



Top 5 tips for business success in 2013.

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With a combined experience of over 30 years, the team at inachee.com is passionate about helping Ugandan businesses including SMEs to succeed. Summarized below are our top 5 tips for business success. P.S The tips whilst aimed at for profit organisations, may apply to not for profit entities as well.

1. Outsource your accounting/bookkeeping function to an accounting firm

Ugandan businesses have a failure rate of 50%. Put another way, 1 in 2 businesses fail! The 3 top causes per a [respected study](#) were: wrong pricing, negative cash flows and poor record keeping.

All 3 are interlinked and can be solved with one solution: Outsource your accounting to a bookkeeping or accounting firm.

Unless your business needs daily entries, then you do not need to employ a full time accountant. Have one to visit you say weekly, monthly or quarterly. Many accounting firms (with several qualified accountants) would charge as little as Shs. 300,000 a month to do your bookkeeping a month. This is certainly much cheaper than hiring a full time accountant/bookkeeper. A qualified accountant by comparison costs about Shs. 1,500,000 a month.

The benefits of having accounting records are numerous. The information provided can provide insight into your cash flows, your pricing and your profitability. Hence enabling you make informed business decisions.

In addition, For Uganda, where lack of financing is a key issue, should you need to obtain financing, you can expect that a bank or other lender will want to see your accounting records (Usually management accounts and audited records.)

The accounting institute (ICPAU) has a list of accounting firms. We know a few firms who can help, so contact us if you need help.

Action point for you:

Contact a friend (or someone you know) who is an accountant/knows a firm of accountants and ask them for a price quote for your bookkeeping/accounting.

2. Implement an online marketing strategy starting with an up to date website.

Pay per click advertising vs traditional advertising

The cost of taking out a quarter page black and white advert in the *New Vision* or the *Monitor* is a minimum of Shs. 1,820,000. Daily Circulation figures of the new vision is about 32,000 while for monitor this is about 24,000. The challenge though is of course you have no means of measuring how many people see your advert. I do not know many SMES which can afford this price.

By comparison:

By 2011, 13% of Uganda's population (estimated at 34.5m) or 4.5m people had internet access. Of these, there are at least 304,000 active facebook users in Uganda.

This means that for business, there are more internet users than those who read newspapers.

Your strategy should therefore definitely include pay per click advertising. Google and Facebook do this.

What does it cost to advertise via pay per click? It depends on your budget!

You can set your budget as little as \$1 a day. This works out at \$30 a month. Which is roughly Shs. 78,000 a month!

Now the advantage with pay per click is that you can get reports that tell you exactly how many people clicked on your advert and visited your website. You can even tell how long they stay and what pages they visit. These tools are all provided free via google apps.

For your internet strategy to work especially pay per click, your website therefore needs to be professional looking, up to date and show case what sets you apart from the rest.

It is easy to set up a website these days and you don't need to pay a web designer. Websites these days come with what is called a Content Management System (CMS). This means you can do all the designing yourself, as well as regular updates without knowing computer language (HTML, JAVA etc).

In fact many hosting companies like yola.com have free website facilities.

If you want to know more about google analytics, see this article.

<http://mashable.com/2011/05/24/how-to-use-google-analytics/>

To read some more about our case for an internet strategy, starting with a good website, read this article:

<http://www.inachee.biz/quick-tips/need-success-start-with-your-website-portraying-an-image-of-success>

Action points for you

Google search for the following:

- 1. An understanding of pay per click advertising**
- 2. Free website hosting companies and CMS.**

3. Re- write all your sales/marketing material to focus on customers' afters

Imagine what you could learn from someone who was voted Britain's Sales Trainer of the Year and who has written a best seller book? Well, I was privileged to travel to sunny Malta to attend a sales training course conducted by Andy Bounds. Andy Bounds is phenomenal because in his own words: "I had to explain things to my blind mother".

This enabled him to see things in a different perspective. Andy is blind in one eye himself. His best seller book is called "the Jelly effect".

I first attended Andy's courses in 2009 (the year he won Sales Trainer of the year). Shortly after that course, while working for a Top 10 audit firm, we made a pitch for a forensic audit examination. We won the job it was worth £42,000. We had previously only won those in the region of £5,000.

What did we do differently? We changed the focus of our document.

Previously we had started off with information like:

"We were founded in 1994. We are experts in x, y, z".

Andy gave us a few powerful messages:

"Customers do not care what you do, they care about what you cause"

We therefore changed our pitch to focus on the results that the client wanted. In this case our first page spoke about how we would give them assurance on whether there was fraud or not. Our last page then spoke about us. Previously it had been the opposite; us first, customer last.

Next Andy had told us: *"Facts tell, Stories sell"*.

So for this pitch we focused on practical examples of similar clients for whom we had provided the same service. We were very specific.

This instantly differentiated us from the competition (who included a "Big 4" firm) who used generic examples and listed client names.

The client didn't care about generics and "name dropping" (by the competition) they wanted to know what we could do for them specifically. Name dropping only helps if it is relevant. We were spot on and the client loved us for this.

What Andy was telling us was in essence this:

Customers want to know two things:

- That you can deliver what they want (their afters).
- They want certainty on how you will deliver this (facts, stories, testimonials, case studies)

Action points for you:

1. Change your sales material and focus first on the benefits (immediately).

2. Speak to us to know how we can work with you step by step to develop sales material that will help you stand out.

4. Implement a system of quality control

If you deal with clients and regularly send them documents like invoices, letters and correspondence, do me one favour: make sure that you check those documents once, twice and if possible by a second person.

Why? Customers or others perceive quality from simple things and it is often attention to detail that separates a good quality firm/company or individual from an average one. A spelling mistake, forgetting to check that the document has included the relevant details the customer asked for and the like are more critical than you think.

In this day and age, with so many alternatives, you might only get one chance to impress. Don't blow it!

If you are a small entity or a one person team, start by ensuring your spell check function is turned on. Secondly, consider having a colleague (even one unconnected with your function) to check documents, products or even reports to give them that "sense check."

Imagine you are the head of procurement and you receive an invoice from a supplier and they have forgotten to include their VAT details or a current telephone number or got the quantities wrong. Does that instill confidence in their ability to delivery?

If you do not have the internal technical capability to review documents (say accounting records or legal documents), or products then outsource this expertise but do not put the reputation of your company on the line. There are a few things that separate good firms/individuals from the average ones.

Quality delivery is one of those.

For a small firm, the easiest means of ensuring quality control is through having a segregation of duties. This means having someone independently checking your work, your products etc. You will be surprised at how many mistakes or errors can be picked up by this second review process. If you don't have internal capacity, enter into a contract or arrangement where say outsource this and you pay them a retainer or a per piece rate. If it's a part time role, the extra money as well as a chance to use their expertise will benefit all.

Action point for you

1. Find an independent reviewer - Who do you trust to act as an independent reviewer or checker in your firm?

5. Follow up with past leads and customers

Any seasoned sales person will tell you that the average person buys a product or service after 4 objections! Some even say customers only buy after 7 objections!

Let me paraphrase that, the customer will typically buy after you reach out to them between 4 and 7 times. We are going through a global slowdown and therefore customers are increasingly more careful about how they spend. It therefore means you need to reach out to them more than once.

Likewise you will have heard countless times about the 80/20 rule. 80% of business will come from 20% of customers. These 20% are usually existing customers.

So how do you reach out to these past leads (someone who expressed interest but didn't buy) and likewise win more business from existing customers?

One simple alternative is to maintain an excel spreadsheet of telephone and email contacts of customers who express interest in your services. You can then send them periodical emails (via say a newsletter), say once a month to ask if there is any way to help them. Make these e-mails informative as well. You can tell them about a new service or product range you have introduced. It is this new information that might pique their interest and brings you business.

Another alternative is to invest in an excellent follow up program. For example assign staff to relentlessly follow up past leads or customers or set aside one day a week in your organisation (say Friday afternoon) for every one to review their emails and past records for potential customers.

Action points for you

- 1. Collect emails from current and potential customers. E-mail them regularly, say once a month to provide updates on your company, new services etc.**
- 2. Set aside some time to dedicate to following up with previous leads.**

About us

To find out more about the work that Inachee is doing to help businesses in Uganda to succeed including its thought leadership series on: sources of finance for business, the best sectors for investment in Uganda and 1 minutes management tips, visit:

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