

# Small Business Success

Fresh Ideas for your Small Business



August 2010

Managing Your Energy | Leadership Requirements for Small Business Owners  
Considering Business Partnerships | Creative Problem Solving for Your Business

---

## Your Business Elevator Pitch

### How a Snappy Speech Can Grow Your Business

*I frequently coach people in career transition, and one of the tools I use is the “90-second commercial.” When you are job searching, it’s important to let everyone you meet know who you are and that you’re looking for a job. The more people who know, the bigger your network, the greater your chances of finding employment. The same can be true for your business. Think about it. If you had a well-rehearsed, engaging, conversational speech about your business that took less than two minutes to deliver, and you gave that speech to 5 people you met every day for two weeks, do you think you would have increased your business exposure? Do you think you might have reached a few direct potential customers, or people who would tell other people about your business? Do you think that marketing tool could grow your business if you applied it strategically to your personal and professional network?*

Despite how it comes across, an “elevator pitch” is not a sales pitch. It’s called an “elevator pitch” because it was originally designed to be something you could say to a prospect in an elevator in the time it took you to get to the top floor of the building. An elevator pitch is a conversational technique that allows you to transform any accidental social contact (e.g. at a conference, on an airplane, at a wedding) into a sales opportunity.

According to author and keynote speaker, Geoffrey James, the elevator pitch consists of four conversational elements, in this specific order:

1. The lead-in - intended to spark initial interest from the potential prospect
2. The differentiator - identifies your company as a unique resource
3. The engagement question - an open-ended conversation starter that allows you to assess the prospect’s interest level
4. The call to action - the request that moves your prospect toward a sale

## STEP #1: Craft a Compelling Lead-in

The lead-in is the set-up statement for the pitch. It can be used in response to the “What do you do?” question asked a million times a day. It is a single sentence that tells a prospect a memorable story – about your customers, and about the problems you solve. Lead-ins are crisp, energetic, and hit the point quickly (10 seconds max), and their purpose is to begin the conversation in an engaging way. They drop a statement that begs a follow-up question. Example: “Companies call us when they want help figuring out what products will wow their customers.”

## STEP #2: Craft a Compelling Differentiator

Once you’ve delivered your lead-in, check to see if the person you’re speaking to is engaged. Don’t waste your time with someone who isn’t interested. If they are not, just drop it and let the conversation go casual. If they are interested, they’ll likely say something like, “That’s interesting, how do you do that?” Answer a question like this in a way that positively positions you and your firm against the competition. Of course, you need to be clear about how your company is different, and what makes you unique. Do your homework, and come up with two compelling things you can say to answer this question.



## STEP #3: Craft the Engagement Question

The next step is to ask the prospect a simple question to move the conversation forward. Here are some ideas from Geoffrey James. “Just out of curiosity, is that something you’ve thought about in your line of work?” “I get the impression that you’re intrigued – is there something I’ve said that has sparked some interest?” “Hey, enough about my company. How does your business handle the problem of staying competitive in the marketplace?” The most important thing is that it be conversational and that it sound like something you’d actually say. If it feels scripted or fake, you’ll fall flat. Note that engagement questions are open-ended so that it can lead you to the next step.

## STEP #4: Craft Your Call to Action

The point of the elevator pitch is to generate a potential sales opportunity. For that to happen, you need to move from the conversation to some kind of follow-up action. Use the sales techniques you probably already know to move the prospect forward. “How would you feel about having another conversation to hear more?” “Do you have some time next week so we can meet and chat about this further?” “Let’s have lunch on Friday so that we can continue our conversation.”

## STEP #5: Rehearse Until It’s Natural

Remember that “the pitch” is really just a conversation. For it to work, it must be delivered naturally, conversationally and sincerely. James says, “Ironically, the only way to be natural is to

rehearse until it sounds natural.” This requires a lot of role play with someone who will give you honest feedback. Recording your pitch can be helpful as you hear your own voice and the inflections and habits that come through when you speak. So can practicing in front of a mirror.

The key to a great elevator pitch is pulling it off like it's not a pitch – but a conversation. Being truly interested in your prospect goes a long way to making it genuine. Try it on the person in the bleachers next to you at your son's soccer game, or in the seat beside you on an airplane, or at a business mixer. Use this effective tool to spread the word about your business and increase your market opportunities.

## Managing Your Energy

*It's 3:45 on Friday afternoon and you're looking at the clock wondering whether the office can get through the rest of the day if you knock off a few hours early. You've had a hard day. A hard week actually, and you're feeling the strains of it in your neck and shoulders. An order that went wrong, an unhappy customer that threatened to take their account elsewhere, an employee that quit suddenly leaving you short-handed, a computer that broke down when you could least afford it, and the list goes on. Right now the thought of a round of golf - walking up to that first tee, smelling the grass and smacking that ball, exhilarates you. Then, you remember the dinner party your partner has planned for that night and your dream of the golf course fades into oblivion. Suddenly you feel exhausted. You don't know how you'll find the energy to get through the evening. All of us have activities in our lives that energize us, and other activities that drain us.*

Many of us are exhausted because we don't realize how much of our days are spent doing things that drain us, and how little time we spend doing things that give us energy. As a small business owner, it's easy to get caught up in the “doing” of many things simply because they need to be done, to the detriment of effective work/life balance. Given that there will always be things that take our energy, it's important to make sure we're also adding things to our lives that give it back. As business owners, you give out a lot every day, but if you don't replace what you pour out, eventually you'll be running on empty. You can't do that for too long without reaping serious consequences, both emotionally and physically, which can potentially impact your business success.

Here are a few questions to get you thinking about the energy gains and drains in your own life. The answers can be from both business and personal activities. It might be helpful to actually write the answers down. Committing them to paper makes us internalize better and remember what we've thought about.

### Energy Drains

- What things do you procrastinate about doing?
- What activities do you face with a sense of dread?
- What things do people have to nag you to do?
- What things do you least want to do when you have a free day ahead of you?
- What activities make time seem to drag?
- What activities feel like a waste of time?

- What do you do that you find it difficult to focus on – you find yourself daydreaming and constantly have to bring yourself back to the task at hand?
- What are you doing when people comment on how tired you look?

## Energy Gains

- What activities do you enjoy, that when you do them you lose all track of time?
- What activities do you choose to do when you are feeling tired?
- What activities do you choose to do when you are feeling energetic?
- What activities do you most enjoy sharing with others?
- What things do you do that give you a great sense of accomplishment?
- What activities are the first that come to mind when you have a free day ahead of you?
- What are you doing when people comment on how great or energized or happy you look?
- What do you often daydream about doing?
- What activities do you love talking about?



When you've answered these questions, chart your week out on a piece of paper. With a blue pen, write down all the things you do in that week that drain your energy. Then, with a red pen, write all the things you do that give you energy. This visual process will show you immediately whether your life is balanced, and whether you're spending most of your time in DRAIN mode. Once you realize where your energy gains and drains are, you can start making adjustments to achieve better balance. Decreasing the blue activities and increasing the red ones will require some tough choices. It may mean you have to learn how to delegate, how to say no, how to manage your time better, how to let go, or how to prioritize.

When you achieve a greater balance – with energy “gain” activities filling you up in order to cope better with the energy drains, you'll find your productivity will increase, you'll be more clear-headed, and you'll simply enjoy life more. Before you know it you're flying through that dinner party on Friday, with energy left over to . . . . .?

## Leadership Requirements for Small Business Owners

*You may assume that you are a leader just because you run a small business, but you would be wrong. Business management and leadership are two very different things, and those who are successful, understand that running a business requires both. Without leadership, your small business will be aimless and you'll find yourself in the marketplace well behind others who are demonstrating strong leadership. Business leadership is not just for those who have followers. It is a combination of personal traits and the ability to think and act as a person who directs the activities of others (or their own activities) for the good of their business. Anyone can be a leader (even they are only leading themselves), but leadership doesn't just happen. It requires*

*conscious, consistent effort. Here are five requirements of leadership. Think about how well you demonstrate these in your small business.*

## **Leadership requires planning.**

Leaders are proactive. They have the capacity to identify potential problems and solve them before they become a crisis. They also have the ability to identify and take advantage of potential opportunities. Strong leaders are constantly analyzing, planning and adapting their plans to new circumstances and opportunities.

## **Leadership requires vision**

Vision is what gives direction, and without direction there's not much point to planning. Do you have a vision statement for your business? Vision statements encompass your dreams and your passions – they give life to your business plans and propel you forward when things are difficult. If you have not written one, do some research and create a statement that defines what you want to accomplish and where you want to go with your business.

## **Leadership requires the ability to share your vision with others.**

Sharing your leadership vision helps your vision grow and makes you accountable for staying true to it. Whether you have staff, or are simply sharing your vision with those who are part of your journey as a small business owner, your own belief in your vision will grow stronger, as will your determination to make your vision become reality. If you have people working for you, your ability to passionately share your vision will draw them in and create enthusiasm for helping you achieve your business goals.

## **Leadership requires courage and willingness to take action**

You've probably heard it said, "It's lonely at the top." Anyone in a leadership position knows that sometimes it's difficult to make unpopular decisions or take risks that might not be understood. A leader needs to have the courage, conviction, and willingness to take action on behalf of his or her business. Good decisions are not always popular ones. It's an imperative quality that separates those who achieve greatness, from those who live in mediocrity.

## **Leadership requires being an example**

Think about people whose leadership qualities inspire you. I'm guessing that if I asked you why these people inspired you, you'd list off things they have done, and things that they ARE.

Leadership is defined in part, through action. It is also defined by attributes. Those leaders you admire have likely done some amazing things, but they are also likely people of integrity and character; people who model leadership and who can be counted on.



## Considering Business Partnerships

*Jim runs a printing business. He often refers his customers to a colleague, Elaine, who does graphic design. Elaine also refers her customers to Jim for printing. After several years of working together, Elaine approaches Jim and asks him whether he'd like to formalize their partnership. After all, they refer to each other all the time, trust one another to do good work, and benefit from each others' complimentary businesses. She suggests creating reciprocal links on their websites, and putting each others' logos on their marketing collateral. She even suggests talking about a profit-sharing idea. Jim has enjoyed his working relationship with Elaine, but is a little nervous about making it a formal partnership. He wonders if this could limit his options as his business grows. He's not sure he knows Elaine well enough to move into an agreement that would tie them together in a formal way.*

From time to time, small business owners come upon opportunities to partner with other businesses, consultants, or other individuals to achieve mutual objectives. When two businesses possess complementary skills, partnerships allow them to better exploit the opportunities and challenges arising in today's global marketplace. Any time you enter a partnership, there are inherent risks, and partnerships, no matter how casual, should never be entered into lightly and without planning and forethought. Here is some food for thought if you're thinking about a business partnership.

### How will the partnership benefit your business?

The main advantage of developing partnerships is to achieve business outcomes that would not be possible for you to do alone. Ask yourself if this partnership brings something to your business that you could not possibly achieve without it, and whether the outcome is something you want in order to grow your business.

Be clear about why you need someone else to help you achieve those outcomes. Be clear also, about the specific resources, skills or expertise you want to use to create the benefit to your business. Jim may love Elaine's graphic design work, but may not be impressed by her web design. In that case, he would need to be cautious about how the formalized agreement is worded. He may choose to partner only as it applies to the part of her company that more directly relates to his business. Joint ventures in which each party is able to contribute without feeling they are working for the other, work best. Businesses that are complimentary, but not the same are good candidates for partnerships.

### What do you need in a business partner?

If you have determined a need for a business partnership, take your time in finding the right fit for you and your business. A partner needs to be someone you trust to deliver the same kind of service to your customers as you do, whose work and quality match your own standards, and with whom you can have an honest and fair working relationship. Remember, once you've created a partnership, your reputation is bound to the other company's reputation. What they do and how they treat people will reflect on your business. Think about the other person's personality and work style. Do they need to be similar to yours in order to make it work, or do you need someone who will be an opposite "compliment" to you? Elaine's request has made Jim

think about how this concept could benefit his business, but the fact that he can't endorse all of her work may be a red flag. Perhaps Jim can look around for someone else from whom he can gain a similar business benefit, but in whom he has greater confidence all around.

## What do you need to do to set up a partnership?

Two businesses may enter a partnership with differing ideas and goals, therefore it is critical that the overall purpose of the partnership be clear. Trust is essential, but that doesn't mean you don't need to make the agreement very clear, and very specific. It should be a written agreement, signed and dated by both parties that clearly outlines what each party is giving to the partnership, and what each person expects as a result of the agreement. It should also contain an exit strategy, for how you will deal with the potential that one or both parties wish to exit the agreement for whatever reason.



Partnerships can be a great way to expand your market potential, but they should be entered into with caution. It may be worth your while to pay a lawyer to look over your agreement to make sure your business interests are protected. Weigh the pros and cons of entering into an agreement and don't do it if you are not completely convinced of its benefits, and willing to take the risks that come with it.

## Creative Problem Solving for Your Business

*I chair the board of a non-profit organization. Recently, we found ourselves facing some serious challenges. Serious enough that if we didn't take action and make significant changes, we would have to close our doors. The problems were systemic and cyclical, and as a board we had not been able to find a way to effectively address them so that they did not continue to surface and threaten the sustainability of the organization. I set about finding a new way to look at solving the problems, and came across a dynamic and useful tool developed by William E. Mitchell and Thomas F. Kowalik. Mitchell and Kowalik propose that problems require both critical thinking and creative thinking. Creative thinking is described as making and communicating connections; thinking of many possibilities; experiencing and using different points of view; thinking of new and unusual possibilities; and generating and selecting alternatives. Critical thinking is described as analyzing and developing possibilities; comparing and contrasting many ideas; improving and refining ideas; making effective decisions and judgments; and providing a sound foundation for effective action.*

In business, we often choose one way or the other to approach problems. We either sit down and analyze, create possible action steps, and make decisions. Or, we sit down with our teams and do something creative – brainstorm, think outside of the normal realm of possibilities. The model created by Mitchell and Kowalik combines both critical and creative thinking in a step-by-step manner that is easy to follow, and that generates strong results. It's easy to do, and is a great tool

if you're facing challenges in your business and need a new way to look at things. Below is a summary of their six-stage, problem-solving process. Click the link at the end of the article to download a worksheet that will guide you through the process.

1. **Mess Finding:** The first step in taking action is to identify a situation that presents a challenge... an opportunity... or is a concern that you want to do something about. It can also be an objective you desire to attain. Just what is the mess that needs cleaning up or the situation that demands your attention? Identify and capture the essence of the "mess."
2. **Data Finding:** Once the general mess is defined, the next stage involves taking stock - unearthing and collecting information, knowledge, facts, feelings, opinions, and thoughts to sort out and clarify your mess more specifically. What do you know about the situation and what do you still need to know? What facts are lacking and who has the answers? Brainstorm all the known and unknown facts and write them down.
3. **Problem Finding:** Now that your data is collected, you need to formulate a "problem statement" that expresses the heart of the situation. You must try to put aside the common assumption that you "already know what the problem is" and try to state the problem in such a manner as to invite novel perspectives on it.
4. **Idea Finding:** This is the state in which you brainstorm as many ideas or alternatives as possible for dealing with your problem statement. Don't evaluate your ideas at this point, merely list them as an idea pool from which you'll draw in putting together a variety of solutions to your problem.
5. **Solution Finding:** Now that you have a number of ideas that can serve as possible solutions to your problem, it's time to evaluate them systematically. To do this you have to generate a variety of criteria and select the most important for your problem. Is it cost, expediency, pleasure, time involvement or other factors? In this way, you'll be able to identify and evaluate the relative strengths and weaknesses of possible solutions.
6. **Acceptance Finding:** Having decided upon a solution, it's time to formulate a plan of action to implement your solution. Determine what kind of help you'll need, what obstacles or difficulties might get in the way, and what specific short- and long-term steps you are going to take to rid yourself of that original mess!



In following these simple steps, we were able to see some new perspectives, create clarity on the problem itself, and come up with solutions we had not previously thought about. If you find yourself facing some problem or challenge in your business that you've not been able to solve, try this creative problem-solving model.

Huron Business Development Corporation  
138 Main Street South, PO Box 1120  
Seaforth Ontario N0K 1W0  
Tel: 1-519-527-0305  
Fax: 1-519-527-2240

[infohbc@smallbusinessshuron.ca](mailto:infohbc@smallbusinessshuron.ca)  
[www.smallbusinessshuron.ca](http://www.smallbusinessshuron.ca)

Published in cooperation with Your Corporate Writer - [www.ycw.ca](http://www.ycw.ca)