

*SPECIAL
REPORT*

THE 7 HABITS OF HIGHLY CHILLED Small Business Owners



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Introduction

Success in Small Business starts by building great habits



In 35 years of being around small business, I've learned what works and what doesn't. In this report I want to introduce you to 7 small business owners. These 7 people are some of the most inspiring people I've ever met, and together they've taught me an important lesson about small business, namely that:

Success in Small Business starts by building great habits

I call these habits the 7 Highly Chilled Habits, and these 7 people embody the Habits like no others.

The 7 are real business owners and I've been given permission to share their names, company names and website details in each of the stories.

I hope you'll find their stories just as powerful as I've found them over the years. Each of the stories will take you a couple of minutes to read, and at the end of each story is a short exercise you could carry out to start the process of making the habit your own.... I suggest you get a special notebook for these stories and practices... it will make a difference.

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Highly Chilled Small Business Owners*

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Habit #1

Be Dependable

Highly chilled business owners make great promises... And keep them.

Quick summary: In order to build a Highly Chilled business you have to do everything in your power to look after your customers and your customers have to learn that they can depend on you.

“It’s all about trust”



— A client I worked with a while ago, imports wine from Europe, that he sells to restaurants around Australia. One of his labels, a particularly cheeky Rosé, sold out one day and his suppliers In Italy were running behind fulfilling his orders. The situation wasn't going to be resolved for at least a month and some of my client's favourite restaurants were going to have to substitute another Rosé on their wine lists.

Not only were sales lost in that month, some of the substitute Rosés from other distributors stuck.

My client lost several big accounts in that month, costing him tens of thousands of dollars in lost revenue that year alone.

When working through this challenge with my wine importing client, I was reminded of Colin. I first met Colin in the eighties in my early days as a builder in Sydney. Colin owned a builder's timber and hardware store in the inner city and I became a regular customer of his. This is his website:

<http://www.swadlingtimberandhardware.com.au/>. Colin was a grumpy bugger, but he ran a great business, far superior to most other hardware stores.

One of the things that made his store so great was that they always had what we needed in stock. They virtually never ran out of the things we needed and on top of that he generally delivered same day.

I asked Colin once about the enormous range and quantity of stock he carried. It looked, to my inexperienced self, like an expensive business to run. All that money tied up in stock. Colin's response was brilliant in its simplicity, and I've always remembered it:

"I can't sell what I don't stock".



Colin continued to build a Highly Chilled business. By the time I left the building industry, he had 6 massive stores all round Sydney and most professional builders in Sydney had a trading account with one of his stores. We all relied on that simple philosophy of his.

My client the wine importer, now keeps a minimum of 3 month's supply of any label he sells in stock, because Highly Chilled business owners make a habit of making great promises to their customers, and their customers know they're in the habit of keeping them.

Colin's is a Highly Chilled business and Colin is a Highly Chilled small business owner.

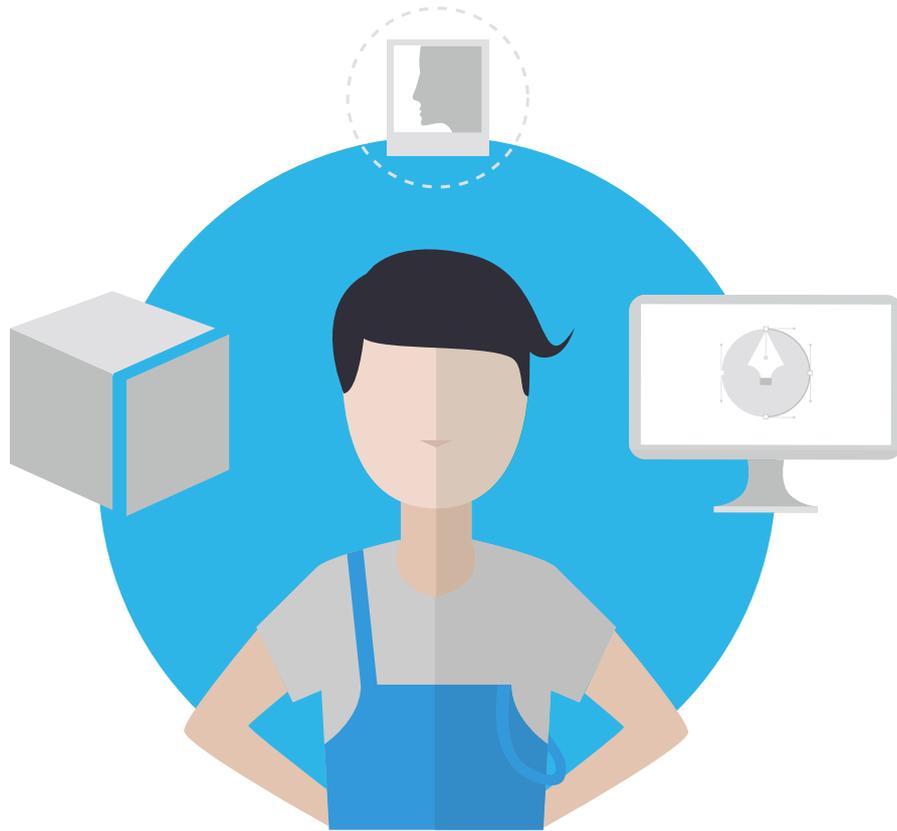
[CLICK HERE](#) to read more about what your customers expect from you and what happens when you deliver.

Practice Highly Chilled habit #1:

Take a look at all of the promises you make to your clients.

Ask yourself: Do I go to every length I can to fulfil every promise I make?

Do I, like Colin, have everything in stock my clients expect me to have in stock? Or if I say I deliver in 24 hrs, do I actually deliver in 24 hrs, always?



Habit #2

Be Specific

Highly chilled business owners develop a niche that's an inch wide and a mile deep.

Quick summary: In order to build a Highly Chilled business you have to stand out from the crowd. In the 21st century it is possible to develop profitable markets for very narrowly defined niche products and services.



In 2004, I was working with Andrew. At some stage we were discussing his challenges in selling one of his IT services. I asked him to consider if there was enough of a market for this particular service. Andrew said: "Good question... I might sell the world's best buggy whips, but the market for buggy whips just isn't that buoyant anymore."

Andrew had a great insight. He ended up ditching this particular service and focusing his energy on two other services. His business never looked back.

But as we're getting close to the Twenties of the 21st Century, with ever increasing globalisation of commerce and traffic, it may actually be possible to build a Highly Chilled small business selling the best buggy whips in the world.



“The market for buggy whips just isn’t that buoyant anymore.”

I have a brother, Sebastiaan, who is doing just that, building a Highly Chilled small business that sells services that are so niche, so narrowly defined, that there’s probably less than 10 businesses in the entire world that offer what he offers, and even fewer that are as good as he is. This is his website:

<http://www.colourandbooks.com/>.

What’s more, there’s only a tiny number of customers for his product in most countries of the world.

Mining deep narrow holes

As someone once said: “Develop a niche, that’s an inch wide and a mile deep.” Sebastiaan has developed a niche that’s only a tenth of an inch wide, but it’s depth goes right through to the core of the earth.

And Sebastiaan and his business have built special tiny little shovels, a tenth of an inch wide, to ensure they don’t stray outside his niche.

They have become arguably the best “buggy whip makers” in the world, and because of that, their customers come to him from all corners of the world to have their super specialised projects completed. They know they have only one shot at getting it 100% right and Sebastiaan’s business simply offers the best chance at that shot.

Highly Chilled business owners develop their clearly defined niche, mine it as deep as it goes and have developed an iron habit, never to stray outside it. Sebastiaan’s is a Highly Chilled business and Sebastiaan is a Highly Chilled small business owner.

[CLICK HERE](#) if you’d like to read about another business owner’s journey to finding his niche.

Practice Highly Chilled habit #2:

Ask yourself: What am I good at, really good at, so good that I can be the best in my world at doing exactly that. Consider focusing your offer to your customers on that thing.



Habit #3

Be On Top Of The Numbers

Highly chilled business owners keep their fingers on the pulse of all the key indicators of the health of their business every week.

Quick summary: In order to build a Highly Chilled business, you must learn to love numbers and develop a habit to measuring the most important aspects of your business all the time.



Investigating the numbers

Narinder was awakened to the power of numbers, early on. He and I concluded that his first store was not performing to its potential and we were wondering what was wrong. So, we decided to investigate. The first thing we did was to measure which products and categories sold well and which didn't and which sections of the store realised most of the sales he made. Narinder divided the store in 12 different sections and with the help of his staff and some simple check lists he set about getting deeper insight into the shopping behaviours of his customers. A month later we had the stats.

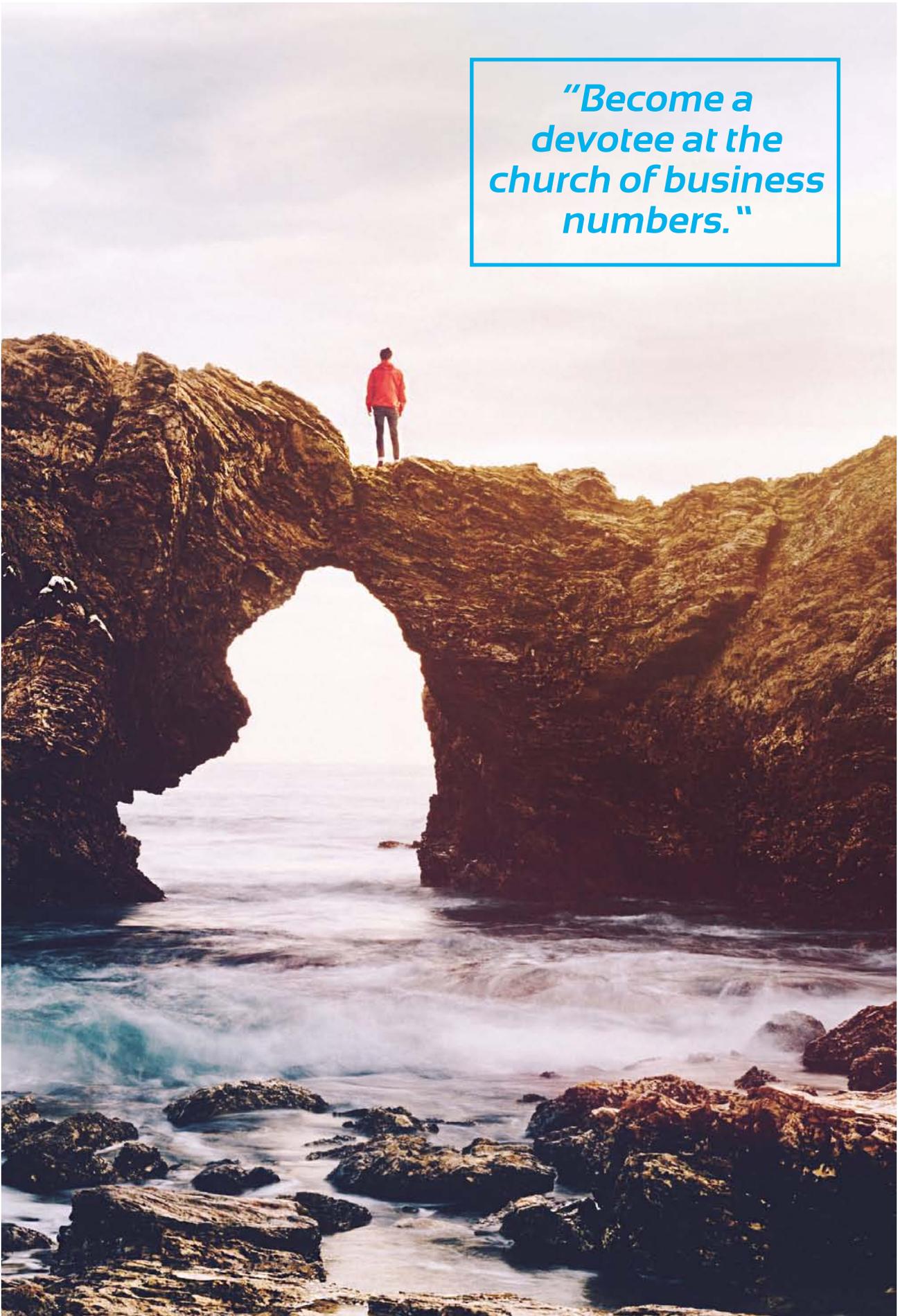
One thing that was immediately obvious was that 2 sections in the store were visited much less than any of the other sections.

The numbers made it very clear that people just didn't walk through those areas.

We decided then and there that the store needed to be re-organised and reconfigured.

Those two sections needed lower shelving, more light and a different mix of product categories in them.

“Become a devotee at the church of business numbers.”



Narinder pulled out all stops and within a week, the store had a completely different look and feel. A month later we we're looking at a 9% increase in turn over and 6 months later, sales had grown by 25%, with an improved Gross Margin.

Narinder became a devotee at the church of business numbers and these days, Narinder measures everything, every day, every week and every month, he's developed the habit of having his teeth in the numbers and he's never letting go.

Narinder's is a Highly Chilled business, and Narinder is a Highly Chilled small business owner.

[CLICK HERE](#) to read more about business and numbers and about the owner of a carpet cleaning business who used the numbers to get focused in his business.

Practice Highly Chilled habit #3:

Ask yourself what would be the 15 (or so) key indicators of the health of your business, across all aspects of business. Now ask yourself how you could have each of those indicators expressed as a number on a scale. Finally, instruct someone else in your business to get you those 15 numbers every week and every month in a single report.



Habit #4

Be Thrifty (with your time)

Highly chilled business owners constantly ask themselves if this is the best use of their time.

Quick summary: To build a Highly Chilled business you must get into the habit of always asking yourself: Is what I am doing at this moment the best use of my time?



Jacob is disciplined like few others I've met in small business. Jacob started his IT business a little over 20 years ago and now he employs 100 people or more all-round Australia and New Zealand.

The business runs largely without him. So much so that Jacob travels the world in style and has found time to start a new and totally different business besides his IT business. This is the website of his IT business:

<http://www.power-net.com.au/>.

If there's one habit that Jacob has disciplined himself to internalise, it's to constantly remind himself of the question: Is this the best use of my time?

The thing you can't buy more of

I sometimes ask small business owners what they think is the most valuable resource of their business. Generally, people mention, contracts, customers, stock, equipment, IP, their people or property, and while those are all valuable and important, none of them are as valuable as your time. Your time, as the business owner, is the only thing you cannot buy, rent, hire, beg or steal more of.

Hence whenever you say YES to doing one thing, it means, by definition, you're saying NO to doing something else.



“Your time is the most valuable resource of your business”

Jacob has learnt this over the years and he’s become rigorous in applying that lesson every day. Whenever Jacob is confronted with a demand on his time, he’s learnt to ask himself the following 6 questions

- **Does this thing “have to be” done now?**
- **If not by me, who else can this thing be done by?**
- **What would happen if I say “NO” to this thing?**
- **If I say “Yes”, what will not get done?**
- **Is doing this thing really the “best use” of my time?**
- **What would be a better use of my time?**

It means that Jacob has lots of time to do the stuff that matters most in his business, the stuff only he, the business owner can do, the stuff that makes the business grow and develop and make more money.

Jacob's is a Highly Chilled business and Jacob is a Highly Chilled small business owner.

[CLICK HERE](#) to read about my own experiences and observations of time management and procrastination.

Practice Highly Chilled habit #4:

As a small business owner, every day of every week there are more things for you to do than you have time for. At the start of the coming week, either the night before, or before you start your day on Monday, ask yourself: What are the three main things I want to do this week, to feel that I've moved forward in my business?

Now block the appropriate time to do those three things in your diary and only in the direst emergency allow those things to be moved in your diary this week.



Habit #5

Be Clear

Highly chilled business owners
say No a lot.

Quick summary: In order to build a Highly Chilled business you must have a succinct one-sentence answer to the question: Why does your business exist and why would anybody care about that?



In the early days of my building business, I basically tried to take on any building job that came along for any client that walk past my door. I was inexperienced in business, and I figured that we had to get to at least two million dollars in turnover if I was going to have enough money left over. The upshot was lots of frustration and lots of heartache, for myself and for some of my clients, and very little money.

Luckily, I learnt from my mistakes and I realised what we were good at and what we weren't so good at. Some years in, I decided to specialise and focus on renovations to old terraces houses in the inner city of Sydney. I had an affinity for the old terraces, and understood the challenges and opportunities. We developed an expertise in these projects and offered a unique package of building and design services aimed at the owners of terrace houses.

Building up the courage

Picking the niche started turning my building business around. But the biggest turning point came when I built up enough courage to start saying No to building projects that fell outside our narrow speciality.

I became happier, as did our customers, we started making money and we went well beyond the 2 million dollar turn over I had dreamt of early on.

That was the first time I learnt how important it is to be able to answer the Big Question of Small Business:



“Why does your business exist, what’s it on this earth for and why would anybody care about that?”

Our Purpose in the building company became:

“To make the process of renovating your terrace house a joy.”

In the past 12 years, I've helped many small business owners become absolutely clear about the Big Question and they build Highly Chilled small businesses.

One such is Jo. Jo has built a Highly Chilled web development business. This is her website: <http://redesignit.com.au/>.

Jo was struggling on many fronts, she worked day and night and made very little money. Essentially Jo was in the same place I was early in my building career. She took on every job that came up and felt frustrated and stressed.

Over a period of 6 months we went to work finding out about her strengths and weaknesses, what gets her out of bed in the morning and who her perfect clients are.

***"We make it
easy for companies
to do business
online."***



The day we nailed that statement, things started to turn around for Jo. It suddenly became easy to know where to direct her focus, which opportunities to say Yes to and most importantly which to say No to.

6 Months later, Jo is still working hard, but she's having fun, her customers love her and she's making money.

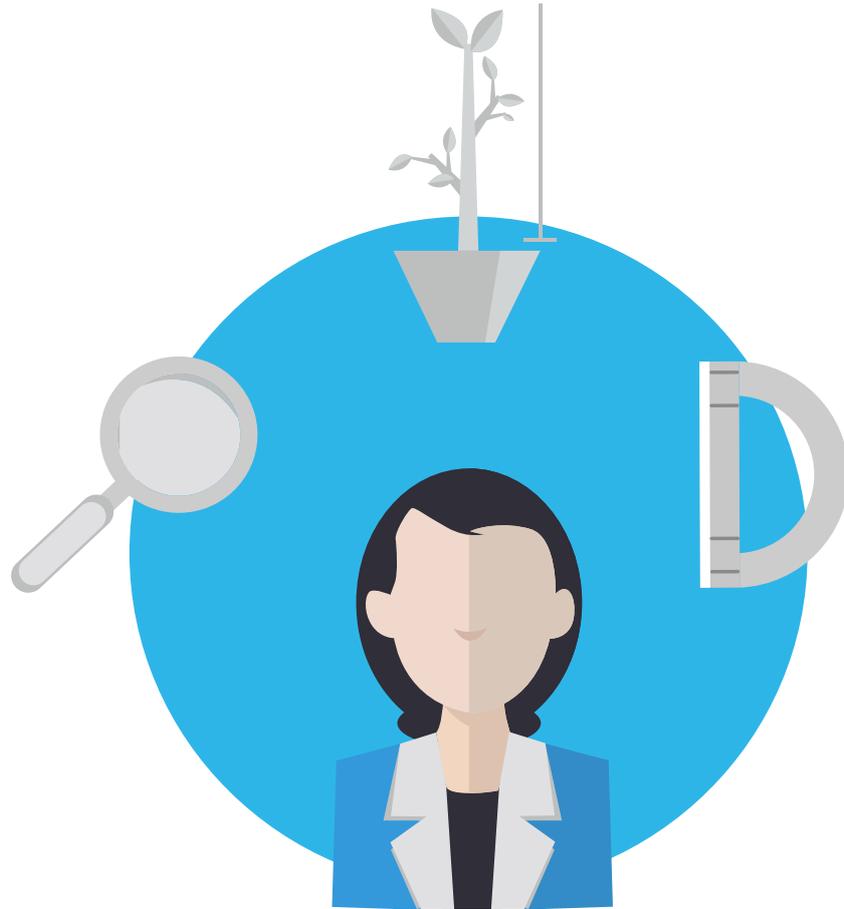
Jo's has become a Highly Chilled business and Jo is a Highly Chilled small business owner.

[CLICK HERE](#) to read more about the Big Questions of small business.

Practice Highly Chilled habit #5:

Grab a coffee or a wine and a piece of paper and pen. Brainstorm 50 sentences that start with the statement: In my business, we strive to... ..

It doesn't matter if some of the sentences you write down are silly. Simply writing down lots and lots of options will help you get closer to the Purpose (with a capital "P") of your business.



Habit #6

Be Careful

Highly chilled business owners always take the time to find the best people for the role.

Quick summary: In order to build a Highly Chilled business you have to put great people on your team, give them every opportunity to shine and remove the ones that don't fit.



Small business owners often lament they can't afford to hire great people, because the big corporates have so much deeper pockets. And small business owners often complain that managing people, young people, generation Y especially, is a night mare, because they think the world owes them a reward for just turning up and because as soon as you've finished training them they leave again.

And it's true, finding, hiring, engaging and keeping good people is the hardest thing you'll do in your business.

But it's meant to be hard. It's meant to be hard, because employing people is also your greatest opportunity to build a Highly Chilled business and make money. And generally, in business (as in much of life I suppose), the hardest things are where the greatest opportunities lie.



Some get it right and some don't

I have known lots of business owners who struggle their whole life with employees and I've also met a bunch of them who get it right.

Adrian is one of those who gets it right.

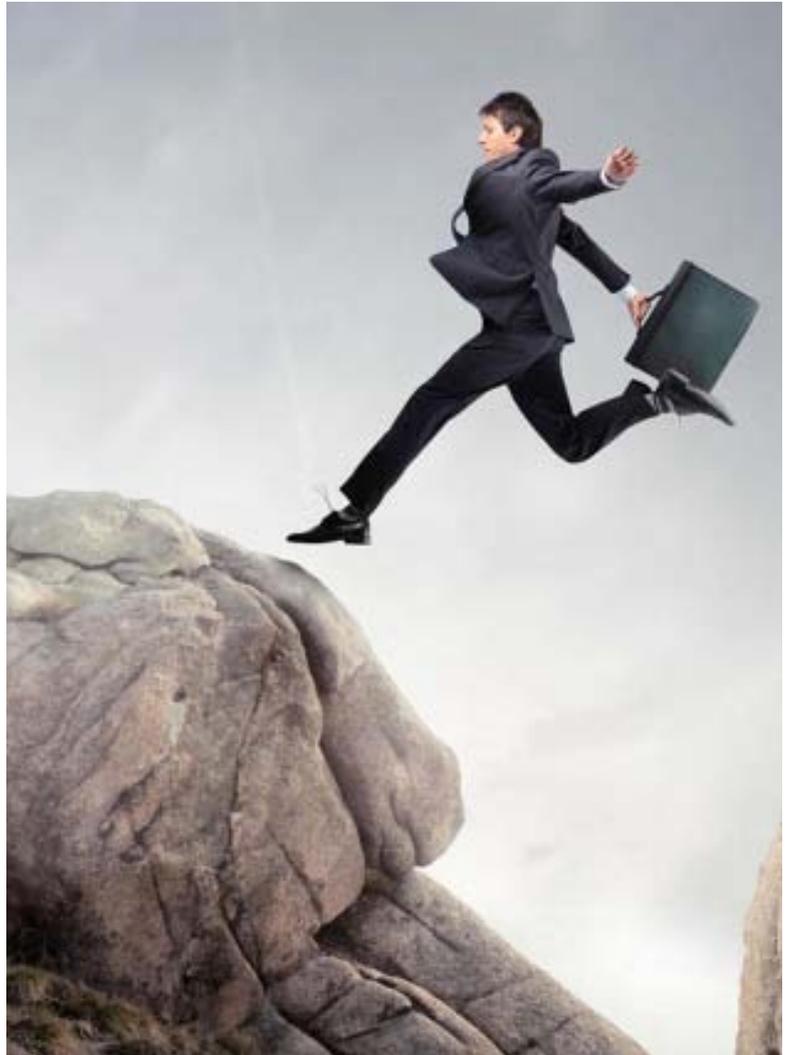
Adrian owns a Highly Chilled retail design, development and store fitout business in Sydney This is their website: <http://blacklineretail.com.au/>. Things have been going incredibly well for Adrian since he started his business in 2010, he employs around 30 people, half of them are young, Gen Y-ers, they come and go, get paid the industry average and have their good and bad days. But they deliver. The culture of the place is buzzing and they make lots of money for Adrian and his business.

Adrian's secrets are simple:

- **Hire the best people, not just the ones you can afford.**
- **Hire for cultural fit AND skills / experience.**
- **Set high expectations.**
- **Give them lots of encouragement and genuine personal attention.**
- **Get rid of them early if they don't work out.**

A couple of years ago Adrian's business had grown to the point where he needed a General Manager and the temptation was to promote someone in his business to the role. That would have been the easy economical solution. But Adrian was aware of the old Peter Principle that says:

"People always get promoted to one level above their ability."



And Adrian needed someone with experience in fast growing national and international business.

The answer was clear. The person in the business he'd considered for the role didn't have GM experience and although a great team member, promoting this person to GM was not what the business needed. Adrian actually knew exactly the person he wanted to have on board, a good friend, but she had a big paying job at one of the biggest corporates in Sydney, with all the perks and trappings of corporate success. What could he offer her to entice her away?

She jumped at the opportunity

Long story short, Adrian took his friend to lunch, took the plunge and matched her corporate pay and offered her other financial benefits and options in the business down the track. The friend jumped at the opportunity and they've been working together for 3 years with great success.

Your business is only as strong as your people. Hiring someone based on whether or not you can afford him or her, or because they happen to be there already, is a recipe for stagnation.

Adrian's is a Highly Chilled business and Adrian is a Highly Chilled small business owner.

[CLICK HERE](#) to read more about the challenges of managing staff.

Practice Highly Chilled habit #6:

You may not currently need to hire someone. But the next time you do need to find a new employee, any new employee, resist the automatic temptation to consider promoting someone you already have on the team to the role. First take some time to visualise the person you'd ideally like to find for the role.

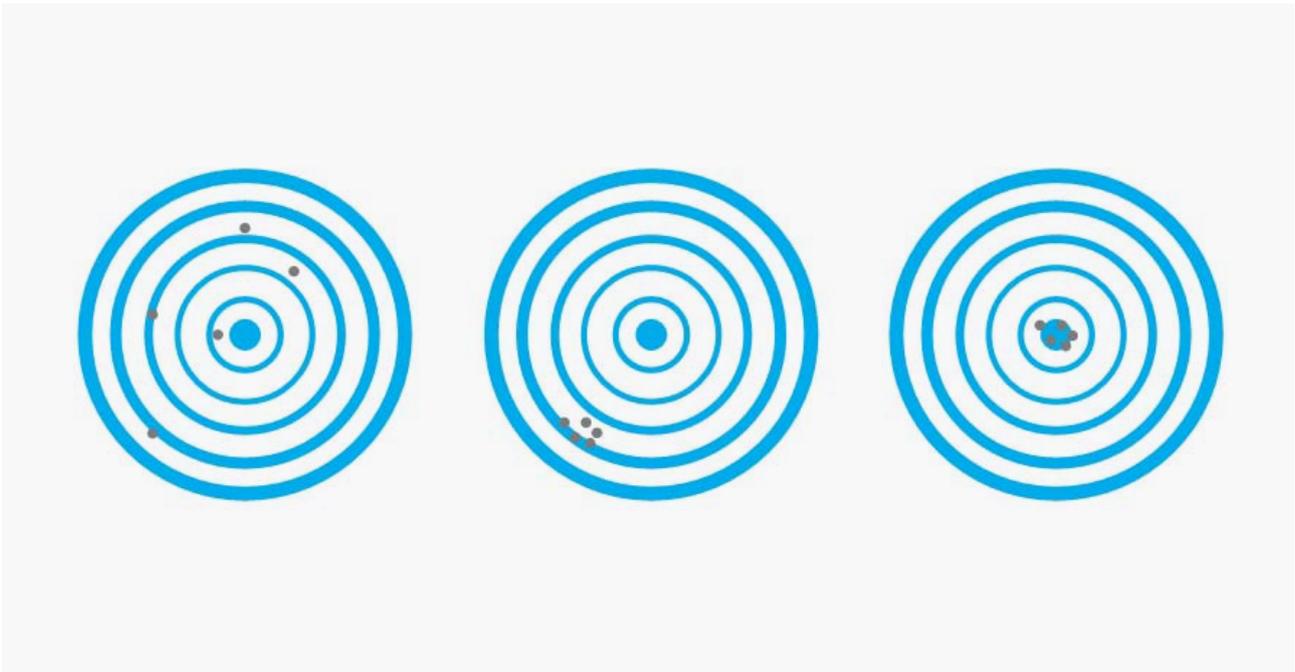


Habit #7

Be Systematic

Highly chilled business owners are always looking for opportunities to systemise their processes.

Quick summary: In order to build a Highly Chilled business you must always be on the prowl for bits of your business' processes that can be turned into repeatable systems.



Amanda sells bunches of flowers. But she does it in a way that no one else thought of doing before she came along.

Amanda wants her business to be to floristry what McDonalds is to restaurants. Repeatability, dependability, expandability; along with: speed, convenience and price.

But Amanda has had to invent her whole business model and production process from scratch; It had never been done before, because, as is the case with restaurants and chefs, the success of a floristry business relies on the creative vision and genius of the florist. Besides, flowers are natural products and one night's unexpected frost can leave the florist's creative vision in tatters the next day.

Flowers can be a hit and miss affair

In Amanda's business, every day a limited number of different bunches are created, and produced in large quantities. The composition of each bunch is determined by the market purchaser on the day. The purchaser makes decisions dependent on that early morning's availability and prices in the flower markets. Getting the day's bunches right was often a hit and miss affair and something that gave Amanda sleepless nights.

So, Amanda set about creating a database of every bunch produced in a year. By the end of the year there were hundreds and hundreds of bunches recorded.



Each record held photos of the completed bunches, the components, the cost of the ingredients, the total cost of the bunch, and the time taken to create each bunch. The bunch records were further categorised by month, by the person who created it and the bunch popularity with customers.

It's become easy

A year later, Amanda can send the purchaser to the day's markets with simple to follow purchase instructions relevant to the season and state of the markets. All the purchaser has to do at the markets, is to pull out a tablet with the records of previous bunches from the same season, compare what's in stock in the right price that day in order to make the right flower purchases for that day's production.

What was previously a hit and miss affair has become one of the simplest aspects of Amanda's business.

Even something as creative and dependent on external factors as flowers can benefit from systemisation. Many times, you might have to imagine your own systemised solution to a problem, but getting into the habit of looking for opportunities to systemise your business is what will turn an ordinary business into a Highly Chilled one.

Amanda's is a Highly Chilled business and Amanda is a Highly Chilled small business owner.

[CLICK HERE](#) to read about how a graphic designer became systematic about his approach to sales and how that changed his business.

Practice Highly Chilled habit #7:

Your business consists of many many processes, from answering the telephone, sending invoices to building the products and delivering the services you sell. Start by creating a list with as many repeating processes you can think of in your business.

Now go and pick the low hanging fruit first: What's the easiest process to create a simple system for? What's the next low hanging fruit? Don't think you need to do it all at once... Just do one a week or even one a month, but do get started this week.

Conclusion

Habits are Chill

Building a Highly Chilled business isn't rocket science. There's nothing particularly complicated about it, most of us have the ability to do so. All it takes is time and consistency.

- **Slowly slowly catchy monkey**
- **A journey of a 1000 miles starts with the first step**
- **Rome wasn't built in a day.**

It's all about little steps, even if you only take one little step every month, you'll be surprised how different your business and life will look, even after only one year.

As long as you continue to take at least that little step every month, consistently.

***What's
Next?***

Thank you for your interest in the 7 Habits of Highly Chilled small business owners. I hope you've found it useful and that you do something with at least one of the habits.

If you'd like to explore how working on your habits with me might be beneficial and lead you to build your Highly Chilled business more quickly, I would love to have a chat with you and offer you a full 1.5 hr trial coaching session, along with a business health check and report.

All I ask is that you make a \$100 donation to my favorite charity, The Wayside Chapel in Sydney in return for the Trial session and health check report.

Go to this page to find out more and book it in your Trial session now:

BOOK A FREE TRIAL
SESSION NOW



I look forward to speaking with you,

Roland Hanekroot

About Roland Hanekroot



Roland Hanekroot is a small business coach and the author of “The Ten Truths Trilogy, business books for people who don’t read business books (but should)”. Roland works with business owners who feel overwhelmed and stuck in their business and want to build highly chilled business that stand the test of time.

You can download all three of Roland’s books, read his blogs, watch his videos and listen to his podcasts at <http://www.newperspectives.com.au/>



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