

# Tennessee Small Business Development Center at Volunteer State Community College



A public service program of the Division of Continuing Education & Economic Development

## January's Newsletter Topic:

### Management Control

While success can come to any business as an accidental consequence of floundering around, reacting to problems as they emerge, the odds do not favor this happening. There are too many factors that must be organized to reasonably expect that the essential coordination will simply occur. Good management helps you to make the most efficient use possible out of your scarcest resources: *time*, *people*, and *money*. Planning the productive use of these assets enables you to get the greatest return for your efforts. Control helps make sure that the plans are working as expected and, if not, provides an opportunity to figure out why and bring about the needed change. The key to successful business management is to determine what needs to be done, who will do it, and how you will know when it's done.

This is a four step process:

1. **Identify goals** – Setting goals in business is the same as identifying a destination for a vacation. It is not enough to say we're going to Texas. Texas is pretty vague in terms of going on vacation. You would be better off to determine that you are going to Dallas in April. The same is true for setting a goal for your business. Saying I want to be successful is vague, but stating that you want to increase revenue by 25% by the end of the 3<sup>rd</sup> Quarter is both specific and measurable.
2. **Develop work plans** – If destinations are clearly identified then it is simple to identify the best route to get there. In your business this is considered to be a work plan. What are you going to do? What series of activities will have to occur? What actions will you take?
3. **Anticipate problems** – Create a contingency plan to overcome possible issues with your scarcest resources: again this is *time*, *people*, and *money*. You are not always going to know what is right around the corner, but you can at least have a back up plan for your most common problems.
4. **Establish performance evaluation criteria** – As you set up goals, identify the how you will measure whether or not you achieved these goals. There are several

tools that you can use such as QuickBooks® reports, weekly meetings with employees, checklists, etc.

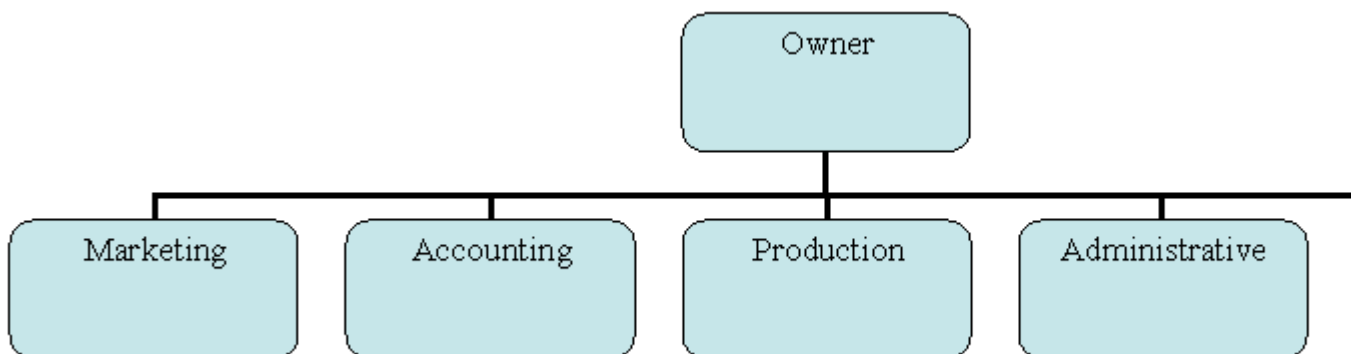
### January Small Business Workshops

Date	Event Title	Time	Event City	Location	Fee	Contact Person	Contact Phone
1/8/2008	<a href="#">How to Start a Small Business</a>	4:00 - 6:00 p.m.	Gallatin	VSCC, Betty Gibson Building, Room 107C	FREE	Charles Alexander	615-230-4780 or calexander@tsbdc.org
1/22/2008	<a href="#">Developing a Business Plan</a>	2:00 - 5:00 p.m.	Gallatin	VSCC, Betty Gibson Building, Room 107C	\$20	Charles Alexander	615-230-4780 or calexander@tsbdc.org


### Small Business Tip of the Month:

#### *Creating a Organizational Chart*

All of the tasks and activities that you identify to reach goals need to be assigned to someone in your business. The best way to do this is with an organizational chart. Even the smallest businesses should have an organizational chart. An organizational chart allows you to not only identify what departments your organization has, but also to identify what departments that you will need to create. You can then begin to plug in existing employees. Lastly assign tasks to each of the existing employees and you will then get a good idea of how large your organization will have to grow to reach your business goals.



To create an Organizational Chart using Microsoft Word use the following directions:

1. On the **Drawing toolbar** (toolbar: A bar with buttons and options that you use to carry out commands. To display a toolbar, click **Customize** on the **Tools** menu, and then click the **Toolbars** tab.), click **Diagram or Organizational Chart** .
2. Click the **Organization Chart** diagram, and then click **OK**.

**Remember the TSBDC offers the following:**

- **Free** and confidential one-on-one counseling for existing and start up small businesses. Whether the counseling is in the area of marketing, operations, management, or any other business service, the TSBDC consultant provides guidance every step of the way. *By appointment, please.*
- Training seminars on a wide array of topics for small business owners.
- Assistance with various funding proposals including SBA loans.
- Referral to professional services and agencies.

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