

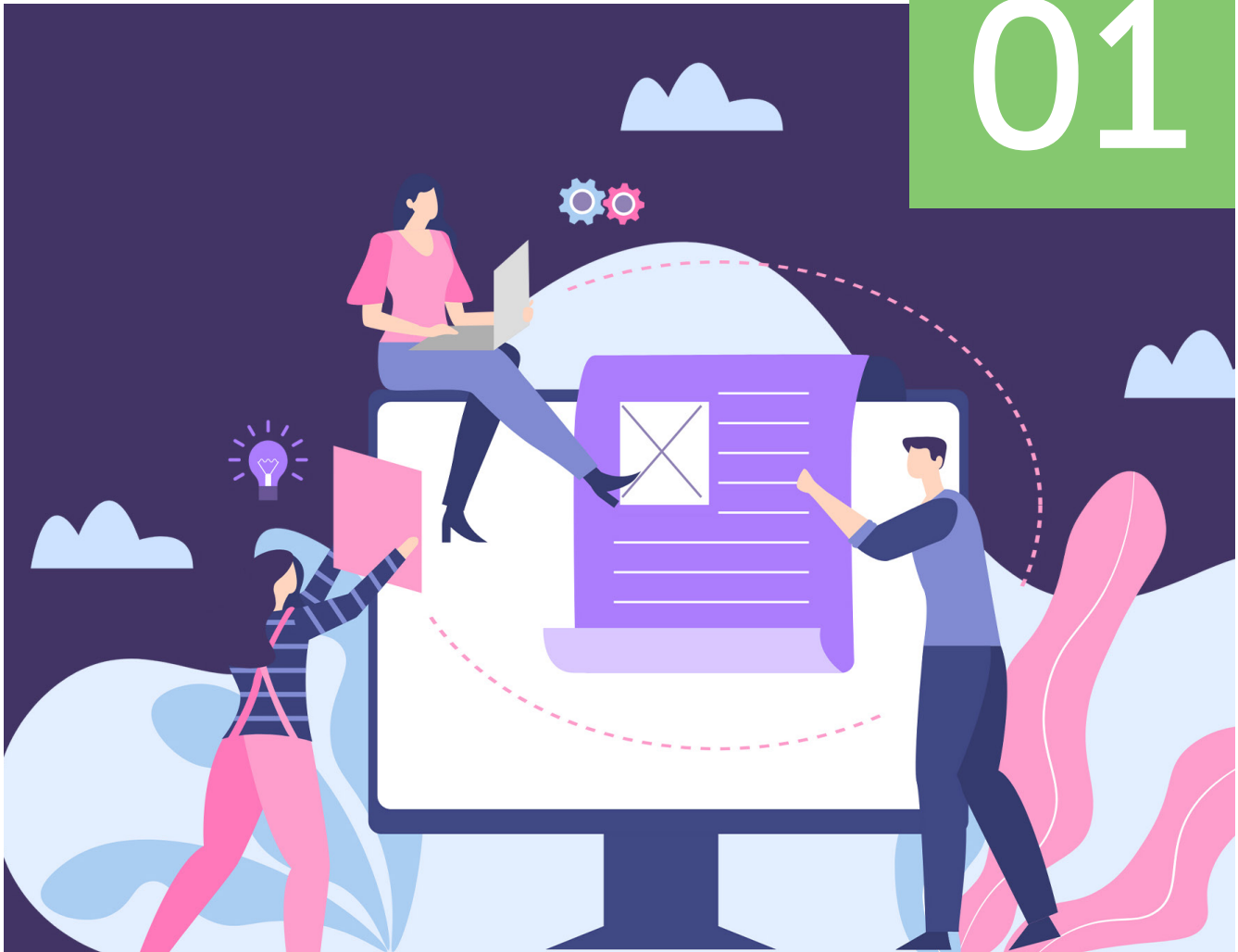


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GYB 2020

01



GROW YOUR BUSINESS

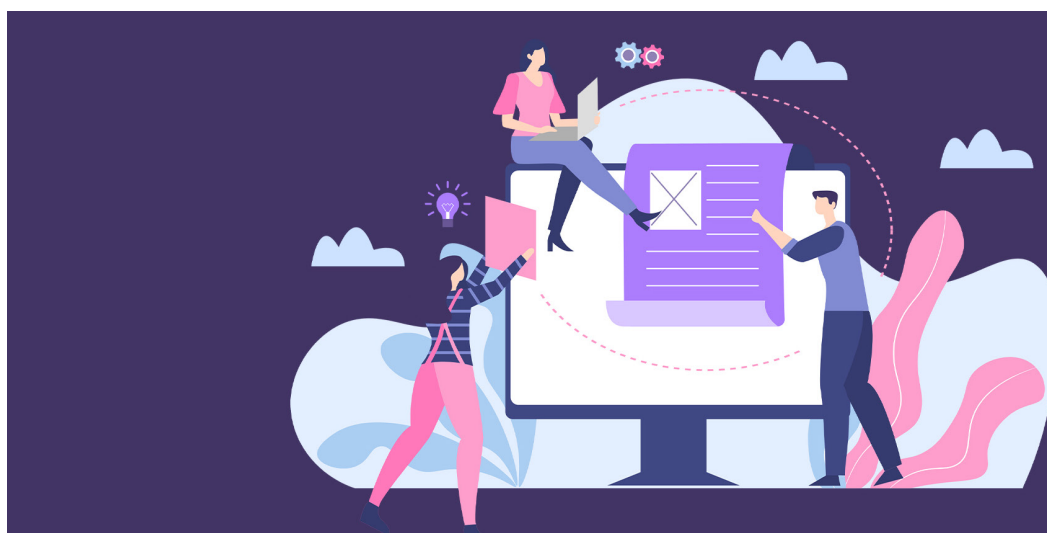
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Peer Groups - will they work for me?

Are you looking to kick off 2020 with a new way to boost productivity, and reduce costs? We have a great low-to-no cost way for you to do just that!

Peer groups have rapidly taken shape as one of the hottest trends in small business management over the last year.

Traditionally geared towards CEO's and executive leadership roles, this strategy can be implemented by any small business entrepreneur, no matter what title you may hold.

Peer groups build interconnectivity among your industry as well as encourage community engagement, another growing trend of 2020 to pay attention to.

The impetus behind the peer group bore out of a common mind frame amongst entrepreneurs, who struggle to find connection and purpose within

their communities, due to their isolating nature (especially in the start up phases).

Leaders started to see that this isolation was a fault and it was holding them back from connecting with communities and therefore creating trusting relationships. The peer group is a great way to forge those gaps.

Some of the benefits of forum-based conversations with like-minded entrepreneurs are that you will find yourself being challenged, pushing yourself outside of your comfort levels, raising your own expectations and setting goals you didn't realize you were missing.

These groups are based around interaction, support, objectivity, experimentation, accountability, motivation, and emotional support all in a safe and trusting space.

Conversations that are same-level-support-based rather than a traditionally mentorship driven are more fruitful, because they are based on shared experience at the same time- every one is talking from the same trench, as opposed to the "when I was in the trenches" format of a mentor-mentee relationship.

Luckily, this trend caught on quick and now there are a plethora of worldwide group options for any interested entrepreneur.

A short list of some to consider:

1. Entrepreneurs' Organization
2. Vistage
3. Young Presidents
4. Women Presidents Organization
5. 10x Factory



2020's Top Challenges for SMB's

Let's be honest, more doom and gloom is NOT what anyone wants to hear at the beginning of a fresh new year. But preparedness is how your business survives and thrives year after year so let's jump right in and face our fears!

What are some challenges we can expect to see rear their ugly heads in 2020? And more importantly, how can you ramp up efforts to prepare for the challenge at hand?

1. **Cyber attacks.** While it seems we have taken every possible step towards security, again and again, we saw companies, both big and small fall victim to cyber attacks. SME's are even more vulnerable because it does not take much to immobilize. **Prep:** Call your security provided and get down to brass tacks. This is an area you don't want to skip in- get yourself up to date, schedule follow ups and check ins and get educated on what to look out for.
2. **Content isn't cutting it.** It's going to be a lot of work, folks, but here we

go! Content continues to be king and it needs to be of the most desirable kind. It's likely as an SME that you aren't putting a huge effort into staying on top of trends in this arena, though this is a mistake in 2020.

Prep: Consider a story making app (like Storyboost) to help you get up to speed and keep things flowing smoothly.

3. **Climate change of the political nature.** Globally, we are embarking on a historic year in politics and one that will have trickle down effects on varying scales when it comes to businesses. **Prep:** Make sure that you are being an aware player – knowing your surroundings (just like in the wild!) is the best way to be prepared for huge changes. Staying informed is going to be key.
4. **Culture compromising.** Whether or not you foresee 2020 to be a growth year for your small business, paying attention to your company culture is going to be very relevant. When things are chugging along smoothly,

or in the middle of a growth spurt, we easily forget some of the guidelines we set out as to what kind of business we wanted to be.

Prep: Your culture is what defines you, its what makes your business unique. Do not falter on what you've designed to be the guardrails of your organization- incorporate them into your growth plans and always check back to ensure you are staying true.

5. **Speed Matters.** With communication literally at our fingertips, consumers are living life at breakneck speed. When it comes to business feedback, they will wait for nothing- you will be a blip on their horizon before you know it if you are not being militant with your customer feedback systems. **Prep:** General rule now is that replies must be addressed within 5 minutes if you have a chance at connecting and converting. Consider a service like Happyfox to manage your customer support if you are struggling to keep up.



Bridging the Skills Gap

As in 2019, the skills gaps data continues to show trending upwards- meaning that gap is widening, more businesses are feeling the strain and there doesn't seem to be much of an end in sight.

What does it mean? It means that we are experiencing lower than average unemployment rates and employers are experiencing difficulty filling jobs as job pools get increasingly more shallow.

It means that our workforce is leaning heavily towards skills-based training and not degrees. It means that we are creating a divide that is widening slowly and will cause an economic downturn if we cannot close the gap.

It's likely as a small business, you are experiencing some of these hiring woes. Which puts you squarely in the same boat as Jamie Dimon, CEO of JP Morgan Chase who says:

"Unfortunately, too many people are stuck in low-skill jobs that have no future and too many businesses cannot find the skilled workers they need. We must remove the stigma of a community college and career education, look for opportunities to upskill or reskill workers, and give those who have been left behind the chance to compete for well-paying careers today and tomorrow."

So how can you, like JP Morgan Chase, bridge the skills gap? Some ideas below:

1. Encourage staff to take community college classes, at your expense. Treat this as an investment for both yours and their futures- they learn the skills you are seeking to fill in your business and they are armed with knowledge and a new skill.
2. Step up your internal training initiatives. Schedule more intensive and frequent training sessions and cater them particularly to fill your exact needs at the time.
3. Challenge your own talent acquisition procedures. Assess the current workforce and apply it more realistically to your needs. Ask how many? Where will we get them? What skills will we require? Do they exist in our market? Will we need to 'create' them through training?
4. Focus more on aptitude and attitude. Skills can be taught, education can be continuing, what is important is finding talent who show the aptitude to succeed and the attitude that match your company's culture.
5. Rework your onboarding, training and development plans and make them detailed and desirable- this will keep you competitive in a staff-starved workforce.

Overall, remember everyone is experiencing this issue right now. Carve out small changes that will most directly impact your own operations and focus on those.



Hot take: Focus on Profit instead of Revenue

Feeling the itch and ready to tackle growth in 2020? That's great! But take a pause and really pay attention to your business plan- are you focusing on profit or revenue?

"Revenue is the top line of a financial statement. Its a straightforward calculation. It represents the number of products sold multiplied by the price.

I like to think of a profit calculation as a way of thinking if your idea is worth doing. If there is going to be value to your idea. Profit is the bottom line of every financial statement...So, to figure out the profit of an idea, you have to figure out every single expense. "

—Entrepreneurs Handbook.com

It's a very common mistake made by small business owners when they are considering growth to focus on the wrong one, at the wrong time.

Focusing on profit means focusing on every single detail of every single cost that will be involved with actually getting this product/service off the ground- the expenses factored into the calculation from the very beginning.

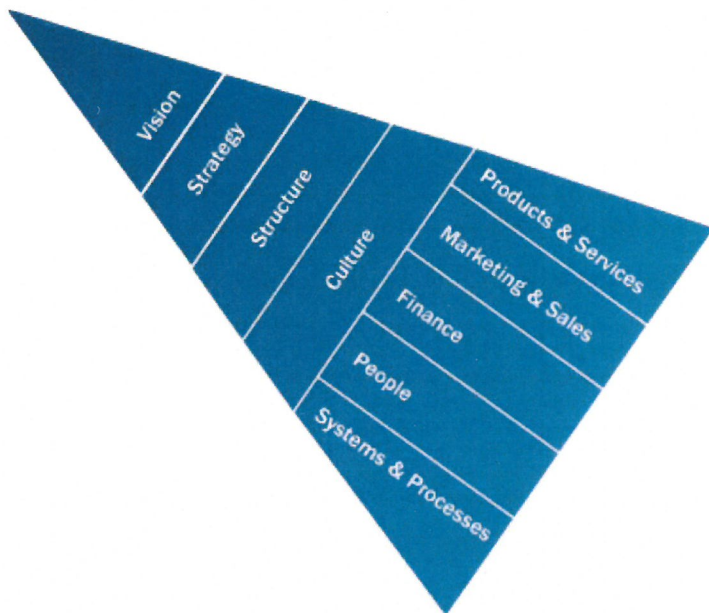
When you do this, you are setting yourself up for experiencing higher revenue numbers, with the stepping-stones to climb to that number, rather than harboring the unrealistic expectation of overnight million dollar ideas.

Another slippery slope is getting too focused on valuations and investors. Once again, these things aren't going to matter if your product has no value in the end and the business/service/ product never gets off the ground.

To focus on profit growth, consider:

1. The state of your industry, in relation to the overall economy
2. How big is the market and how fast is the hole being filled?
3. Where are your start up funds and other capital currently coming from?
4. Who else, if any, is also going for this market opportunity?
5. How are you protected against the competition (patents, TM's, unique business indicators)?
6. Does your competitive advantage have a shelf life?

Profits will allow more selectivity when it comes to who invests with you, it will create flexibility in the when's/where's and how you consider investments and valuations. With profits, you have options.



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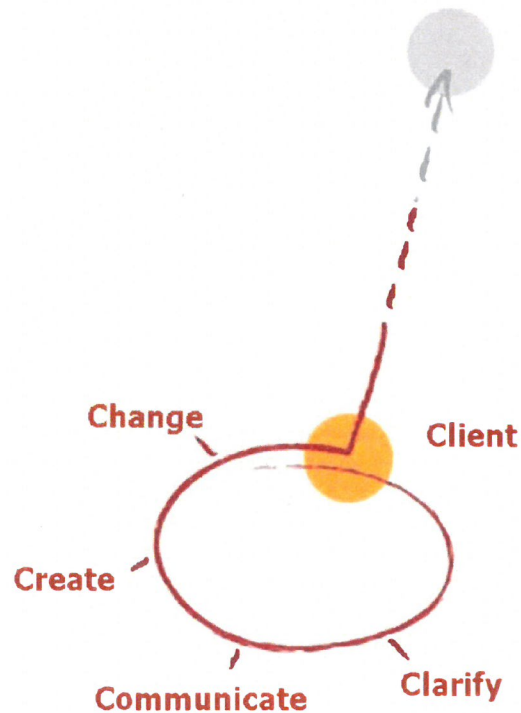
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- Accounting Software Training
- Management Control & Systems Evaluation
- Valuation & Cash Flow Projection

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