

GROW your business



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MEMORABLE QUOTATION

A brand for a company is like a reputation for a person. You earn reputation by trying to do hard things well.

– JEFF BEZOS, CEO AND CHAIRMAN OF THE BOARD OF AMAZON.COM

Got The Payroll Blues? – Outsourcing Could Be The Solution

Smart business owners strive to spend their time working ON their business rather than handling all those time consuming and low value-add back office functions. One function they are likely to find both frustrating and time consuming is handling payroll. It's not that payroll isn't important, but it is a standard procedure and one that is not core to your business activity. That makes it perfect for outsourcing.

But while it is a standard procedure, as every SME manager knows there's more to payroll than writing checks and handing them out to employees on time. Maintaining accurate records, making additions and deductions for individual employees, calculating and paying payroll taxes, arranging bank deposits and handling the inevitable follow up inquiries all soak up time that could be better spent on winning more business, improving operations or developing a new product.

It's likely that few business owners appreciate the hidden costs of payroll. Doing payroll in-house is both error prone and time consuming, often involving the input of a number of people. In the U.S. the latest edition of the Small Business Administration (SBA) study, *The Impact Of Regulatory Costs On Small Firms*, estimates that small businesses annually spend, on average, \$1,304 on tax compliance per employee. Further, according to research by ADP (an international supplier of HR, payroll, and benefits administration solutions), companies with 20 employees or more spend upwards of half a day per pay period dedicated to payroll related duties.

Even a small error in calculating payroll can have major consequences. Applying the wrong salary rate, not understanding how annual leave rules operate, or miscalculating benefits rates will result in short-paying some, or maybe even all, of your employees. When the error is finally noticed the back cost can be huge.

Remaining up-to-date and compliant with changing payroll tax legislation is a formidable task. Your business may face penalties and even retrospective interest charges on moneys owed

as the result of calculation errors or late payment. Even when businesses use payroll software they still have to invest in the software and software upgrades, train the people who will use the system, remember deadlines and process and mail pay checks.

Many small business owners are finding a cost effective and efficient alternative to their in-house procedure by outsourcing to a professional payroll services provider. Your role then reduces to providing, each pay period, the necessary payroll data (pay rate, deductions, and vacation time) to the payroll service provider, usually electronically.

Small business payroll service providers typically handle a range of payroll tasks including calculating the pay and tax obligations for each



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employee, printing and delivering checks and delivering management reports. Pay checks can be issued on a cycle to suit the business. Additional payroll related services that may carry separate fees include automatic check signature, direct deposit, and preparing W-2 and 1099 forms. Many services now offer tie-ins with benefit plan providers allowing for the automatic deduction of contributions from an employee's pay check. Many small business payroll services offer the option of filing state and federal payroll taxes as well. Working with a payroll service provider you can feel confident that payroll will be accurate, on-time and fully compliant with regulations.

In outsourcing payroll you are paying for someone to reduce your workload and worry, so you want a reliable provider who can keep your accounts efficiently, accurately and up-to-date. For information on service providers and how satisfied their customers are check with your local Chamber of Commerce, business advice bureau, banker or accountant as well as other business people and contacts who are outsourcing their payroll.

A checklist for a payroll partner would include consideration of their expertise (payroll should be their central function – ask for references from some of their clients); their familiarity with your industry; their response time to queries; if they can provide both hard and soft copy of reports; and, of course, their price structure (there are often fees for adding or dropping employees, adjusting employee information, and setting up your account). Make sure you are looking at comparable pricing when evaluating different providers. When you do decide on a supplier have the details of the service you have agreed to and how the relationship will work (e.g. timescales for processing the payroll etc) written into a formal contract.

A 2006 national payroll survey by the National Federation Of Independent Business (NFIB) Research Foundation found that the most common reason given by SME managers for doing payroll in-house was that it is the cheapest way. Closer investigation of the real cost of payroll along with the risk factors involved in doing it yourself suggest that that assumption is questionable. Outsourcing payroll has the potential to reduce costs, save time and eliminate the need to keep up with changing tax regulations allowing you to concentrate on the real value producing activities.



Write A Recruitment Ad That Works

If you want to attract the sort of job applicant who will require the minimum of training to get up to speed, who will be happy with their job, and who will fit into your workplace, then don't underestimate the importance of knowing how to write a job advertisement. If it is flawed, the applicants will be unsuitable, you'll waste time and money on the whole exercise and maybe end up with someone you really consider second best.

To get the right message across about what you require, pay attention to developing four aspects of your ad; responsibilities, requirements, the benefits you are offering and what type of person would fit in.

ASSESS AND PRIORITIZE

THE JOB'S RESPONSIBILITIES

The job description is basically an outline of how the job fits in to the organization. It should point out in broad terms the job's goals, responsibilities and duties. This may sound obvious but often recruiters just draw up a laundry list of duties without carefully considering and prioritizing them. Include only the core responsibilities. Jobs change over time and job descriptions go out of date. Preparing a recruitment advertisement provides an opportunity to reconsider the job and ascertain exactly what it involves and what sort of skills it requires. The better you understand the role, the clearer your ad will be.

SPECIFY THE REQUIREMENTS EXACTLY

Spell out your requirements clearly and precisely. How many recruitment ads include the requirement 'strong communication skills'? Running a sales presentation, talking to customers and writing up a proposal are all communication skills but there's a lot of difference between what's involved in each. Ask yourself "To what purpose will this communication skill be used?" and write up the ad accordingly. Instead of 'good communication skills' it could be 'ability to develop and present an effective sales presentation'; instead of 'computer literate' specify 'proficient with Microsoft Word, Excel and QuickBooks' if that is what the job entails using.

The same precision should be used in listing any required certification and personal capabilities for performing the job such as the ability to lift a certain amount of weight, drive certain types of vehicle on the job or use particular types of machinery. It can also be used to specify the type of experience required, such as 'experience handling accounts worth over \$2 million a year'.

INCLUDE THE BENEFITS, NOT JUST THE SALARY

Don't mention only the monetary reward. While that may be the bottom line it is often just one of the things a candidate is interested in. Job development opportunities such as training or travel, challenging assignments

HOW TO MAKE THE MOST OF YOUR NEWSLETTER

Be sure to read each article with the mindset "How could this apply to our business?"

Thinking of it that way will guarantee that you get value. Better yet, take notes as you read and commit to having the ideas implemented by the time the next edition arrives. Also, make copies for each team member. To really make sure something positive happens, work with your business development specialist to talk your team through the ideas and how to set a schedule for getting them implemented. We're here to help you get started.

AN IMPORTANT MESSAGE

While every effort has been made to provide valuable, useful information in this publication, this firm and any related suppliers or associated companies accept no responsibility or any form of liability from reliance upon or use of its contents. Any suggestions should be considered carefully within your own particular circumstances, as they are intended as general information only.

and career advancement potential can attract great candidates interested not just in getting a job, but in making a wise career move. For others a retirement scheme or health benefits package may be important. Applicants for a position in a particular organization should be interested in what that industry does. So, for instance, offers of discount travel for team members would attract candidates for a travel agency job.

ATTRACT BEST FIT CANDIDATES, NOT JUST THE BEST QUALIFIED

The message about 'what type of person would enjoy working here' will come across in what you say in the ad. The specifications might include 'feeling comfortable in a multicultural, cooperative environment'. The conditions could mention that dress is generally informal. The benefits might include an annual office ski vacation. All these say something about the organization and provide the would-be applicant with an idea of how comfortable they'd feel in the workplace.

Your recruitment ad is more than just a job description - it's a marketing exercise that has to attract a pool of suitably qualified applicants who will fit into your organization. A poorly written recruitment ad could mean being swamped with unsuitable applicants or it could result in too few responses - both of which waste your time and money.

Ten Great Reasons To Use Incentives

Incentives can play an integral role in motivating consumers to buy certain products over others. Here are some ideas for incentivating existing and potential customers to use your product.

- 1. Increase product trialing.** A giveaway can be used to increase product trialing and brand recognition. For example, at the end of several summer concerts, concertgoers were given sample size bags of coffee in assorted flavors to take home with them. This put the coffee in the hands of a great number of people who might never have tried it otherwise.
- 2. Promote website visits.** An incentive offer can be used to drive traffic to your website. When the online company Inoutdoors.com wanted to grab the attention of nature lovers it sponsored an online drawing competition. The grand prize of an all-expenses-paid vacation with well known sports celebrities proved to be an alluring incentive.
- 3. Increase brand awareness.** No matter what business you're in, keeping your name in front of customers is a top priority. Giveaways such as T-shirts and umbrellas emblazoned with the company logo are popular ways of getting the brand advertised.
- 4. Level seasonal variations in sales.** The dips and plateaus of the business cycle affect most industries. A well planned incentive campaign can lure customers to buy during the off-season. Having an outdoor barbecue is great in the summer. But how many families enjoy cooking out in the colder winter months? To entice patrons to buy grills during the winter months, a major retail chain offered gas grill buyers a valuable steak package and sponsored on-site cookouts where they gave away sirloins and burgers to lucky customers. That promotion yielded a 35% increase in sales.
- 5. Boost slow moving products.** Being associated with well known brands or activities gives less popular items appeal to a broader audience. Offering a free trial, discount coupon or prize of a slower moving product/service to purchasers of a recognized line can encourage their popularity.
- 6. Build continuity of purchase.** An incentive campaign can encourage repeat sales of a product. The beverage industry is known for motivating customers to make their beverage purchases in bulk by including sequential contests within large cases. In order to win, you must collect all the game pieces - meaning you have to continue purchasing the product.
- 7. Increase volume sales.** 'Free with purchase' premiums aim to increase volume sales while also increasing consumers' appreciation for the featured product. Consumers are required to buy a featured product in order to receive the premium. Beauty salons often offer free styling or nail service with the purchase of a premium haircut.
- 8. Learn more about customers and identify prospects.** Premiums have proven to be highly effective in both direct mail campaigns and direct selling programs as a way of increasing customer knowledge and identifying prospects. By asking for some demographic information on their entry ballot for a competition you can build a more accurate profile of customers. Prospects can be identified by encouraging participants to submit entry forms for friends and family members as well as themselves.
- 9. Reach adults through their children.** Kids possess immense purchasing power and can directly influence their parents to buy products. When Kool-Aid wanted to introduce its brand to a new generation, it sponsored a 'More Smiles Per Gallon' tour. In every targeted market the Kool-Aid Man stopped in popular children's play areas such as zoos, museums and amusement parks. Free photos with the Kool-Aid Man, an opportunity to play a soccer game, and, of course, free samples with coupons attached, attracted potential consumers and helped raise awareness of Kool-Aid.
- 10. Offset price concerns.** One way for a company to take consumer attention off the actual price of an item is to offer a valued premium. Cellular phone companies are famous for creating promotions for new subscribers that include a valuable item when they sign up for an expensive activation package.

Creating A Website That Makes Your Business Fly

Successful selling online requires a website that is visually attractive as well as easy to use. Here are some tips for developing a website that looks good and is easy to read by visitors.

MAKE IT READABLE

Visual appeal is nice, but readability must be a top design priority. In order for your content to communicate effectively you need to consider how colors and fonts work on a webpage.

- The text/type should be easily readable against the background color.
- Refrain from choosing busy, loud backgrounds, for example, marble or pattern backgrounds. They detract from content and often make text illegible.
- Too many colors or fonts can also be distracting and give the site a cluttered feel.
- Consider breaking up longer pieces of text with subheadings and bullet points. They encourage continued reading by separating the text into short, bite-sized chunks.
- Use one design throughout the site. It's confusing if pages within a site are not consistent in design.

MAKE THE PAGES EASY TO VIEW

Visitors do not like to scroll from left to right

to see the entirety of a webpage so build it to fit the standard monitor size of 640 by 480 pixels. Larger screens are growing in popularity but unless you are certain that your target audience is likely to be using them, stick with a smaller page size. Also check how your pages display in different web browsers – displaying properly in the popular Mozilla Firefox and Microsoft Internet Explorer browsers is a minimum requirement. Long pages that require scrolling down ... and down ... and down are also poor practice. It's better to create a number of pages than have this toilet roll effect.

PROVIDE ALTERNATE TEXT FOR IMAGES

If you use graphics for navigation (such as buttons) or rely on images to display products, provide an alternative text (ALT text) description in the HTML code. ALT text provides a text equivalent of the image. There are a number of reasons for including a text description:

- People with low bandwidth connections may opt not to load graphics
- It is helpful to visitors using assistive technology (the ALT text is read out for the

hearing impaired for instance), and

- It can contribute to a better ranking in search results since most search engines interpret the meaning of objects by analyzing their ALT attribute

But be warned – there's a real art to constructing and using ALT text. The text need not be a literal description of what the image represents. There's not much point in using the ALT text 'microwave oven' if the image is meant to display the product's most attractive selling features. The ALT text will be better used describing those features.

KEEP DOWNLOAD TIME TO A MINIMUM

Visitors resent waiting for slow downloading pages. Decrease loading time by paying attention to the size of the webpage. Website developers suggest a maximum of 30K for a webpage overall. Thus, if you have three 6K images on the page, you should not add more than 12K of HTML and text. It's preferable to increase the number of pages rather than overload a single page.



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