

# Balancing Act

Building Business & Realising Vision

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## The Clear View

### 'Internal Struggles in a Tough Market'



One of the challenges in a tough market is to get your strategy set & deliver it using the resources you have! Your internal team is important in trading through this period – they have the knowledge, experience & contacts to see you through. How you manage the link between strategy & staff will be integral in how you perform over the next 12-18 months of this 'crisis'.

Plan your strategy carefully, match your human resources to that strategy and don't fall into the trap of easy cost-saving by a quick reduction of head count. I have seen many companies cut back on staff to a point where they have gone too far, with some of that crucial knowledge, experience & contacts being lost and the strategy fail because of this gap.

These companies, who were poised to take advantage of weaker competitors, now cede that position and become one of the 'weak' themselves! It may be the quick answer to your problems but how many times have we become frustrated in the past because there are not enough people or capacity to get the job done for us? Don't become one of these organisations!



Another element of driving a strong strategy is to ensure every stakeholder in that strategy has a clear understanding of everyone's role in the business. Your team needs to know what they are supposed to be achieving and are then supported by a consistent system for monitoring that performance. Business leaders must make time for these important functions – it is too easy to let it fall to one side in the busy daily environment we work in but time invested here will be worth it in the long term.

Many businesses have lacked developing that structure - clear lines of responsibility & clear ownership of the task by the team empower & build responsibility to the end goal. You don't have to be a large corporate to achieve this – you just need to communicate!

Look at the resources you have, the clients you service & team that is available to deliver profit in a tough market. Work with what you've got rather than cut too close to the bone for limited short term gain. Any subscriber that wishes to contribute to Balancing Act, can contact me directly on [mark@mcsbalance.com.au](mailto:mark@mcsbalance.com.au) or 0433 252 483.



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## The Industry View

INTERVIEW with Michael Carter – Practice Paradox



### Are beliefs holding back your team from selling more?

Changing peoples' behaviour is hard. If you focus solely at the behaviour level you will most likely fail. Here's why:



A person's behaviours stem from their beliefs and their beliefs from their values.

Shifting a person's values is also very difficult. You need to employ people who share the appropriate and compatible values in the first place.

Values are like the tree trunk, beliefs are the branches and behaviours are the leaves. If you address a person's behaviours without attempting to first understand their underlying beliefs, you are merely 'hacking at the leaves' of behaviour. This is futile. You might bring about, at best, a short-term change in behaviour, but in the medium and long term, a person's behaviour will shift back into alignment with their beliefs and values. At worst, if you address only a person's behaviours you will bring about resentment and resistance.

Beliefs, on the other hand, can often be shifted as long as a new belief is compatible with the person's values.

A common value of business owners is 'service'; providing service to and helping others. They like helping their customers/clients; that's one of the reasons they got into business in the first place.

In a business, team members also often share this same service value. However, often the *beliefs* stemming from that value differ from the business owner's.

Do you have team members in a sales role who believe it is good service to only provide customers with what they ask for? They don't like to 'hard sell'?



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You, on the other hand might believe that good service is ensuring customers' needs are fully met and that this often involves educating customers about their options.



Let's look at an example from a travel agency where we discovered that the travel consultants were merely "selling the flights" to customers and were not even selling important options like travel insurance.

Once we discussed this as a group with the business owner and her travel consultants, the team agreed that if a person did end up requiring medical attention or hospitalisation whilst overseas, that it is likely to be a financial disaster for the customer. They also agreed that the customer, in hindsight, would think that the travel consultant should have explained this risk to them and offered them the option of the insurance.

The problem was, the young travel consultants had never experienced that; they had never had a customer actually require medical treatment whilst overseas. The business owner, on the other hand, had seen the financial hardship that a lack of travel insurance can bring.

So I asked the business owner, "How do you discuss the travel insurance option with a customer?"

"It's easy. I just tell them about a couple of horror stories I read about where uninsured travellers ended up incurring many tens of thousands of dollars in medical expenses just because they didn't have any travel insurance. In fact, I have a couple of news clippings about this."

After first ensuring we shifted the travel consultants' limiting belief we then built a system to support the desired behaviour. Soon the travel consultants started to consistently discuss the topic of travel insurance—and other options such as accommodation, car hire, shows and stopovers—with customers.

Sales of options such as travel insurance began to rise.

In fact, the average number of items per booking increased from a paltry 1.1 to over 3 items per booking.

The effect on the business was enormous, especially when combined with a dramatic improvement in conversion rates of enquiries to bookings. (You can read more about that in the Book Preview.)

This means that not only did we **more than triple the business' revenue, profitability increased** by a greater magnitude because the optional products provided greater margins than the core product, the flights.

Next time you aim to bring about a change in your team's behaviour, remember to first 'go upstream' and consider your underlying beliefs that support that behaviour. Discuss these beliefs with your team and ask them about their beliefs.

Once you feel you have achieved an alignment of beliefs, then you can address the skills and systems required to support the desired behaviours.

If you'd like to get in touch with MC you can email him at [mc@practiceparadox.com.au](mailto:mc@practiceparadox.com.au) or telephone +61 7 300 900 23

## Name:

Pete Accini

## Job:

Owner of BA Creative



## What does your business do?

We design beautiful and effective websites, brochures, logos, flyers – you name it, we design it

## What do you enjoy about your work?

The testing of our creativity and the freedom of running your own business

## Greatest Career Challenge?

Staying fresh

## Greatest Career Success?

Moving to Australia (from the UK) and starting a business that has grown year on year.

## What would you say to the PM if you met him?

Can I borrow your ute?

## Celebrity you are most like?

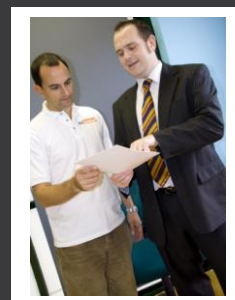
With a 'tache I am scarily like Freddie Mercury

## Favourite Restaurant?

Becofino – the best pizza this side of Roma

## Motto or Favourite Quote?

I wouldn't say we're the best designers in Brisbane but we're definitely in the top one.



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