

RETAILER: Developing your retail business

TILL SIDE TRAINING

Pathways for learning

The RETAILER programme aims to provide practical resources for independent retailers in the Eastern region, backed by the support of intermediate mentors and the RETAILER website www.independent-retailer.com

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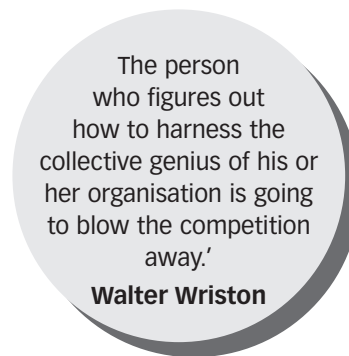
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Introduction

Trying to give something away for free can often be more difficult than selling something. This is the trap. If it is free, we may feel that we do not need to sell it. But sell it you must. And the key to selling anything is to create the perception of value, not from your perspective, but that of your 'customer'.

If you are in a position to be able to conduct a simple needs analysis, then the value of what you do will be apparent. If, on the other hand, you do not have the time you will have to promote the benefits of training and position this material appropriately. We have, therefore, provided several pathways that correspond to identified needs within small independent businesses and added some explanation that may help you to successfully position it within the business.



There is no such thing as FREE training. While these training materials are supplied to you at no charge, you will need to invest your own time and energy and the time of your employees in educating yourselves. And time is money.

So, this is a form of contract. We supply the materials and you supply your time. And who will benefit? You see you cannot lose.

At the end of this document is a simple form. Note down what you plan to learn by reference and description. Say for example, you spend half an hour reading and absorbing the lesson in a Till Side Training Talk. Then another half an hour practicing and learning to apply what you have learned, note this down on the attached form against the Till Side Talk that you have already noted down. Then give the Form to the person who supplied the materials to you to show what you have done and what you have learned.

Fair exchange?

What is more, all these materials form part of a Diploma in Small Business Management, information about which you should be able to obtain from your local college of further education.

You can, of course, go through all the materials one after another. However, it makes more sense to study by subject area, where the subject matter relates to your particular needs. So, here are some pathways that relate to particular areas of business.

Business entity

‘One of the most fruitful sources of ruin to men of the world is the recklessness or want of principle of partners and it is one of the perils to which every man exposes himself who enters into business with another.’
Sir R. Malin

‘The most important thing in communication is to hear what isn’t said.’
Peter Drucker

Every business is required to be a legal entity. But what type of legal entity should your business be? These topics explain your choices. But, before you commit yourself to anything, you should take legal advice.

Publication	Reference	Description
Family	S3/T8	Ownership of the business
Family	S3/T2	Sole traders and limited companies
Family	S3/T3	Partnerships
Family	S3/T4	Limited liability partnerships

Business planning

‘Ultimately, vision gets translated into sales and profit, growth and return on revenue, but the numbers come after the vision’.
John Naisbit

First you need a vision, something with which all your employees, partners and suppliers can relate. Then you need to do some analysis that will inform you of where you are and the commercial environment in which you operate. With this information you can set some objectives and then take those objectives as the basis for developing your plan. Most of your plan will be to do with marketing.

‘The central idea of marketing is of matching between a company’s capabilities and the wants of the customers in order to achieve the objectives of both parties.’
Malcolm McDonald

When you have done that, you will need to track the actual performance against planned performance. This will require access to information using a systematic approach and technology might be able to help you.

Publication	Reference	Description
Globalise	S5/T1	The importance of business planning
Globalise	S5/T2	Planning tools
Globalise	S4/T1	Setting objectives
Family	S4/T1	Strategic planning
Globalise	S2/T1	The Marketing mix
Globalise	S5/T7	Managing information systems
Globalise	S6/T4	Tracking

Finance

'The average cost of setting up a business is 11,000 Euros, one third of which is funded externally. The average time taken to raise external funding is one month, with 45% receiving funding within a week. Banks are the main providers of external finance, with family and friends an important secondary source.'

Barclays Bank

'Before you borrow money from a friend, decide which you need more.'

Anon

Profit may not be the reason for being, but it is the reason for continuing to be. All businesses require finance. All businesses require cash. And, having generated profits, how can you hang onto it. You also have other financial partners than your investors. So make sure your business is protected and pay your taxes. Lastly, how do you go about paying yourself and paying others?

Publication	Reference	Description
Globalise	S3/T3	Raising finance
	S3/T4	Cash flow
Family	S4/T11	Wealth preservation
	S4/T13	Tax planning and venture capital
	S3/T5	Tax implication for different types of business
	S3/T6	Remuneration – paying yourself
	S3/T7	Remuneration – paying other people
	S4/T12	Insurance

Management

Good management can make an enterprise, but bad management will destroy it. Management, at a small business level, is more of an art than a science. Here are a few skills that will help you to enhance your management style.

Publication	Reference	Description
Globalise	S7/T4	Leadership
Globalise	S7/T3	Motivation
Globalise	S7/T5	Training
Globalise	S5/T4	Decision making
Globalise	S5/T3	Problem solving
Globalise	S7/T6	Networking

'The boss is no longer the supervisor responsible for overseeing the detail of your work but is the coach, back-up, mentor and friend....'

Sir John Harvey-Jones

'Good leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive to completion....'

Jack Welch

Succession planning

'Nearly 50% of family businesses surveyed had not yet identified a successor.... Less than half of all successors who had been identified had indicated a willingness to be involved in the business.'

Bournemouth University Business School (1999)

'I've got three children working in the business, all of whom would like to take over from me when I retire. My eldest son assumes that he will inherit the mantle, but really it's my middle son who is the best qualified and has the best temperament. I'm scared to say anything in case all hell breaks loose.'

Shirley – Owner/Manager/Mother

'People don't plan to fail..... they fail to plan.'

Mark McCormack

Most independent shops are small family businesses, although these lessons will apply to any small business. For large companies, succession planning is regarded as the most important role for the board of directors. The future of the company will literally depend upon their choice. The same is true for any small business. Many small businesses cease to trade because there is nobody to take over when the founders of the business retire. And that is a poor reward for a lifetime of effort.

Publication	Referenced	Description
Family	S5/T1	What happens to a family business
Family	S5/T2	Options and plans
Family	S5/T4	Planning for family succession
Family	S5/T5	Choosing a successor
Family	S5/T6	Managing the process of succession
Family	S5/T10	Non family succession
Family	S5/T12	Selling the business – options
Family	S5/T13	Selling the business – planning
Family	S5/T15	Tax planning

Business audit and action plans 1-5

The Action Plans may look a lot of forms to fill in, but please do not be put off. Providing answers for the questions in the different sections will give you a base of information that will provide valuable data when you need to take a decision or when you are trying to inform yourself about your business.

Do not try and do it all at once. Take it step by step. This exercise is one that all large companies conduct right across their business and they regard it as one of the most critical activities that is conducted. It is a kind of 360-degree appraisal. At the end, you will understand what decisions have to be taken and you will have the information on which you can make your decision.

A three sentence course on business management: you read a book from the beginning to the end. You run a business the opposite way. You start with the end and then you do everything you must to achieve it.

Harold Green

You have to look where the (hockey) puck is going to be not where it is.

Wayne Gretsky.

A good business is nine parts implementation for every one part strategy.

Tim Berry

Pathways for learning

Name:

Company:

Address:

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..... Phone number:

Publication	Till Side Talk Ref.	Description	No. of hours study