

10 Rules for Small Business Success in 2003

by Michael Katz, Blue Penguin Development

Post-Enron & 9/11, people are wary of big business. Trends will be toward the humanization of business practices, with small businesses leading the way.

With that in mind, we offer 10 rules for success in the coming year:

1. **Work Your Relationships.** The most valuable, defensible, competitive asset you've got is your rolodex. Work it. Develop a system for staying in touch with everybody you know (via email, phone, hand written notes and face to face conversations), correlating your effort / expense with a ranking that you give to each of these people based on their potential to contribute to your business. Spend less time trying to find new clients and more time taking care of the relationships you've already got.
2. **Be Different.** Resist the temptation to blend in with all the other accountants, consultants, financial planners, executive recruiters, or whatever profession you happen to be in. "Looking the part" and overly smoothing the rough edges will ensure that nobody remembers you or your company. Let your style, personality and good natured quirkiness shine through and you'll stand out from the crowd.
3. **(Don't) Leave Your Personal Life At The Door.** Big companies love to fuel the myth that business and personal are two separate worlds, and that we're somehow more effective as businesspeople when we leave our personal values at home. The last few years demonstrated that our business, political and even clergy leaders would have better served themselves and their followers, had they not tried to make a distinction between what's right at home and what's right in the office.
4. **Use Both Halves Of Your Brain.** Your gut and intuition are often the best guides you have in making decisions, and you're doing yourself and your company a disservice by ignoring them. Just because your large company competitors live in a world where those things that can't be predicted and measured are presumed not to exist, it doesn't mean you have to. Open your third eye and use it to run your business.
5. **Ignore The Experts.** There's a virtually unlimited amount of information out there to help you launch, market, manage and operate your business. The more uncharted the waters, the greater the temptation to follow the expert advice. My advice (feel free to ignore it) is to read everything you can find, but then make your own decisions. You didn't start your business to get on the "right path;" you started your business so that you could make a path of your own.

6. **Become the Leading Expert in Something.** In other words, narrow your focus. Although it seems logical that the more territory you can claim to cover the greater the chances are that clients will come your way, in practice the exact opposite is true. When you offer a broad array of loosely connected services (e.g. “marketing from A-Z; executive recruiting in all specialties; legal services for small, medium and large clients), people come to associate you with nothing in particular. Referrals and word of mouth only occur when you occupy a place in the minds of clients, colleagues and friends. Narrow your focus and become the **leading expert in something**, and when somebody in your network comes across that need, they’ll drop your name every time.
7. **Put your large company envy away (forever).** Operate your business in ways that the big guys can’t copy. Send hand written thank you notes; answer all inbound emails from your web site within 2 hours; revise all your outbound communications so that they sound like they were written by Earthlings (rather than by inhabitants of the Planet Legal-Marketingspeak). In a world where we’re all tired of dealing with automated phone systems and anonymous web sites that don’t respond, dropping the barriers between your people and the outside world works to your advantage.
8. **Don’t Shoot from the Hip. Take time to plan.** The flip side of our impatience with bureaucracy, is that as a group, we small business owners shoot from the hip. Sure it’s faster, but driving full speed ahead 7/24 is only useful to the extent that you’re headed in the right direction. Force yourself to take one full day a quarter out of the office to plan the coming three months. Inspired action contributes a great deal more to the bottom line than *any* action.
9. **Don’t Hide That Epiphany. Take a position.** You don’t have to be controversial, but you have to believe in something. You need an approach, a perspective, a vision for why you started your business (can you still remember what it was?), and you should bake this into all your interactions with the outside world. Don’t hide the epiphany that led you to throw down your corporate ID badge and walk out the door all those years ago. Shine a light on it and inspire the rest of us to share your vision.
10. **Get Rich Slowly. Have patience.** Most of your larger competitors have quarterly numbers to meet, and they live in a world where short term results are king. You don’t. You can make good decisions even if the payback isn’t immediate, because as long as you believe that it’s good for the business over the long term you don’t have to answer to anybody else. Have the courage to build your business one customer at a time, making the right decisions every day. “Get rich slow” is a great growth strategy, and the big guys can’t touch it.

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