



Attitudes and Behaviours that create Small Business Success

With the compliments of Your Profit Coach

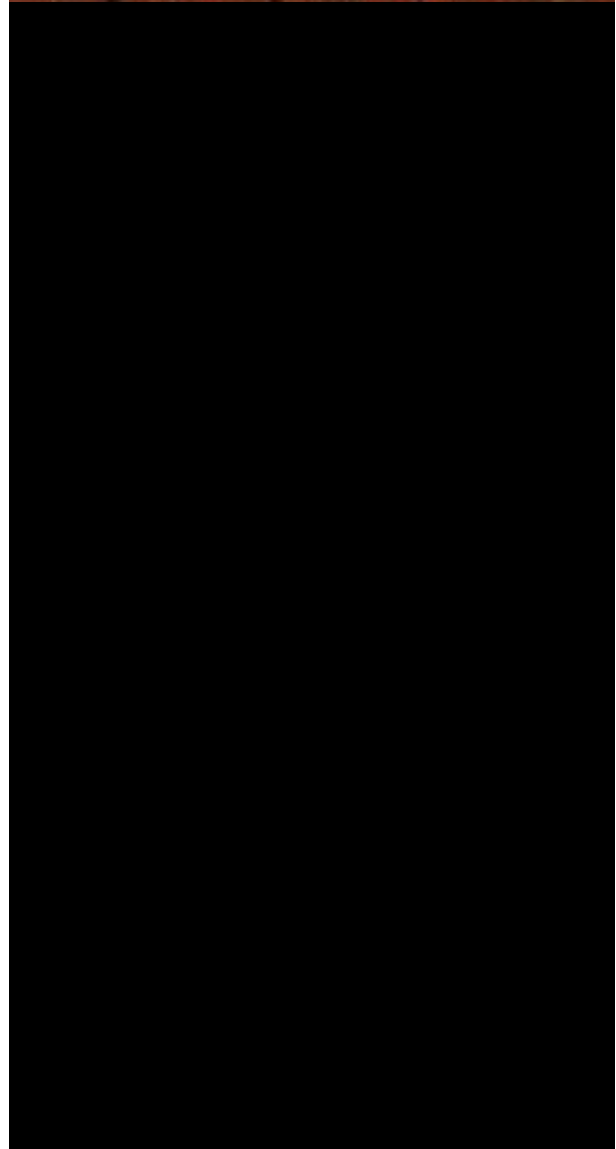
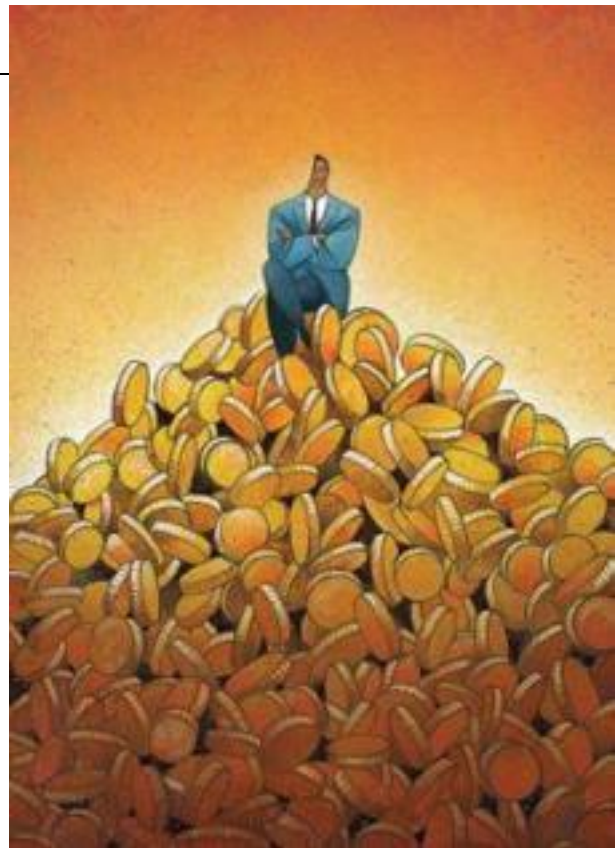


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Introduction

A groundbreaking examination of small business and small business owners conducted by Pitney Bowes¹ has revealed the psychological and attitudinal underpinnings of success in this high-growth market segment. The largest study of its kind, the research demonstrates how the feelings, attitudes and ideas of small business owners directly translate into the way they run their businesses.

The Pitney Bowes' study, called *"Attitudes and Behaviours That Create Small Business Success,"* was conducted with Yankelovich Partners and examined over 1,400 businesses. It delivers a comprehensive understanding of how small businesses operate, the factors that contribute to success and outlines five distinct types of small business owners (see below). With this insight, business owners can profit from the successful strategies and practices of business owners most like them.

Previous studies have only explored small businesses from a demographic perspective. But the Pitney Bowes study takes a fresh approach, exploring attitudes towards every aspect of running a business, including growth, control, finances and technology, and defining them within the context of the personality of small business owners.

"By most measures, the owner IS the small business. How they approach life is how they approach their business. What they want, how they wish to spend their time, their attitudes, their skills and expertise, what they want to improve and what keeps them up at night are reflected in the owners' personalities and guide virtually all business decisions," says Elise DeBois, President, Small Business Solutions at Pitney Bowes. "If you identify the attitudes and behaviours of small business owners, you identify the attitudes and behaviours that make their businesses successful as well."

Five Small Business Segments Identified

"There is a misperception that small businesses are all pretty much alike," says DeBois. "Our findings show that while they may share common values and a driving competitive spirit, small business owners have very different approaches to doing business." Along those lines, five distinct types of small business owners were identified: "Idealists," "Optimizers," "Hard Workers," "Sustainers," and "Jugglers."

Idealists

Representing 24 percent of businesses, these owners are most likely to have started their businesses because they had a great idea or wanted to work on something special. They'd rather spend their time working on something other than financial details and seem to derive less personal enjoyment from their businesses. Idealists are the group that would be most willing to work for someone else. Fairly sophisticated technologically, these owners and their businesses are most dependent on computers and are likely to make business purchases based on price. The most successful Idealists form relationships with suppliers that have been around for a long time.

Optimizers

This group makes up 21 percent of the businesses. They enjoy their work and never want to work for someone else. While they are the most committed to growth, these owners focus on profits, not the size of their company. They are extremely knowledgeable about financial matters and their emphasis on technology allows them to generate more revenue per employee than other business owners. Confident and savvy, they enjoy the personal rewards of ownership and feel their work and private lives are in balance. Successful Optimizers leverage the Internet and contract/freelance workers to keep costs down and use credit and leasing arrangements to support strategic growth.

Hard Workers

Hard Workers love what they're doing. Making up 20 percent of the population, they are the group most interested in managing a larger business. They report the highest levels of growth and are the most likely to use credit to meet their goals. Hard Workers exercise broad personal control, "sweat every detail", and are more interested in working with trusted suppliers than in getting the lowest possible price. The most successful business owners in this segment have a long-term growth plan and stick to it.

Jugglers

Also representing 20 percent of the market, Jugglers are the most involved and personally invested in their businesses. They are anxious about relinquishing control to their staffs and want things done to their own standards. For these owners, there never seems to be enough time. They are big users of credit, are starting to use the Internet more aggressively, and are proud of their ability to juggle all the different demands of the business. Jugglers are always looking for ways to improve their business and are optimistic about growth, even though they are concerned about the national business outlook. They are also the most demanding in terms of what they expect from suppliers and often feel as if they don't get the best deal.

Sustainers

This is the smallest of the segments, making up only 15 percent of the total. They enjoy their work and have a good balance between work and home life. Sustainers are likely to have bought or inherited the business, rather than starting it themselves and often hire family members. They are the least interested in and knowledgeable about technology and will simply put in longer hours to "get ahead." The most conservative of all owners, Sustainers are happy with the way things are and have little interest to grow or take on more credit obligations.

What Do Small Business Owners Focus On?

What keeps small business owners awake at night?

According to the Pitney Bowes study, "*Attitudes and Behaviours that Create Small Business Success*," creating and retaining a customer base, quality of service and product, and employee performance top the list of key concerns:

- Retaining customers (66 percent);
- Attracting customers (65 percent);
- Quality of product or service (64 percent);
- Employee performance (61 percent).

Finding/retaining employees, finances, competition and technology fell under the second tier of concerns for small business owners:

- Finding skilled employees (54 percent);
- Retaining employees (53 percent);
- Paying bills (49 percent);
- Making a living from the business (49 percent);
- Competition (48 percent);
- Collecting payments (47 percent);
- Keeping up with technology (46 percent);
- Just staying in business (43 percent);
- Making payroll (36 percent);
- Growing too fast (23 percent).

When small business owners were asked to name their single, most critical business concern, customer relationships ranked first, outdistancing other issues by more than 20 percentage points.

Roadmaps for Entrepreneurs

Now you can find out how you stack up against other business owners - How are you alike? How are you different?

PitneyWorkssm have developed a simple, informative guide to help you learn more about how you run your business. It's based on their study, the *Attitudes and Behaviours that Create Small Business Success*. Working with Yankelovich Partners, they asked business owners nearly 500,000 questions to get to the truth of how small business *really* works. Now, you can find out what business owners most like you are doing to be more successful.

The PitneyWorkssm *Roadmaps to Small Business Success* is a brief survey that consists of seven questions. At the end, you'll find out what makes you distinct from other business owners, and you'll see the actions that are being taken by owners most like you. What you learn about your business style can help you build your business. You can take The PitneyWorkssm *Roadmaps to Small Business Success* on-line and find out exactly what type of business owner you are. See for yourself what business owners who are most like you are doing to be more successful. Visit the PitneyWorkssm website at: <http://www.pitneyworks.com/roadmaps/index.html>.

Further Information

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¹ The research report by Pitney Bowes was published on 9 November 1999. Pitney Bowes Inc. is a £2.5 billion global provider of informed mail and messaging management solutions. Its full suite of mailing, marketing and financial products and services are designed for the way small business really works. The suite of small business solutions is being offered under the new PitneyWorksSM brand name. For more information, visit their website at: <http://www.pitneyworks.com>.

Paul Simister, Your Profit Coach

I help small business owners find hidden profits from overlooked revenue opportunities and achieve a higher return from the time, energy and money they invest.

I am a Chartered Accountant, MBA and Certified Guerrilla Marketing Coach. This blend of finance, strategy and marketing skills is a powerful combination for increasing profit even if you hate marketing and selling.

The Eight Pillars Of Business Prosperity

The business development process I use to increase profit is called the Eight Pillars of Business Prosperity:

1. Your Key Numbers: how to measure and manage your business for increased profit and cash.
2. Your Inner Game: how to create a powerful vision for your life and business which flows through into everything you do.
3. Your Market Position: how to stand out from your competitors in a profitable market.
4. Your Lead Generation: how to magnetically attract your ideal prospective customers and clients.
5. Your Lead Conversion: how to quickly and easily convert prospects into paying customers.
6. Your Revenue Regeneration: how to turn one time customers into regular buyers.
7. Your Winning Team: how to attract, build and keep a hard working and committed group of employees
8. Your Systems: how to systemise your key processes so your business works efficiently without you.

One-To-One Coaching And Advice

My main service is providing business coaching and advice on a one-to-one basis by telephone to UK businesses.

If you own a business based in the UK, I'd like to show you how I can increase your profit. I think it's much more powerful to show you than tell you what I've done for others.

Go to www.profitin30minutes.co.uk and book your free coaching test drive.

Your Profit Club

For those business owners who don't want one-to-one coaching or are based outside the UK, I am creating a low cost membership site to teach you how to apply the Eight Pillars of Business Prosperity.

See www.yourprofitclub.co.uk

Your Profit Mastermind Group

I have discovered the benefits of working with a mastermind group of people committed to achieving similar goals.

I am in the process of starting a number of niche based or situation based mastermind groups to work together one hour each week by telephone.

See www.yourprofitmastermind.com

Your Profit Coach Blog

My business coaching blog is read by thousands of business owners each week.

See www.yourprofitcoachblog.com

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