



George S May International Company

7 Most Powerful Words in Small Business Today

by Mr. Paul J. Rauseo, Managing Director

Summary of Actions Needed To Bring Success To Your Business

In today's uncertain economy, every business owner is looking for ways to improve their operations. Many want to better position themselves for future growth. Others are looking for ideas to simply survive this economic downturn. According to Paul J. Rauseo, Managing Director Worldwide Headquarters at George S. May International Company, Chicago, IL., three key ideas, stated in seven words, will help owners of any business do good now and perform even better in the future.

“Business Intelligence, Data Warehousing, Key Performance Indicators are the three ideas summarized in seven words that are the keys to improved performance, and perhaps even survival for small and mid-size business owners,” said Paul Rauseo.

“These ideas are used very successfully by Fortune 500-type of companies,” Rauseo stated. “While they may sound complicated, they really are not. We recommend to our clients, who are owners of independent businesses, to adopt these ideas so they stay ahead of the economy and the competition.

Business Intelligence

“While the term ‘Business Intelligence’ may sound like cloak-and-dagger activities to some, it really isn't about spying on your competition. It's all about truly knowing and understanding your own business, your customers or clients and their interests,” the consultant noted.

Rauseo explained that technology provides various ways that owners can gather information. Computerized cash registers provide data on what is purchased when. Computer programs, like QuickBooks, help businesses categorize financial records. Credit card receipts help pinpoint customers. Simply asking customers or clients for their own opinions and interests shouldn't be forgotten as another means to gather business intelligence.

“However, the business owner must first have the discipline to review this information, and then second the owner must be committed to taking action based on the information that's been gathered,” he said.

“In today's world, the old catch phrase “business as usual” is the call of a dying business,” Rauseo summarized.

Data Warehousing

“‘Data Warehousing’ is a fancy, computer-oriented term for something that smart owners have done for years – remembering past experience to improve current and future performance,” Rauseo said. “For a retailer, it can be as basic as using information about what sold well last summer to plan on what to purchase and sell for the upcoming summer season.”

“The concept of Data Warehousing is a natural next step after starting to use Business Intelligence. Once you have the data, store it so it can be used to plan and compare against future work,” encouraged Rauseo.

“All too often, we see owners of smaller, independent businesses who are so focused on the day-to-day issues of running their business that they forget to plan,” lamented the consultant. “These people are in the unfortunate situation of literally not seeing the forest, known as the big picture, because of all the trees, everyday minor problems, keep getting in their way.”

Owners afflicted with this malady are easy to diagnose, explained Rauseo. He said they typically make themselves responsible for everything at the business. They don’t delegate; they make every decision. And worst of all, the May International consultant noted, is this attitude breeds a feeling that every issue has the same priority or importance, which he says is simply not true.

“Not everything has the same importance,” explained Rauseo. “While the famous saying ‘the buck stops here’ may identify the owner, it doesn’t mean the owner has to do everything. These folks need to take a step back. They must accept the discipline to plan and to take time to look strategically at their business. If they don’t do it, they’ll never rise above the continuing stream of everyday issues that every business contends with.

“Successful business owners are the ones who have developed methods of handling or delegating the everyday issues,” Rauseo said. “Doing so allows them to make sure that the business continues on track to its long-range, strategic goal.”

Key Performance Indicators

Following along with the concepts of gathering information for Business Intelligence and keeping the information handy to refer to for Data Warehousing, knowing what information is the most important is the logical next step according to Rauseo.

“The essential actions that really matter and drive the success of your business are your ‘Key Performance Indicators,’ Rauseo said. Measuring and tracking these actions – the number of customers served per day, the amount of cash brought in per week, the quantity of widgets sold per period – is crucial. Without these metrics, the business owner cannot know how well the business is doing.

“In the past some business owners may have been able to tell by ‘gut feeling’ how the business was doing. Those days are over,” Rauseo stated.

“Rough measurements might have worked in the past, he said, but today’s business and financing environments change rapidly. Products, prices, promotions and customers seldom remain static. Gut feel simply can’t keep up,” explained the May International consultant. “Planning and action must be based on accurate measures of a company’s key performance indicators. With them, business success is planned. Without them, failure often comes as a tragic surprise.”

“Business Intelligence, Data Warehousing, Key Performance Indicators are seven simple words that when put into action can mean dramatically improved performance for a business,” Rauseo notes. “By using these concepts, business owners also find their days are less hectic, the business runs better, and they actually have more time – for themselves and for their families.”

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