

## How To Waste Your Time in Small Business

If we were asked to write a primer of Small Business philosophy, we might settle on two principles from which all things flow:

The first principle is simply,  
“The most valuable asset I have is my good name.”

The second principle is simply,  
“The scarcest resource I have is my time.”

In no particular order, here are some proven ways for you to waste your time and money in small business.

### Join a referrals group, and fail to market to the group.

For the past 6 years, I have watched people come—and go—consistently making this mistake. The idea behind the group is simple: all the members become your unpaid sales force, and provide you with personal testimonials and sales opportunities you could never reach on your own.

It’s a proven concept that works. But its success hinges on the member doing his or her part by first earning the trust of the other members. Opening the door to earning the trust can be as simple as asking to meet someone over coffee. Or it might be a free demonstration.

I’m not suggesting you need to make a blood sacrifice to earn someone’s trust, but simply showing up for the weekly meeting won’t get the job done. You need to be more proactive than that.

However, for years I have watched people come and ultimately go without ever having made or received a significant referral. They failed—didn’t even try, really—to sell to their own sales force.

They wasted their time. And everyone else’s, too.

### Failure to Followup

We’ve all done this. All of us. And it’s unnecessary, too. You work so hard to get a quality sales opportunity, and you have paid for whatever combination of advertising or promotional activities that work for you.

And when you get the sales opportunity, you make a fine presentation, or demonstration, or showing in your store.

Your offering is a good fit for your prospect, the prospect is clearly interested, and is close to buying.

But, the prospect doesn’t buy that day, and you graciously make a plan to follow up later. You mean it, too.

However, unless sales and marketing is head and shoulders above all your other responsibilities, you may never make that follow up.

And you—we—all of us—miss closing an unknown percentage of sales we have earned, all because we failed to followup.

You wasted your time.

### Fail to Follow Up on a Referral

Want to combine the first thing I talked about with the second? Earn a referral from someone in your group, and then not make the call.

You just told the prospect, who may be looking forward to talking to you, that you don’t care about their business.

That’s also what you told the person you referred you in the first place. Don’t look for many referrals from that person.

Repeat this process several times in the same group, and you’re dead meat. They’ will continue to smile at you and joke with you, but never, never, never, will they trust you with their friends and business associates.

### Do These Things Really Happen?

Most emphatically, they do. These things happen often, probably way more than most of us realize.

My referrals group does not track followups on referrals. Maintaining those kind of statistics is a paperwork hassle, and we don’t want to turn our group into Big Brother, anyway.

But I can tell you from personal experience as a member of a group in its 6<sup>th</sup> year of operation that a member who treats his or her referrals with respect is going to do much better than will someone who doesn’t follow up.

And the people who follow up not only with the referral, but in particular the source of the referral are the ones who do the best of all!

This article focused on the second of two principles—time is my scarcest resource.

I would argue that the first principle—my (your) good name—can be linked very closely to the second.

If you get a reputation (name) for treating your customers, the friends of your referral sources, and your referral sources with respect, you will build the reputation you want.

And you will find your business generating additional business more efficiently.

Therein lies the paradox: increasing effectiveness in the use of your marketing time may generate more money, but also generates more demands on your time.

There are solutions for this problem, but that’s a topic for another day!

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