

Running a Business is Easy!

OK, so it's not easy running a business, many mountains to climb to achieve sometimes minor goals. However there are many small things that can make a big difference. Take this opportunity to spend a little time on these seemingly less important things.

The little things can work for and against us.

You may have experienced someone going that extra bit further for you; how did it make you feel about them or the company they represent? For many this puts the company far ahead of the others and yet it was only a small thing.

The little things can work against us too. Imagine buying some flat pack furniture and finding when you get home that you're missing one small part? The sinking heart or the anger rising as the solution you bought brings additional problems. For the want of one small thing! You'll appreciate it doesn't take much to turn a customer off.

Unofficial PR

It's the small things, positive or negative, that go to form an unofficial public relations campaign for any company.

People like to have a story to tell and, in the absence of anything better, they will talk about those little things, good or bad.

'The straw that broke the camel's back'

It's not just customer service where small things have large impacts.

Many organisations work at the extremes of their capacity. With holiday season upon us Heathrow is a prime example. The airport runs in excess of 80% capacity, this means that if something relatively small goes wrong the effects are considerable. BAA no doubt place considerable emphasis upon risk assessment and awareness.



Common amongst smaller businesses is the issue of stretched resources and over use. These resources include staff and the Directors and Managing Directors. Everything is being pushed to work at maximum capacity leaving little leeway for errors or issues.

Stretched resources create more errors, cause more problems, and in some cases lead to catastrophic outcomes.

Often little time is devoted to reviewing and monitoring risks, possibly because it isn't seen as providing a quick return or that it takes valuable resource away from revenue generation.

A solution

So what if you find yourself in that position, you and your team are stretched almost to breaking point? It's going to be lots of small things that will make a tremendous difference.

'A journey of a thousand miles begins with a single step'

The first step is to take a little time to identify some of the key risks. Spend some time now with our second article this month to go through some of the key elements of risk assessment.

There is a lot to be said for getting everyone involved and, because you're looking at small things, it can work well to delegate the responsibility for the small things to those who are closely involved with customer service or operations

Who Would Have Thought?

Many have been affected by the recent flooding. It is likely that we will all feel the effects over the coming months in some way.

As is always the case, it is worth looking for a positive from any disaster. One such positive is the motivation to undertake a complete risk assessment.

Many larger organisations have formal procedures in place. We are going to look at a more practical and workable approach.

A lot of risk assessment is triggered by experience – ‘how can we make sure that doesn’t happen again?’

Unfortunately, statistics show that 40% of businesses affected by natural disasters fail within the following 12 months, hence a little time spent on risk review can show a considerable return on investment.

What if...

There are two elements to consider when reviewing risk

- 1) The likelihood of it occurring
- 2) The effect of it occurring

So, for example if the likelihood of top floor offices being flooded seems negligible, what about the knock-on effects?

- No access to the office
- Lost papers, data & time
- Lost customers
- Loss of confidential information
- Lost time or opportunities
- Focus taken away from the key objectives of the company.

These can easily lead to the collapse of a company, even with insurance.

The initial assessment was taken on the basis that the office was above any possible flood level but no time was taken to think through a likely scenario and the resulting consequences.

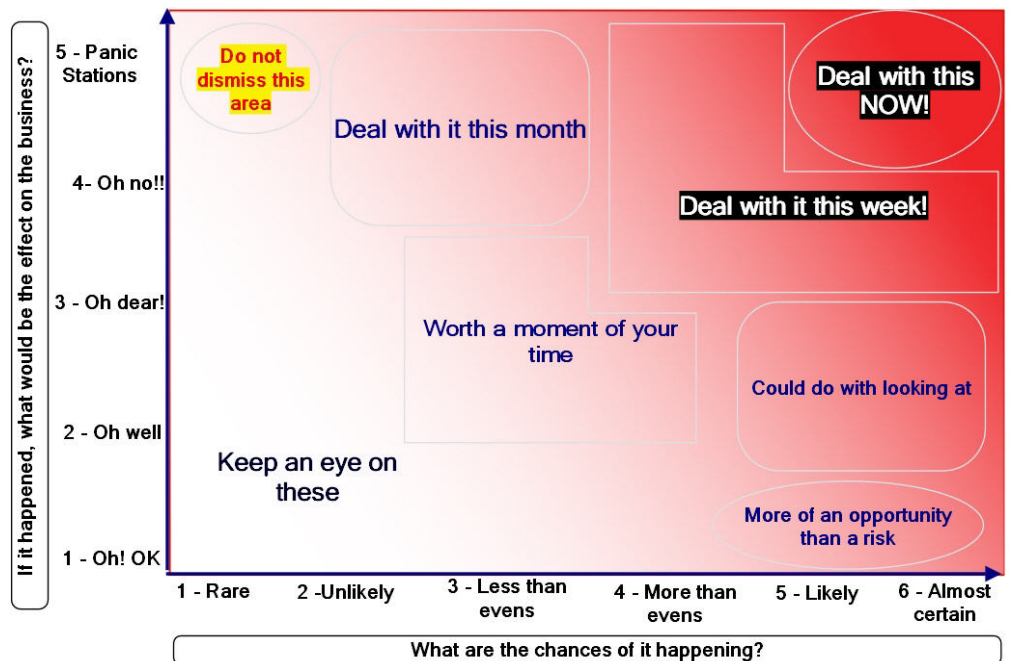
What to do

Over the coming months via this newsletter we will focus on one aspect of business and provide a short piece to enable our readers to ensure they are ahead of the game.

The chart below is a simple tool to help identify what risks need to be monitored or minimised in some way. By assessing the likelihood and the impact of an event and plotting it on the chart you will establish an order of priority.



Ask all your people to contribute as it is essential to have a varied as well as a balanced and impartial view taking account of as many different perspectives as possible.



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More useful information, advice and tips coming up next month