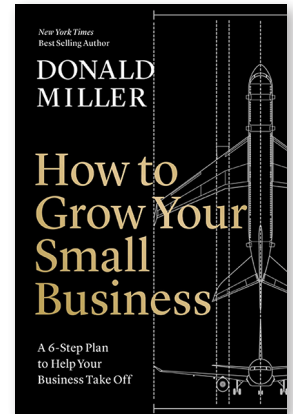


How to Grow Your Small Business

A 6-Step Plan to Help Your Business Take Off

by **Donald Miller**



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THE SUMMARY IN BRIEF

In a small business, if you don't know how to make money, your business will die. Unlike large corporations, small-business owners don't have massive budgets that allow for mistakes or inefficiencies. This is partially because large corporations have systems and processes in place that small businesses often lack.

What small business owners need is a simple system of frameworks and playbooks that optimize their business for growth. They need a way to create predictability and reliability in their day-to-day operations. In *How to Grow Your Small Business: A 6-Step Plan to Help Your Business Take Off*, Donald Miller lays out a 6-step plan that has helped thousands of small-business owners build businesses that work. Whether you operate your business by yourself or have one hundred employees or more, you will find this plan useful. It will help you stop feeling like you're managing chaos as you grow your business.

IN THIS SUMMARY, YOU WILL LEARN:

- How an airplane and small business should be similarly engineered.
- The six critical parts of every business.
- The six steps to grow a successful business.
- The problems that will be solved with each of the six steps.

The Airplane is Our Standard

The way an airplane is engineered is similar to the way a business should be engineered. When built correctly, an airplane is a safe, reliable, and useful machine that will successfully do its job of taking precious cargo to a set destination. When it is not built to the correct specifications, however, it becomes a dangerous machine that could produce catastrophic results.

A good commercial airplane has many parts, but six of them are absolutely crucial if it's going to fly safely. There are also six critical parts to a business. Throughout the plan, these parts and how they are engineered together will be our standard.

1. The cockpit of the airplane represents leadership. Leadership is in charge of getting the airplane to its destination.
2. The right engine represents the marketing effort, which directly contributes to the airplane's thrust. When the marketing engine runs efficiently, the business sells more, moves forward, and, in turn, lifts.
3. The left engine represents sales, which increases the thrust of an airplane even more. Sales go up and the thrust that moves the plane forward increases.
4. The wings of the airplane represent the products or services you sell. If they are in demand and profitable, they will give the business lift and support the weight of the plane.
5. The body of the airplane represents overhead and operations. If the belly of the plane grows too big, the plane will crash.
6. The fuel represents cash flow. With fuel, energy is transferred to all the moving parts of the airplane. Without fuel, the airplane crashes no matter how well it's designed.

The simple metaphor of the airplane creates a powerful filter to allow your business to grow intuitively. Keeping this metaphor in mind allows you to make smarter decisions, which, turns out, is the key to growing a business. The steps that follow will help you get your business off the ground and grow it to fifty or more employees or multiple millions in revenue.

Step One: Leadership

Step One Will Help You Solve These Problems:

- You often feel like you're winging it
- You do not have a compelling vision
- You are "guessing" when it comes to hiring
- Everybody is busy but the business isn't growing

The primary job of the leader and the leadership team is to clearly define a destination and then reverse engineer a plan to get there. Pilots have a flight path and know exactly where the plane is supposed to be every minute of the flight.

The predetermined coordinates may change a bit in the air, but it's the specific flight path that provides a filter for all decision-making during the flight. The same should be true when it comes to leading a small business and Guiding Principles pave the way.

To become a business on a mission, you will create a Guiding Principles package that includes three elements:

1. A Mission Statement that includes three economic priorities
2. Key Characteristics for every team member
3. Critical Actions you can take every day that will unify your team and define your culture

Mission Statement

The best formula for a Mission Statement includes the elements of metrics, a deadline, and a reason. It goes like this: We will accomplish X by Y because of Z. When you use this formula to create your mission statement, you include a realistic deadline that increases a sense of urgency, and you define a reason the work is important. These three elements will also effectively invite your team into a story that will inspire action.

Very few Mission Statements include economic objectives. That is a mistake. The business exists to generate profit while creating value for customers. This should not be a hidden agenda and further, there should be three economic priorities included.

The main reason to include three economic priorities is to normalize conversations around finances. If you and your team normalize conversations about money, you and your entire team will make more money.

The reason we limit it to three economic objectives, though, is because the human brain has trouble prioritizing more than three objectives at a time. Those three economic

We change when we fully engage in something that sits beyond our current capability.

priorities should be specific and measurable, drive company revenue, and drive company profit.

Key Characteristics

Human beings transform when they want something that requires them to be a better version of themselves in order to attain that something. We change when we fully engage in something that sits beyond our current capability. In fact, what top talent wants more than anything else is to work for a business that will help them transform into a high-value professional.

You and your team will have to develop certain characteristics in order to achieve your Mission Statement. These are called Key Characteristics, which are similar to core values, except they identify a specific set of skills or personality characteristics necessary to work for your company.

Here are three questions to ask when determining Key Characteristics:

1. What specific characteristics will each of us need in order to create or sell the products that solve our customers' problems?
2. What characteristics will we need to keep going when the challenges seem overwhelming?
3. What characteristics will we need to create a safe, encouraging culture?

To simplify things, include only three Key Characteristics that are specific enough to guide your hiring decisions but universal enough to be true for everybody in the organization. Not only this, but they should contribute to the business hitting its financial objectives.

Here's a great example of Key Characteristics for a local restaurant:

- We love people and enjoy serving them
- We are obsessed with great-tasting food
- We are calm under pressure

Now that you know three economic priorities along with what kind of people you need to become to reach your financial objectives, let's talk about what actions we need to take in order to live our mission.

Critical Actions

Critical actions are vitally important because if we don't embody the mission in action, we will never make an impact. Critical Actions define three actions every member of your team can take nearly every day that will move the business toward its three financial objectives. You're looking to create habits that move the mission forward.

Your three Critical Actions should have two things in common: nearly everybody on the team can do them, and they should directly affect the forward movement that will assist the accomplishment of your mission. Your Guiding Principles create a foundation on which to build your small business. Now you are able to move on to clarifying your marketing message.

Step Two: Marketing

Step Two Will Help You Solve These Problems:

- You aren't sure how to talk about your products so they sell
- Your website and marketing collateral isn't converting to sales
- Your social media doesn't have a controlling idea
- You have not created a loyal brand following

This step represents the right and left engines of your airplane, which are marketing and sales. An engine's job is to create thrust and move the airplane forward, so we are going to learn about how both engines can move the wings (products) of your airplane fast enough to create lift.

Our marketing effort will focus on one clear objective: to explain what our products have to offer in such clear, simple language that everybody understands why they should buy our products and are motivated to do so.

We can harness the power of story to generate interest in our brand and our products using your StoryBrand BrandScript. The StoryBrand Framework has you create seven categories of Soundbites that, if repeated in your marketing collateral, will help you invite customers into a story and generate more revenue for your brand using the StoryBrand Seven-Part Framework.

Element One: A Character Who Wants Something

To get attention, you need to identify something your potential customer wants and then talk about it in your marketing collateral. The key here is to be specific. The more specific you are, the more likely you are to open a story loop in your customer's mind.

Element Two: Must Overcome a Conflict

People only buy products and services to solve problems. If you talk about the problems your customers experience you are further opening the story loop that they must buy your product to solve.

Element Three: Meets a Guide

Many small business leaders make the mistake of positioning themselves as the hero in the story. Never play the hero; always play the guide. To do this, you must express empathy about the pain your potential customers are experiencing and demonstrate authority that you actually know how to help.

Element Four: Who Gives Them a Plan

You need to provide your customers three or four baby steps they will need to take in order to buy your product and solve their problem. It tells them making a purchase is simple, safe, and easy.

Element Five: And Calls them to Action

It's a strange phenomenon, but people don't tend to do things unless you ask them to do things. And making purchases is one of those things. Call your customer to action with confidence. Your buy buttons are your cash registers; make them easy to find, click, and use.

Element Six: So the Hero Can Avoid Failure

A good story needs stakes. The two categories we will create SoundBites for in order to add stakes are *failure* and *success*. We want to create a talking point about what we are helping our customer avoid.

Element Seven: And Experience Success

Cast a vision for your potential customer that answers the question: What's in it for me? Give your hero a "happily ever after" by telling them about the wonderful, powerful, positive thing that will happen to them if they buy our product or service.

Use this series of repeatable Soundbites in all of your marketing collateral, including landing pages, lead generators, emails, and even casual conversations.

Step Three: Sales

Step Three Will Help You Solve These Problems:

- You hate to sell but know you need to in order to grow your business
- You don't feel comfortable when you ask for money
- You do not know how to write a sales email that will immediately close sales
- You need more sales and you need them now

Every small business owner and every account executive or sales rep should know how to craft a million-dollar sales pitch. That means a sales pitch that can be used over and over to make a million dollars, no matter how big or small your business is. If you know how to craft a great sales pitch, you can bring millions in revenue into your small business.

Very few of us who run or own a small business think of ourselves as salespeople, but the truth is, we all have to sell. If we don't, our small businesses will crash. If you don't like to sell, don't worry. The *Customer is the Hero Sales Framework* will teach you to "think" in story and relies on color coding to organize and craft a million-dollar sales pitch.

The "Customer is the Hero" color key looks like this:

The customer's problems: red

Your product positioned as the solution: purple

The three- or four-step plan: brown

The negative consequences you are saving the customer from: yellow

The positive result your customer will experience: blue

Your call to action: green

If you can include two or more colors in a customer in-

How can you work just as hard as you're working now and generate two, five, or even ten times the revenue?

teraction (an email, a proposal, a conversation) and you're inviting them into a story and they're much more likely to pay attention. Include three or four, all the better. If you can include all six, you've just crafted a million-dollar sales pitch without even thinking about selling.

The key is for all of this to become so natural you think in story intuitively. Here's an example.

Let's say you're at a dinner party and you meet two people who have the same type of small business. You ask the first person what they do. They answer, "I'm an at-home chef. I come to your house and cook."

Later, while talking to the second person, you notice they answer differently. They say, "You know how most families don't eat together anymore? And when they do, they don't eat healthy? I'm an at-home chef. I come to your house and cook so you and your family can actually connect with each other over a great meal and when you're done, you don't have to worry about cleaning up."

What's the story? The story is about you, the hero parent who hired an at-home chef so you could better connect with your family over dinner. What do you need to live that story? You need to hire this person to be your at-home chef.

Step Four: Products

Step Four Will Help You Solve These Problems:

- You aren't sure which of your products is producing the most profit
- Your product offering is getting boring to your customers
- You need more cash and you need it fast
- You don't have a process in place to upsell products to existing customers

What gives your airplane lift? The wings, which are your products. Your marketing and sales engines will only work if they have a product to sell. The question to ask is this: How can you work just as hard as you're working now and generate two, five, or even ten times the revenue? All you have to do

is figure out how to work just as hard as you're working now and provide 2x, 5x, or 10x the *value* you offer to customers.

Here's an example. A wedding planner was challenged with growing her business. She was only one person and limited in her ability to scale. We optimized her product offering by creating a product called Plan Your Own Wedding. For \$5k, she would walk you through a robust checklist and give access to step-by-step videos that helped couples plan everything themselves. On top of that, the couples got access to a cohort of other couples who met with the planner each week to ask questions and address concerns. Suddenly, the wedding planner went from planning one wedding at a time to planning 10 to 15.

So how do we optimize our product offering? There are three exercises you can conduct.

1. Rate your products by profit. Look at current offerings and get brutally honest about what's bringing in money and what's weighing your airplane down.
2. Product brainstorm to see if you can offer new products that will bring in more revenue and profit.
3. Use a product brief to decide which products you should create to grow your business. This is a form you fill out every time you have a new product idea that will help you realize whether or not the new product is a good idea.

When you perform these three exercises, and continue to perform them on a regular basis, you will improve your airplane by making sure the wings are optimized for lift.

Step Five: Overhead and Operations

Step Five Will Help You Solve These Problems:

- Too many people are wearing too many hats
- Team members aren't getting consistent feedback
- Your culture feels like organized chaos
- Your leaders need better management skills

If the body of an airplane is too large to be supported by the wings and the engines, the plane will crash. Our small businesses work the same way. So, the question is: How to keep our overhead lean?

For most small businesses, overhead bloat comes from a single place: labor. We might suppose that letting people go is the answer. In fact, that is what happens in big companies. Tough as it is, it's the only way, right? Not so fast.

What if, instead of letting everybody go, your entire labor force became a business-building group of focused professionals that contributed mightily to the bottom line? It means your business would start growing and your overhead would transform into an investment rather than a spend. The way to do this is to install the *Management and Productivity Made Simple Playbook*.

To use the *Management and Productivity Made Simple Playbook* all you have to do is begin to hold five separate meetings. That may sound like a lot of meetings but these meetings are designed to replace most of the meetings that are currently bogging you down.

The All-Staff Meeting: Every Monday morning for 45 minutes to an hour, the entire staff gets together with a three-fold meeting purpose:

1. Maintain alignment and focus around the three economic priorities,
2. Update the entire team about any department initiatives or successes, and
3. Keep morale up by publicly honoring team members who are demonstrating exceptional work that helps your team make progress toward your three economic priorities.

The Leadership Meeting: This takes place right after the All-Staff Meeting and lasts a half hour to an hour. It consists of department heads and is designed to talk about the primary initiatives currently in motion as well as address any roadblocks that are holding back your economic objectives.

The Department Stand-up: This is for small businesses with more than five or six team members that are divided into two or three departments and they last less than fifteen minutes. Department leaders set objectives for the coming work days and address any roadblocks team members may be experiencing.

The Personal Priority Speed Check: Ongoing coach-

ing is critical to keep productivity and morale high. In a short fifteen-minute meeting, leaders meet with individual team members each week to zoom in on each person's responsibilities within the context of the team.

Quarterly Performance Reviews: Every quarter you will carefully assess each team member's performance. These conversations are a mix between management and coaching in which each team member can come to understand how to improve their professional career.

The *Management and Productivity Made Simple Playbook* isn't just designed to streamline leadership and management meetings; it's designed to increase focus towards your three economic priorities (as defined in your Mission Statement) and take your productivity to its highest level yet and your business will be making a lot more money.

Step Six: Cash Flow

Step Six Will Help You Solve These Problems:

- You aren't sure where your personal finances and the business finances begin and end
- You constantly worry about running out of cash
- You aren't sure how much profit the company really makes
- You want the small business to help you make outside investments that build wealth

Even if your business is engineered like the perfect airplane, it is shockingly easy to run out of money and crash your plane. Your cash flow is your fuel. If you have plenty, you can fly your plane far and fast and circle the airport when there is trouble.

So, how do we manage money in such a way that we can pay our bills, enjoy a great salary, put some profit away for a rainy day, pay taxes, invest outside of the business, and, most importantly, never run out of money? The answer: Manage your small business cash flow using five checking accounts.

The *Small Business Cash Flow Made Simple Playbook* is perfect for business owners and leaders who identify more as money makers than money managers. You no longer have to sweat the finances. Running your money with five checking accounts will allow you to:

- See the overall health of your company in an instant
- Separate personal from business money

- Never run short at tax time
- Feel confident that your business can survive a set back
- See how much money is being put away to create personal wealth

The five checking accounts you will use to manage your small business finances flow in and out of each other to create a fluid system that gives you optics, and control, over your money. Here is a description of each and how to use them.

Operating Account: All the money that flows into and out of your business will flow into and out of this account. This is the main account you will use to pay bills, including your personal salary.

Personal Account: This account will receive an automated bimonthly or monthly transfer from the business account that will make up your personal salary.

Business Profit: This is where you store money your business makes that does not need to go back into the company to keep it alive.

Tax Account: This is where you will put the money you'll use to pay taxes.

Investment Holding: This is where you put money and keep it for a rainy day. When it gets so large that it doesn't make sense to keep it all for an emergency fund, you'll move some of the money to buy outside investments.

The work you're doing to build your business is important. The quality of people's lives, including yours, improves as we do the work. Here's to the success of your small business!

To access forms and templates integral to implementing

the Six Steps or to join the community, go to SmallBusinessFlightSchool.com.



Donald Miller is the CEO of Business Made Simple, an online platform that teaches business professionals everything they need to know to grow a business and enhance their personal value on the open market. He is the host of the Business Made Simple podcast and is the author of several books, including the bestseller *Building a StoryBrand*. He lives and works in Nashville, Tennessee with his wife, Elizabeth.

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