

Hey there and welcome back to another episode of the Your Next Best Podcast with me, your host, Theresa Cantley. And today I'm going to go a little off the norm. It is something that I talk about with my clients a lot, but I'm going to go a little off the norm on the podcast, which is some of the pitfalls that people fall into in small businesses with systems. And when I say systems, I'm not talking about step by step, how you do something. I refer to that as processes. When I talk about systems, I'm talking about the actual system, the computer software, the devices that you're used using if you're using an app on a device. If you're using an iPad or an iPhone, or for whatever in your business, what are the pitfalls that I see for small business owners and how to avoid them?

So this is going to be a little bit of a shorter episode, but it's also a super important episode because systems are becoming so important because everything, I mean, COVID really brought light to this, that we need to have a digital presence, and we need to really make sure that we're using the right systems in the right way. And I think a lot of people... And it was one of the biggest things that people came to me, people who weren't working with me and people either who had heard about me, referrals that came through or people that... Colleagues of mine, the biggest questions I got asked was, oh my gosh, now I can't see people live and I need to do X, Y, Z. And what do I do? Because I don't have anything set up. So these are the biggest pitfalls that I see and how you can also avoid them in the future.

So, number one, and this is my biggest one. Biggest, biggest, biggest one is that people do not have processes set up first that align with the systems that they're using. Let's say it again, people don't have processes set up first that align the systems they're using. I see this a lot. People want to go right into, I want to grow my business and they focus on all shiny objects, the shiny object stuff, the pretty stuff, the external stuff. And they don't focus on building that strong foundation of processes, how to do things in their business. So when it comes time to getting software to do something, they implement software and they don't have the processes in place. So then they try and modify the software, the system to do what they want it to do, but they don't really have, they don't really know what they want it to do.

And they don't know that they don't know that. So how you can avoid that one and save yourself a lot of money is to have processes set up in your business first. Processes that either you can automate stuff in your business, you can educate your staff, you can collaborate with people, you can use it to delegate information, whatever it is. There's five of them that I teach. Five reasons why you want to create processes. But processes are one of the foundation of your business that is going to allow you to be resilient and pivot no matter what happens and keep your business going no matter what impacts it. But having those processes set up first, having those set up to understand how you do things for every problem in your business, you're going to have a process and what that's going to enable you to do is to really get clarity on how you do things, how you want things done so that you can teach them to people, you can put automation in place so that you can save yourself a lot of time.

But also of what those processes will do, whether it's a sales process, a customer service process, a marketing process, something to do with your customer experience, whatever it is... Your purchasing, how you receive orders into your system, whatever that process is, have that set up first, so that then you can make sure that you choose the right system to put into place that the two can align. When they align, the heavens open and angel sing. When those two things align, you can be sure that things will flow a lot better in your business, that people are doing the things that they need to do the right way, the way that you want them done, and your business can run smoothly without you even being there. So number one, not having processes set up first that align with the systems that you have in your business.

Number two, the thing that I see is people... And this goes with shiny object syndrome. People buy software, they see the latest and greatest trend with software. And they're like, oh, I want to be able to do that. And they end up buying software, not fully understanding what it does and how it helps their

business and how it will help them to grow and scale. So they end up spending money on software that A, they don't need B, they don't understand, and C, they have no idea how it aligns with what they're trying to accomplish. They just buy it because somebody told them that they needed it. They buy it because they're like, oh, this is the best CRM software out there. So and so is using it and we're going to get it.

And then it sits because nobody can figure it out. And the reason why, part of the reason why nobody can figure it out is because they don't even really understand how it's going to help their business. They don't understand how to implement it into their business and they don't understand what it does for real. All right. So they end up spending money on software that they don't really need, and they don't need it because they didn't really understand why they were buying it in the first place. They just thought, oh, so and so said... I always get this. So and so said I need this so I bought it. And then it's like, okay, well, it doesn't really fit in your business. And again, going back to number one, they don't have processes set up so they don't really understand why they need it.

All right. So biggest key point with this is to understand the intention behind stuff. If you have the process to set up, it's easier to figure out what the intention is. Why do you need specific software? So one of the big things that I tell people, and this also goes along with redundancy, people buy multiple pieces of software that do the same thing, and they don't understand, they don't realize that. Because they're buying the latest and greatest and so and so said that they need it, but they don't understand that they really already have that capability in another piece of software that they're not using. So the biggest thing to do is number one, get those processes set.

Number two, the second thing is, is to sit down and say, okay, we have these processes, so what types of software do we need to implement into our business and what is our wish list that we want the software to do? So if you have a retail business or a restaurant, or even if you're doing any kind of repairs or anything, you want to have a point of sale system. A point of sale system that can record sales, record invoices, even potentially create quotes, plus also process those orders, a system that can also cut purchase orders. You can enter purchase orders in there. You can keep track of all of that back office stuff. If you hold inventory in your business, making sure that that inventory can be tracked and can hook into the purchasing side of things, but also the sales processing side of things. So looking at your business and saying, all right, what is it that we need?

All right. One of the big things, another piece of software and a lot of point of sale systems have this included in it, or the other type of software that has it included in it is any kind of email management marketing automation software. But you want to make sure that you have some kind of a CRM, customer relationship management system. Let me say that again. Customer relationship management system, CRM. And what that's going to do is that's going to allow you to track information on your customers. It's exactly what it says it is. It's going to allow you to track the information, track their information, track information about them so that you can build that relationship. So we talked about experiences. I talk heavily about customer experience. And about the three different types of customer experience that you have in your business.

And with a customer relationship manager, you're able to track the relationship with them so that you can continue to build it. You understand what that customer wants. You understand how many times they've visited your business. You understand and know the services that you've already provided them. So that customer relationship management system also, it helps you to consistently reach out and touch them. Have those touch points, have that ability to set yourself apart in the sea of sameness, the customer relationship management system will help you to do things the way that you want to do them. So point of sale system, customer relationship management system, accounting system, probably the most popular one to use is QuickBooks. QuickBooks Online, QuickBooks Desktop. I actually like using

QuickBooks Online, but you want something to track your books. And the even better part is, is if you can get these pieces of software to connect and talk to each other. In today's day and age, I mean, it is so many systems integrate with QuickBooks.

So many systems integrate, POS systems integrate with CRM systems. You might even find depending on how big you are, you might even be able to get an enterprise system such as an SAP system or an Oracle system, or Sage system where you have it kind of all in one. And maybe the only external piece that you need to hook into it is a marketing automation slash CRM, a more robust CRM system like HubSpot, ActiveCampaign is actually my favorite or what's the other one? Salesforce is another one that hooks into a lot of systems or Pardot is the name of it. I'm sorry. That's another marketing automation CRM system. So you want to make sure again, that you can track your financials because we're not going to get into this now, but on other episodes that I've done, we've talked about, you need to know your numbers.

You need to be able to track your profit and loss as well as balance sheet items. So sales versus expenses, assets versus liabilities. You need to be able to have that, be able to track it and be able to measure it and be able to understand where things are at all times. So accounting software, point of sale or something to be able to enter sales into, which might be your accounting system if you use QuickBooks, depending on your business, you might use it for entering sales. So that could be technically your sales system, your marketing automation. So accounting, point of sale or sales system, and then your marketing automation and CRM system. There's other systems, but those are going to be your three most important ones that you want to make sure that you have.

Another one, depending on how big you are and how big your team is, is some kind of a task related, a team based system. Something that you can manage projects in, especially if you have a remote team or even if you don't, if everybody's in the same building, that's fine. But something that you can manage projects, you can put tasks in there and everybody can be held accountable. And everybody knows it's a collaboration software. Everybody knows what's going on with different projects. There's Asana, there's Microsoft Projects and Microsoft Teams, there's Trello. There's so many different ones out there. There's Monday there's Airtable. My favorite one is Asana. Definitely something that you want to make sure that you invest in. And that's it. I know people that have all kinds of, I mean, crazy systems and things that they... Really, it comes down into that. You also need credit card processing that will hook into your sales system, something to process credit cards and record cash coming in that's part of your sales system.

But other than that, really that's what you need. You don't need... I mean, I had a customer that had three different sales systems going on and keeping two sets of books. It was nuts. You don't need that. All right. So no redundancy. The only time you want redundancy is if you need an emergency, like you need it to be part of your contingency plan. But for the most part you don't need three different types of project management software. You need one. You don't need three different CRMs. You need one. So the other thing that goes along with the pitfalls with systems and what people, the mistakes that they make is they allow someone else to dictate to them what they're going to be doing in their system.

They allow an outside consultant or they allow somebody else to tell them, the software company to tell them how they're going to run their business with the software. No, no, no. So you need to understand, and this goes along with the other ones that we talked about, what the vision is in your business, what is it that you're trying to accomplish? What is it that you really need to grow and scale and make sure you're looking future forward. And if somebody comes in and says, oh, well, you need to do this and you need to change the way that you're processing this. If you have a consultant who is a consultant in processes, like I will work with my clients to understand their processes. We don't scrap them. We look at them and say, okay, how can we make them better?

But I've also had dealings with people who have had outside consultants, basically directing stuff that they're doing in their software, making decisions for them. And then it turns into mass chaos. So then when I come in, it's like, whoa, what's going on here? So making sure that you are the one that is directing what's happening because you are the only... You understand your vision, you understand what you're trying to accomplish you and your team are the ones that are setting things up. That's why I always tell people, you need to understand how to do the key things in your business first, before you hire somebody out. You need to understand how to do Facebook ads before you hire somebody to do Facebook ads for you. I made that mistake and spent a ton of money that I should not have spent. You need to understand your financials before you hire somebody.

I mean, yes. If you have somebody that prepares your taxes, okay, fine. But you need to understand your financials first before you hire somebody to do your books for you. Again, I've had people who didn't understand what they were looking at, somebody was doing their books and making random entries into stuff, not really telling them what was happening. And then again their books ended up being a mess and they could have taken advantage of tax breaks and just different things. They could have understood that they were spending way too much on certain things and it could have improved their business a lot quicker.

So making sure that you understand things first and that you can direct the outside consultant or the person that's working on that for you, better. The last thing is that I want to say something that I see people do a lot, especially when it comes to small businesses is they buy refurbished equipment. This is equipment, but it goes along with systems. So they buy refurbished equipment. They keep computers for 10 years, or monitors for 10 years or iPads. They have iPads from seven years ago.

I have one client who has scanners in their business and their technology person buys refurbished scanners from eBay, which I just think is just crazy. And you know what? They very well may work, but this is your business. This is your baby. This is your... Not your baby, but this is your dream and if you're going to invest in your dream, invest in buying good equipment. And this is the thing that people... I see people want to cheap out on all the time. And I remember one time walking into a client and they had a computer held together with duct tape. Invest in good equipment. If you're going to invest in software, invest in good equipment. Plus also a lot of the way that technology works these days is you got to make sure that you're keeping things up to a date with updates, whether it's an iPhone or a PC, you got to make sure that you're keeping up with updates.

Plus also, as software evolves and software is constantly evolving, constantly evolving, constantly changing, constantly updating. We want to make sure that our technology goes right along with it. And if you do have old technology, people are always running technology recycling days where you can take old computers, monitors things, and you can take them to these recycling days and they either recycle them, or sometimes they'll refurbish them and they'll give them to places in need that don't have the means to buy new computers and they just need somebody to be able to do something simple on them. So don't be afraid to invest in new equipment and take your old equipment and donate it, donate it back. Whether you're recycling it or you're donating it to a church or a home, or whatever, pay it forward.

Don't hold onto old equipment because you're too cheap. Invest in your business. If you're going to invest in software, invest in good equipment. Don't keep old equipment around because again, as technology changes, as things grow you want to make sure that you're getting good equipment, you're getting good phones. I mean, I run my business. I run a lot of my business on my phone. So I make sure that I have a new phone probably every two to three years, so make sure that you're investing in good equipment.

That's what I got for you today. I wanted to just put this out there because it is something my husband and I talk about this a lot. My husband is an IT guy. He works for a very large software company. He's a project manager, but he has seen it all over the years going from being an IT consultant himself, working in IT for I don't even know how many years, and now being a project manager where he's merging companies together, merging networks together, believe me, we see it all.

So I wanted to just share this with you because it is an area that a lot of small business owners aren't really sure what they need, what to get, even how this stuff works. So I wanted to just put this out there to maybe if you are struggling or maybe you've even been through some of those pitfalls to help you to make better decisions moving forward. So it's a little bit of a different episode, but definitely one that is super needed. Oh, the other thing is, and I said this to one of my friends, sometimes free software is great, but most of the time when you're creating a website or when you're working with software, working with something that is going to be the forefront of your business, don't do free. Go for the paid version.

Go for the paid version of the website software, go for the paid version of the project management software, go for the paid version of Dropbox. That's another thing I want to mention this too, make sure you have, or you're using some kind of an external file storage. Dropbox, G Suite, the paid version of Google Drive. Box is another one. OneDrive is another one, forgot to mention that. So let's throw that in there. Digital file storage, to make sure that if your computers die, you crash or anything, and you always have your files backed up into a digital file storage, but make sure you get the paid version of it. You get more space, you get more security. You want to make sure that... I mean, that's your business.

For me, it's my business. So I have stuff backed up in the cloud. So anyway, I hope this episode helped you and until next week, take care, remember, take time to set those processes and make sure that your systems align with them. Take care and I will see you soon and we will chat soon. Bye-bye.