

Thinking Things Through

STRATEGIC PLANNING AND EFFICIENCY CAN IMPROVE YOUR BUSINESS

Just where did the phrase “off the top of my head” come from? Essentially it refers to “quick and approximate answers.” It comes from instinct, not strategic thinking. I’m all for gut responses at certain times but it’s pretty clear to me that a good combo of “off the top” and thoughtful decisions are at the heart of sustainable businesses.

As a customer-service focused electronic systems contractor (ESC), there’s little opportunity to offer quick and approximate answers to most questions coming from your clients. Your clients want to know for sure what you will do and what fun and comfort it will bring them. They might be OK with your “off-the-top” ideas, but when it comes time to make a decision you had better have things thought through.

In recent conversations that I have participated in, there’s been frequent discussion about reactive business behavior and a healthy debate about short- to long-term strategic planning. The former I believe stems from the current market conditions in which we find ourselves. Some would say business is bad and that the economy is in the tank. Others would say that new opportunities are growing in the market and simply aren’t ripe for picking.

In the case of those facing a tough business climate, it is natural to react to outside influences. Price cutting is the legendary response to, “We don’t know what else to do, so we lowered our prices.” Yes, it is accepted as routine, but eventually it causes issues for smaller businesses such as ESCs. In our world, we know more, we have access to the best products, and we understand how to work with architects, electricians, and homeowners better than any other residential contractor on the planet. But then there’s the dreaded price question and the Internet where prices are always published. I don’t know of any instant plans of attacks on these issues, but when I think about it, I keep coming back to the perspective that new business is growing but not yet ready for harvest. You should decide how you want to go after future business, but you will need to assess your current state of



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affairs to ensure that, in the meantime, you will have a sustainable business.

CONTACT OLD CLIENTS

The first thing to do is call up previous clients and see if they are still enjoying the systems you installed in the past. Someone is likely to have been thinking of an upgrade and will probably go for it simply because of your call.

TALK BUSINESS

Seize the opportunity to talk with your customer about their businesses. There’s a pretty good chance that your clients are business owners themselves and therefore can relate to another business owner seeking some insight on how to keep things strong, how to turn things around, or how to be productive until the next harvest.

BE POSITIVE

Take a walk over to the glass is half-full thinker’s table. There’s fertile land here. Even if there’s a small crop at the moment, these people have operated their business successfully and have obviously done something right. It’s with these folks that you want to connect. Expect the conversation to be positive, forward thinking, and spirited.

OTHER OPPORTUNITIES

There are upcoming opportunities for strate-

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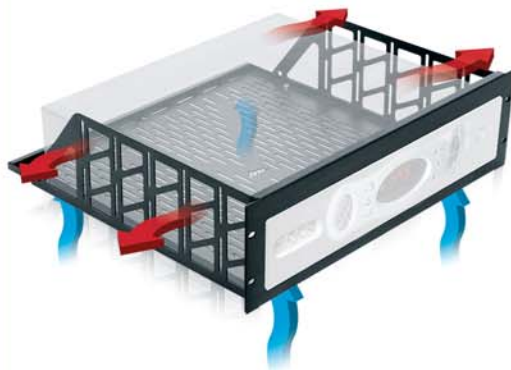


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gic-thinking ESCs. There are new homes being built—always are, just fewer of them. Get a share of that business. The people who are looking at homes in a chilly market still enjoy home theaters and automated lighting. Adjust your thinking to packages that are scaled to a more modest approach.

There's the retrofit or remodel market. Admittedly, this work requires strong outreach and marketing effort to acquire business. Have you ever taken a serious look at your marketing activities? Do you have a suitable business flyer or newsletter to send out to any and all clients and prospects? When is the last time you involved your business in a community event or a fundraiser?

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Finally, and my favorite, is to sell more expensive systems. This may sound odd following the notion of selling modest systems mentioned earlier, but not every business is suited for that—just like some are not suited for selling larger systems. It's best to be one or the other.

SELL UP

This is the foundation of our entire industry. We sell luxury, performance, style, décor, fun, and comfort. I don't think anyone needs what we sell, but they do want it, and they spend a lot of money on it. In the 1980s, we sold flashy-looking, custom face-plate components, walk-in freezer-sized TVs, in-wall speakers, and pink pre-wire. Today, the product has come a long way and there are many more people willing to pay for it. Talk with your employees, network with your peers, and ask your reps about new products that can help you step up what you do. It won't happen overnight, but it probably will build momentum until business is great again. ■