



[Talking Technology](#) [The fourth way to grow a business in prioritized steps](#)

By Steve Burns, Capital News contributor

In our series on the four ways to grow your business, we have looked in detail at three of the four ways namely:

1. Increase the number of customers of the type you want to have.
2. Increase the number of times customers come back.
3. Increase the average transaction value of each sale.

In some ways the fourth way to grow your business is the glue that ensures that you keep growing your business consistently.

In other words, by improving every process of your business, you will be able to attract the type of customers that you want to have, increase the number of times they come back and increase your average transaction value.

But where do you start with improving your business processes?

The answer to this question really depends on the specific type of business that you are in and what your customers are telling you.

Notice that I didn't say "do what you think is best" or "start anywhere."

In fact, I think that you absolutely need customer feedback prior to starting any business process improvement project.

Customers will tell you what you need to improve in your business. They will also tell you what isn't broken so you don't inadvertently fix it.

Suppose, for example, customers tell you that your response time to their concerns could be improved.

How would you go about improving this?

There are several ways to look at this issue. Let's say that you are a software company with support contracts in place.

Customers are telling you that your response time just isn't fast enough. They also tell you that it often takes several calls for their technical problems to be resolved.

I would want to know what different levels of support that you currently offer and how well you are performing against your stated benchmarks and against your competitors.

For example, if you promise your best support customers to respond to them within one hour, how frequently do you meet or exceed this performance standard?

How well are your competitors doing in this area?

I would want to analyze the details of your support call business process more specifically—are your support calls fairly evenly divided or do you have a few customers that take up most of your support time?

If so, there may be a training issue that you can address.

Alternatively, there may be a different support category and pricing strategy required to support this level of commitment.

There may be a host of reasons, including the customers trying to have all of their issues resolved in one support call—what software companies call the "support list of questions," that can be killing your response time.

It could also be that the types of questions that your support team is being asked are better asked to a customer service representative.

Another possibility is that your technical team just doesn't have the required knowledge to resolve the customer's problem on a timely basis.

A critical question in the support business process is whether or not your support programs are actually generating bottom line benefits.

I have seen way too many software companies spend enormous resources on support but never look at the profitability of this service offering.

I am not saying to not provide support but I am saying to offer support profitably.

It could be that your bottom line is bleeding support ink.

While there are many techniques that will help you to analyze and improve your business processes, including Total Quality Management techniques, Six Sigma techniques, ISO techniques, Lean Manufacturing techniques and Supply Chain Collaboration techniques, I have found that a very simple framework is often the most useful.

My approach is to find out three things about any business process:

1. Time—How much time does it take to complete this business process now?
2. Cost—What does this business process cost overall and on a per transaction basis?
3. Quality—What quality control measures exist within the business process?

Within the Time, Cost and Quality framework I also look at the organization itself, the specific process steps, the people involved and the technology used.

Based upon this “as is” information, I then look at the stretch goals for the time, cost and quality improvements that I want to make.

These goals are built into what I call the “Process Improvement Action Plan.”

This Action Plan is not complex and helps your business stay focused on the key actions required to improve your business process.

Staying focused can have a profound impact on your business.

In summary, if you want to grow your business get with your customers to determine what should be improved upon and in what priority.

After you have prioritized the processes, chose one process to improve within the next six months.

You will be pleasantly surprised that by focusing on only one business process and by setting specific, stretch improvement goals, will naturally start to improve your business' overall performance.

The fourth way to grow your business can be the most rewarding to you, your team, your customers and your bottom line!

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