to recover, many businesses are finding themselves in a rather enviable position: large cash reserves in the bank and weaker competitors just waiting to be snapped up (for a bargain price!). So you know you want to expand by acquiring another firm, but where to start?

Analyse Your Business

Start with a good old-fashioned SWOT analysis. Get a flip chart and a marker and, with your management team, write up the *Strengths, Weaknesses, Opportunities* and *Threats* of your business. Now identify the gaps; if for example, a weakness is that you have only 3 large clients, you could fill that gap by buying a competitor who has a further 4 large clients, thereby giving you 7 large clients. Repeat this process for the other areas.

Search for a Business

Now that you have your criteria from SWOT analysis, make sure you know how to look for a business. Don't just go to one source; really check multiple (and reliable) sources to find the business that is right for you. Talk to your team and establish a list of competitors who are considered to have a good client base, good products or services, a good reputation etc. Get the right team of advisors in place (accountants, lawyers, etc.) and draw up a plan.

Value the Business Properly

Your accountant can help you with this, but you should read up and understand the basic financial techniques to value a business; it's cash flow and other assets. Know how to prepare a basic business plan in order to make projections into the future. You should conduct research in order to understand how the business is getting its customers. Know how it delivers goods and services. You should try to gain an understanding of the cash flow and think about how you can maintain this flow before thinking about increased profitability.

Structure and Finance

Your advisors should be able to give you a basic understanding of how the business valuation and related cash flow tie together. Make sure you examine a number of possible ways to put a transaction together in order to overcome different risks. Your legal team and accountant should provide guidance on the best way to structure the deal and finance it in order to complete the acquisition.

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IMPROVE YOUR CUSTOMER RELATIONSHIPS

One thing is true for all businesses; if we have any work, we have customers! One of the most important parts of our work is maintaining and enhancing our relationships with our clients. Maintaining and growing these relationships makes the time spent on a project more enjoyable, satisfying and effective. Improved relationships also improves the chance that we will get referrals and future business. The following are a few things you can do to improve these important business relationships:

Have a Clear Contract with Your Client

This is the number one guideline for a successful customer relationship. Without a clear contract, neither you nor your client can be clear on roles and responsibilities, deadlines and deliverables or methodologies and measures. Beyond the importance of the contract to the project itself, a clear contract is a great aid to a good working relationship. The goal of a contract is clarity, as it can be a great aid to improved client relationships.

Get to Know Your Customers Better

All relationships are better when the individuals in the relationship take the time to get to know one another. Learn about your client's interests. You will likely spend many hours with and around the client during the project / sale.

Ask More Questions and Listen More

When we ask questions, we understand situations better. Make the time to ask your customer how they feel and what they think; try to understand their observations. The skill of questioning is one of the most important in developing our ability to sell our products and / or services.

Be Willing to Say "No"

In many cases, clients ask us to do things beyond our capabilities or interests. When these new requests are outside the contract agreement, be willing to say no. Take time to understand both the client's reason for asking as well as your ability to deliver. Don't automatically say yes, just because "the customer is always right."

Stay Focused

Staying focused on your contract and on your deliverables is the best thing you can do to maintain and build your client relationships. Talk about deliverables and deadlines in client meetings. Showing focus and then delivering your promises builds credibility and enhances your relationships with your customers.

CONNECTING YOUR HR SYSTEMS WITH THE REST OF THE BUSINESS

Integration of systems and the sharing of data is key to running a successful business, no matter how big or small the company. HR is no exception, and HR systems should connect to others for both reporting and triggering actions. A useful suite of standard reports configured by HR software should include:

- Headcount
- Employee turnover & stability
- Departmental salaries & payroll
- Absence costs by department
- Objectives met and outstanding – individually and within department
- Training needs met and outstanding – individually and within department

Such reports are only as good as the quality of the information within them. All too often, reporting in a business is full of errors, due to a failure to cleanse and update data on a regular basis. Once the integrity is questioned, it is very difficult to get confidence restored in the system.

Training is also important. Make sure that everyone who needs to know how to use the systems in your business receives adequate training. For example, Finance should be trained on how to run reports from the HR system in order to run cost and budget reports, which are affected by HR data such as headcount etc.

After reporting, your business should also consider triggered actions. Actions which are automatically triggered could include appraisal dates, probation review, sickness absence reports, etc. Triggered actions can help to reduce the admin workload for HR and are useful in helping busy managers ensure that work gets completed as it should.

Please contact a member of our Team if you would like to discuss any of the issues raised.

Contact Us: admin@dkc.ac

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