

experiences. All these categories are about making a difference to the level of business success. All the usual stuff must be in place – like financial and quality control – and it really helps if you've got money to burn. BAB believes that all categories provide the potential to improve how you do business by up to 5%, and sometimes more. They provide a potential opportunity to increase business performance by up to 35%. Finally, any improvements can quickly be put into practice. These are the seven categories:

## **The Seven Categories of Best Business Practice**

Gleaned from BAB Clients, Tony and Clare in Interviews with Leonora Soculitherz

1. Design your unique offer in memorable words and images.
2. Aim for price/value leadership with maximum margins.
3. Win more business through super efficient, continual activity cycles.
4. Switch on maximum power through awesome selling.
5. Be known for focused and super productive people.
6. Build your reputation, internally first, as a great leader.
7. Just make brilliant deals; time after time.



It is fair to say that it took many years of informally comparing client performance and their clients' competitors' performance, before the BAB directors began to realise there were a number of defining categories of activity that seemed to make some businesses stand out from the pack.

They didn't bring this know-how with them to the BAB from previous experience of either family business or previous employment. Indeed, how could they? Clare's post graduate employment was at the giant Metal Box company and Tony's seven years after graduating were spent, including gaining a post graduate business qualification, at the equally large NCR Limited. Both these companies had already established product leadership in various market segments.

Then they worked for the same employer, Amway UK Limited, where, as CEO, Tony had a more direct impact on business strategy. There again, however, it was more a case of implementing a successful formula and working on the people part of the total offer. The market leading position was established worldwide and the products, pricing and distribution channel were all given.

Tony's parents had their own pallets and boxes sales agency business, which Tony's mother carried on running for a number of years after his father's death. Clare is a director, and her husband Charles is the executive in



charge of two highly successful, family owned, commercial property businesses. Their parents' business ownership certainly led both of them to appreciate 'going it alone' was more likely to put you in charge of your own destiny. Nevertheless, it is only in retrospect, after working with hundreds of other companies, that they can now define some of the differentiating success features of their own family businesses. This is what they said.

## **1. Design your Offer in Memorable Words and Images**

“ Every year or so, most chief executives and business owners should spend an away day with us, just being quizzed about the clarity of their business offer(s) to their prospective customers. It may seem over the top, but it is no more over the top than individuals deciding to go to a health club for a detox. weekend. There is no doubt that organisations get so involved in making their business offer, that they lose sight of whether it is both appropriate and clear. We know we need external help ourselves in this area and this is, of course, the value of a high level business coach.

Naturally, we've had many clients over the last eighteen years that showed total consistency in this area and have so touched the hearts and minds of their customers that the away day with us might be wasted. Three in



particular are Bose, Dorling Kindersley and Steelcase – all market leaders (2xUS, 1xUK) in their respective fields of sound systems, publishing and office furniture. Bose is business-to-business for much of their range, but is also remarkably successful with their 'Acoustic wave' music systems. Steelcase is business-to-business and Dorling Kindersley has, sadly, mainly abandoned what was an exciting direct-to-consumer route, but remains highly successful in traditional publishers' channels.

What is most revealing, is that anyone in their target market will describe them in the words and images these companies have used to influence their target audience. In contrast, if you're not in their target market, you probably won't even be able to describe what they do. All (see 2. below) charge a higher price than their competitors and none may win mainstream design awards, yet their use of design, words and images is unsurpassed. In all three cases, they see marketing as having to give a direct return on investment. They don't go in for back rationalisation of why they adopted a particular marketing campaign which didn't increase prospects or sales of the ' it was useful for awareness raising' type.

In all these three cases, we can safely say that the clarity of their business offer, which includes building a great brand, permeates right through everyone in the organisation



and their suppliers too. We strongly believe in honing and polishing the words for the offer, before giving it to the designers to create the images to fit the benefits and meaning within these words. ”

Tony regarded it as a great thrill to learn so much by working with Steelcase account managers, helping Peter Kindersley and his executives at Dorling Kindersley at their London studios and visiting Bose at Framingham, near Boston, Massachusetts, before assisting their European operation in the UK. In 2003, however, I only accompanied Tony and Clare overseas on their respective holidays and to Belfast for the excellent 48th World Conference of the International Council for Small Business.

BAB has worked in some exciting locations since 1986, but it is typical of this assignment that they didn't whilst I was shadowing them. I haven't even been to visit Tony's school friend who owns the legendary York Beer, Wine and Cheese shop.

## **2. Aim for Price/Value Leadership with Maximum Margins**

“ All three of the companies above would be regarded as charging the highest prices in their sectors for their products. Indeed, potential salespeople are often scared that the pricing policy may make their



job impossible and the accountants and researchers worry about the ability to compete at these higher price levels. BAB says pricing policy is part of the offer and is really a job for the entrepreneur/leader of the organisation. Whether you're high, like these three companies, or low, like Amstrad, (where Alan Sugar had a great sense of what new products to buy at what price), you need to aim to lead your sector in perceived and actual highest value for the price. Your aim should be for your customers to see you or your products as the best value for that price.

For example, Duo-Fast UK, a client since 1987 and a leader in the power tools and fastenings industry, was already regarded as the top priced organisation in this highly cut throat and discount-happy industry, selling to the construction industry, caravan makers, pallet/box makers, etc. In the mid nineties, we were involved in helping them to set up a direct-to-the customer catalogue and telephone order operation for the thousands of very small businesses and one man bands on whom their sales force could never call.

This meant the Duo-Fast products would now be competing with an even lower priced competition in power tools – tools that you'd buy directly or hire from the builders' merchant, or even buy a non commercial alternative from high street shops and catalogues. However, what Duo-Fast did was



to maintain its price position, whilst loading on the value of the extra features available with their product – technicians at the end of a phone, increased productivity, safety, easy repair and so forth. The direct-to-customer operation was a success and, through direct marketing and referral, took market share from their competitors.

As consumers, we've all experienced how new entrant bars (e.g. Wetherspoons, All Bar One), coffee shops (e.g. Costa) and restaurant groups (e.g. Ask) enter the market with high prices, but with enough features to be seen to provide a great value experience. In Scarborough there's a couple who set up Café Del Mar 15 months ago. They took over a derelict old shack, used previously for wet suit hire and empty for quite a few years. It is situated in the North Bay, which has far fewer attractions than the South Bay. There is a much larger, famous, Council-run corner Café about 100 metres away, whose prices are about half those of the Del Mar and there is a cheap and cheerful tea-and-chips take away 100 metres in the opposite direction. Café Del Mar serves great coffee, cakes and snacks and the environment is continental and relaxed. Business has boomed from day one; it is now licensed and is building an extension. We could all have done this, but only this couple did it, with a good offer with price/value leadership, despite the unlikely environment.



The point is, that in order to trade successfully through being able to invest in quality materials, great design,



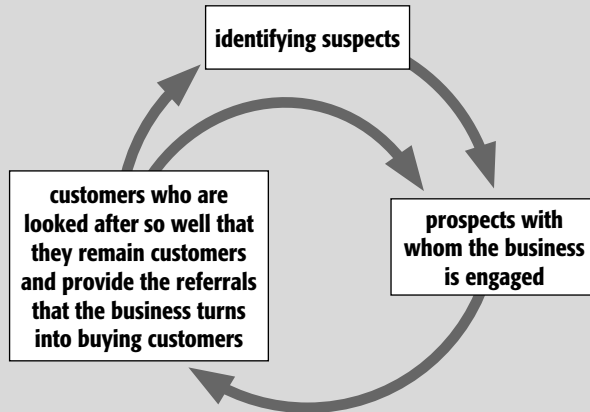
*Price/Value leadership*

bags of extras and appropriate marketing, you need the margin that comes from value/price leadership. From time to time, we see organisations suffering in effectiveness because they don't understand how important this price/value leadership is. Even government departments or agencies, instead of adding value to their offer, (e.g. a training programme), just discount or subsidise the service heavily, or offer it free. To the private sector, it just looks like throwing away money in order to achieve a political target. Spending the budget looks more important than providing real value to the customer. Without high value in the price relationship, it just leads to the customer viewing the offer with suspicion and indifference. ”



### 3. Win more Business through Super Efficient Continual Activity Cycles

BAB regards the continual activity cycle as the 'heart beat' that they look for in any business. They say that they look at the strength of the whole process of:



Areas into which they probe further, include questions about:

**whether the cycle is in operation every day of the year at its most effective level**

**whether the right resource, effort and abilities are being put into the cycle**

**whether any of the parts can be improved – prospect identification, marketing, selling negotiating, customer care, referral gathering and so forth?**



## **Leonora Soculitherz probes for more detail**

I asked them both to name one of their previous clients who provided a business-to-business-service and whom they believed operated a super efficient continual activity cycle. Clare chose TACK Training and Tony chose Duo-Fast power tools.

Leonora Soculitherz:

### ***Does the continual activity cycle only work well with a conventional sales force?***

Tony Robinson:

“ Not at all. It is just as important where the seller is the provider of the service and manages the customer account. For example, I really admire Michael Davis, Managing Director of Centre for Enterprise. I’m proud to be a non executive director of the Centre for Enterprise and I see the activity and the results which come from Michael working these continual activity cycles on a weekly basis at least. I’m sure he’s not consciously aware of working the cycle, but you can see where he makes a massive personal contribution to the organisation and, take my word for it, he works this cycle. Most entrepreneurs do so almost instinctively. The problems in effectiveness usually occur when they have to delegate what they do naturally. By working this continual activity cycle,



Michael and his team have moved the Centre from a £few hundred thousand organisation into a £multi-million 'enterprise do tank'. The work of the Centre is really valued by all their customer groups, from entrepreneurs and managers in small businesses, to local partners, such as universities and colleges, through to government departments and agencies.

”

#### **4. Switch on the Maximum Power of Awesome Selling**

Leonora Soculitherz:

***Why is BAB so adamant about and focused on the importance of high level influencing, negotiating and selling to the achievement of a business's potential?***

Clare Francis:

“ I think it's because we've seen at first hand just what a difference it can make. We've designed bespoke programmes and trained the trainers to deliver training to increase the skill levels of people at all levels, from account managers to directors. It is most satisfying to be told that your work has really made a difference



*Hat selling best practice  
– one style only*



to business performance, as measured by sales. Equally, it is infuriating when you see an organisation wasting a huge amount of money on marketing, when they haven't got the sales competence to turn positive leads into orders.

As a business, we certainly enjoyed the time when BAB was working simultaneously with a number of direct selling companies, running the Sales Qualifications Board (NVQs in Selling, Sales Management and Telesales) and designing bespoke account management, consultative selling, negotiating and marketing skills programmes for a wide range of companies in different sectors. From the motor industry to computer software, from financial services to construction, from consultancy and training companies to government agencies, we designed and delivered totally bespoke programmes, appropriate to the issues and environment of the particular client.

I think the reason we found it so rewarding was our continual proximity to the people who were responsible for making business happen. We could get close to their success and we knew our contribution was really making a practical difference.

In contrast, when Tony later became immersed in trying to improve the learning and skills support on offer to people starting and running small businesses, our satisfaction levels dipped a little, because we couldn't see the results immediately. Many clients, such



as Clerical Medical International, Steelcase and Prince, together with smaller, unknown companies and even some unusual ones, like the Race Relations Employment Advisory Service, used to ring us some weeks after training or coaching events to update us on the positive results that were starting to be felt as a result. You can't really beat that for positive feedback.

Personalities count a great deal too, when it comes to satisfaction and salespeople are particularly positive. I very much enjoyed the contact that I had with many of the Sales Directors either on, or through the Sales Qualifications Board (SQB). They ranged from companies such as IBM, Nestlé, Sun Alliance, Smurfit and BT to a number of smaller companies. The Board had a very committed chairman in Richard Berry, Director of the Direct Selling Association, whom Tony and I knew before we started BAB.

Looking back on the work we did with SQB, it is incredible how much we all achieved on a very small budget. These achievements covered the development of occupational standards in selling, researching sales force effectiveness, marketing and promoting the qualifications and it also included assisting with the development of the Institute of Professional Sales.

Our work didn't go unnoticed, since it was our work with both the SQB and the Meat





*Clare leading a copywriting course*

Training Council that led the Department for Education and Skills to ask us to see if we could achieve something similar with another Lead Body for occupational

standards. That organisation was the Small Firms Lead Body, now SFEDI, and the rest, as they say, is history.

Nowadays SFEDI is well run by Christine Tolson and has an excellent team, fully supported by best practice research from a thriving Research Advisory Group. SFEDI policies and work are grounded in common sense by a board of directors who run their own businesses and the organisation goes from strength to strength in improving the support and learning provision that owner managers get throughout the UK.

However, I still think our best and most satisfying work as writers and developers of learning and promotional media, is in increasing sales of products, services or programmes. Our role in increasing sales is to provide those doing the selling with the right sales support media and the appropriate skills for whatever they are selling.

From calls and letters we receive, I know that the most appreciated sections in our "Essential



Guide to Earning a Living From Independent Consultancy” are those that deal with ‘Winning the Business’, which includes DIDBAB, (Deliberate, Introduce, Diagnose, Bridge, Agree and Build), which is really a consultative selling model we developed. You just can’t succeed in business, particularly as a one person, specialist consultant, if you can’t sell your offer effectively. Everyone needs these skills to some degree, not just professional sales people. ”

## **5 Be Known for Focused and Super Productive People**

This point, and the next two on leadership and deal making, are those about which I discovered BAB was most asked to speak and write articles. Indeed, in the first six months of my shadowing, Tony averaged at least two conference presentations a month on the theme of leadership and people development in small businesses and there was certainly a published magazine or journal article each month. Consequently, if you have this book, it is likely that you’re already aware of the BAB’s views on these matters, so I won’t repeat them in full here.



## **Some Light Relief: Leonora Soculitherz takes over the narrative for a time**

To summarise in my own words, therefore, BAB firmly believes that small, owner manager-run businesses can have a real edge over larger businesses with the return they get from investing in their people. Further, more large businesses would be wise to pick up some of the good practice that is taking place in small businesses.

One of the areas in which both Clare and Tony campaign, is to prevent the HR profession foisting on small businesses 'boiled down' versions of people management and development solutions from big business, in the mistaken belief that it will be 'good' for them. Most large businesses delegate some of the responsibility for people matters to Human Resource professionals. As a result, formal people policies and procedures can begin to get in the way of everyone's ability to innovate, to take responsibility, to build up skills and knowledge useful for every aspect of the business and to provide outstanding customer care. Larger businesses do more formal training, but there is enough evidence to suggest that the informal training that takes place in small businesses is equally, (or more), productive.

In the late eighties, BAB was involved in the early research on the possible benefits of



the Investors in People Standard when it was just a concept. Consequently, in 2001, when Tony significantly cut back the time he spent on the Small Firms Enterprise Development Initiative, he was delighted to be asked by Ruth Spellman, Chief Executive of Investors in People (UK), to act as their Small Business Champion. This involves him spending a few days a month helping Investors in People (UK) to increase the take up of small businesses working towards the Standard. Hence, when it comes to a recommendation on business improvement through getting the best performance through happy and extremely productive staff, Tony has an understandable bias. This biased recommendation is, of course, to “work towards the Investor in People Standard”.

While I shadowed Tony, he spent time speaking at conferences to small businesses, membership organisations for small businesses and other organisations that represented or advised small businesses. The message was always the same: “Investors in People is making both the Standard and associated advice, small business-friendly. Working towards the Investor in People Standard is proven to bring real, bottom line business benefits for small businesses.” Indeed, Tony and Clare wrote a number of publications for Investors in People (UK), so that people who provide information and



professional advice to small business owners are better able to recommend the benefits of becoming an Investor in People.

Tony is also really keen that not only HR professionals, but also increasing numbers of small business advisers, mentors and coaches, should be trained to help their small business clients achieve the Investor in People Standard. He also believes that businesses likely to take on a number of staff in their start up year, (for example businesses in hospitality, manufacturing, sales agency, technology and research), would do well to start up using the Investor in People Standard as their model for good people practice.

A Small Firms Advisory Board for Investors in People (UK) also recommended that the Investor in People Standard, and the good practice associated with it, should be freely accessible to small businesses. As part of this, Tony recommended the development of a free, small business 'people issues' site, run by the web-based, business information provider, ICP Europe, and their Managing Director, Ian Jindal, (another entrepreneur Tony really admires).

The site –

[www.yourpeoplemanager.com](http://www.yourpeoplemanager.com) – makes available to small businesses 'How To' guides, developed by ICP Europe business journalists, edited by Clare to ensure small business friendliness, and subsequently endorsed by SFEDI. During 2003 the number of small



businesses using the site exceeded all initial expectations.

As the Investor in People laurel leaf is recognised by over 90% of the public and nearly all businesses, Tony also believes that achieving Investors proves to your future recruits and customers that you have great staff, focused on achieving the business objectives. Good news all round.

## **6. Build your Reputation, Internally First, as a Great Leader**

BAB believes there is no hiding place for business owners who wish to be successful entrepreneurs. They need to lead their teams, lead their suppliers, lead their customers and lead by example. After intensive quizzing of Tony and Clare, I set out in chapter two what these leadership skills are, and how they can be gained.

It is perhaps worth adding though, that the starting point for developing and practising these skills should be in your existing internal environment. Start with your team, existing coaches and advisers and customers with whom you already have a strong relationship. Put yourself in new situations with this group. For example, if you hate speaking in public, but recognise that the opportunity to present your business would be really useful for future business development, then create the



opportunity to make your first presentations within your existing, warmer, friendlier, internal environment.

The benefits of a top coach are proven in sport and Tony believes the fastest way to develop as a leader, is by asking a coach to help you. I asked Tony whether, at his daily rate of £850 a day, it wasn't also a very expensive option? "Let's say the cost is £1000 per month. I wouldn't even start working with someone if I didn't feel that they would get a return of many times that monthly fee in increased business success, measurable in new sales, productivity and profit. Remember, when new skills are developed, they go on earning for the business leader forever more. Your coach helps you maximise your performance to achieve the goals you set."



*A Maggot Leadership Programme*

## **7. Just Make Brilliant Deals – Time after Time**

From their observation of and work with hundreds of successful entrepreneurs and owner managed businesses, the BAB directors are convinced that if there's an important business deal to be struck, entrepreneurs will want to do it themselves.



Entrepreneurs are always on the look out for new opportunities, or new business ideas, that will lead to making new, profitable deals. Rich rewards can follow from a willingness to do a deal that might not have been done before, with a customer, a supplier, a backer, or a member of staff. The owner of the business can also take more risks than an employee when doing a deal. This attitude is epitomised by a friend and subsequent client of the BAB Directors – Peter Taylor – who will be a guest at the Café Royal. Peter is very successful and aims to retire soon to America. He already spends his summer months driving his sons to play in the junior golf circuit. Peter's success is built on his excellent win/win negotiating skills. He's made his money from brilliant deal making, primarily in the office furniture industry and in property.

Peter is just one example of successful deal making. It's likely that every single entrepreneur/business owner at the Café Royal will be able to reflect on successful deals that they feel resulted solely from their own abilities. Everything I've laid out in categories 1 to 6 above will assist entrepreneurs with brilliant deal making – time after time. In fact, I see no reason why I shouldn't take this brilliant blueprint for entrepreneurial success that I've just written and launch my own successful venture as the Leonora Soculitherz copywriting and coaching for business bureau – or has that been tried before?

