



Small Business Savvy - Answers



Activity - Questioning Skills

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A client calls to find out about your product or service. What questions could you ask them? Try to brainstorm at least two questions for each type of question. Use the previous document to help you.

Open
Answers will vary but should require more than a yes or no answer.

Specific
Answers will vary but should help clarify points by requesting a specific piece of information or require a yes or no answer.

Closed
Answers will vary but should produce a yes or no answer.

Alternative Choice
Answers will vary but should provide options to the customer.

Leading
Answers will vary but should confirm information to help a customer make a decision.

Hypothetical
Answers will vary but should test for a reaction by giving a hypothetical scenario.

Adapted from <http://www.connectionsmagazine.com/articles/4/095.html>

Activity – Body Language

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Answers may vary.

 <p>Appears nervous Doesn't make eye contact Not overly approachable</p>	 <p>Looks at the client Pointing may be inappropriate Looks reasonably approachable</p>
 <p>Cross arms are a physical barrier Self-confident Not very approachable</p>	 <p>Friendly Casual Easily approachable</p>
 <p>Busy May be annoyed Not very approachable</p>	 <p>Self-confident Smug (male) Annoyed (female) Not very approachable</p>

Activity – Negotiating

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1. Find two examples of situations in which Simon has to use his negotiating skills.

Students phone to complain because

- a) they haven't received a piece of information
- b) they want him to do something he can't do

2. Simon gives two pieces of advice for dealing with difficult phone calls. What are they?

- a) Ask to call someone back with a solution
- b) Consider what you can and can't compromise on before making an offer



Activity 2 – Negotiating

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You are a travel agent who books flights and hotels for business travellers. You received a call from a customer three weeks ago to make a reservation but they did not pay a deposit. As a result, the hotel has cancelled the reservation. The customer claims they were never told a deposit was required.

How are you going to deal with this situation? Make sure you refer to the tips in the article.

Answers will vary but should

- **be written in full sentences**
- **relate to some of the following tips**
 - **listen and repeat in your own words**
 - **ask to take a short break if the situation gets heated**
 - **think about what you can compromise on**
 - **tell the customer what you can do**
 - **don't give into impossible demands**

Activity – Cold Calling

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What is your definition of cold calling?

Answers will vary but should relate to the article which describes cold calling as the first telephone call or contact with a customer.

Do you plan on using cold calling as part of your small business marketing? Why or Why not?

Answers will vary but should have at least one supporting detail to back up reasoning.



Activity 2 – Cold Calling

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Use the internet to search for articles and information about Cold Calling. Before you start, brainstorm 3-5 words or phrases that you can search to find information.

Answers will vary but may include

1. **Cold Calling**
2. **First Customer Contact**
3. **Canvassing**
4. **Telephone Canvassing**
5. **Door to Door Selling**

Read the articles you find in your search. Use the chart to record the pros and the cons of cold calling.

The Pros of Cold Calling	The Cons of Cold Calling
Answers are based on articles found.	Answers are based on articles found.

Best practices are habits or methods you can use from other people or businesses to make your business successful. Consult the articles on Cold Calling and make a list of best practices when making cold calls. Record your list in the chart below.

Cold Calling Best Practices
Answers are based on articles found.

Activity – Accessible Service

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Use the summary sheet noted at the end of the previous article to answer following questions.

What is the title of the document?

Accessibility Standards for Customer Service – Summary of Requirements

Who created the document?

Government of Ontario

Why do you think the document was created?

Answers will vary but may include

- **to help business owners know the legal requirements**
- **to support customers with disabilities**

Read the list of requirements. Choose 5 and identify how you will incorporate these into your business. **Answers will vary. Examples are listed below.**

Requirement	How I will incorporate it into my business
Establish policies, practices and procedures on providing goods or services to people with disabilities	Write policies for staff to ensure people with disabilities are served fairly and with respect

<p>Set a policy on allowing people to use their own personal assistive devices to access your goods and use your services and about any other measures your organization offers (assistive devices, services, or methods) to enable them to access your goods and use your services.</p>	<p>Write a policy about the use of personal assistive devices to ensure customers with disabilities are served fairly</p>
<p>Use reasonable efforts to ensure that your policies, practices and procedures are consistent with the core principles of independence, dignity, integration and equality of opportunity.</p>	<p>Get staff feedback on policies, practices and procedures in relation to the core principles of independence, dignity, integration and equality of opportunity</p>
<p>Communicate with a person with a disability in a manner that takes into account his or her disability.</p>	<p>Review article about working with people with disabilities quarterly.</p>
<p>Train staff, volunteers, contractors and any other people who interact with the public or other third parties on your behalf on a number of topics as outlined in the customer service standard.</p>	<p>Supply staff with article about working with people with disabilities and review it quarterly.</p>
<p>Train staff, volunteers, contractors and any other people who are involved in developing your policies, practices and procedures on the provision of goods or services on a number of topics as outlined in the customer service standard.</p>	<p>Review the customer service standard with staff and volunteers quarterly.</p>
<p>Allow people with disabilities to be accompanied by their guide dog or service animal in those areas of the premises you own or operate that are open to the public, unless the animal is excluded by another law. If a service animal is excluded by law, use other measures to provide services to the person with a disability.</p>	<p>Place sign on front window that says service animals are welcome.</p>

<p>Permit people with disabilities who use a support person to bring that person with them while accessing goods or services in premises open to the public or third parties.</p>	<p>Supply staff with article about working with people with disabilities and review it quarterly.</p>
<p>Where admission fees are charged, provide notice ahead of time on what admission, if any, would be charged for a support person of a person with a disability.</p>	<p>Identify that support persons are free when accompanying a person with a disability on marketing materials.</p>
<p>Provide notice when facilities or services that people with disabilities rely on to access or use your goods or services are temporarily disrupted.</p>	<p>Write communication policy on how to distribute information if goods or services are interrupted for people with disabilities.</p>
<p>Establish a process for people to provide feedback on how you provide goods or services to people with disabilities and how you will respond to any feedback and take action on any complaints. Make the information about your feedback process readily available to the public.</p>	<p>Develop a rack card specifically about how the business works with people with disabilities. Leave copies on the front counter. Post the process on the website.</p>

What can every business person do to make their business more accessible today?

- Treat all customers with dignity and respect
- Ask “How may I help you?”

Activity – Don't be a shark

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The biggest mistake people make when attending networking events is overselling. No one likes to feel that their only value to you is money. To be honest, you may not speak to any potential customers at an event. But they may be customers in the future or they may be able to refer you to a future customer. The key is getting people to like you and know what you do. They don't need to know the features or benefits of your products/services. Meeting contacts at networking events is about creating relationships. This can be scary. Create a list of questions that you can ask people to build relationship. Starting with traditional questions is fine, but try to think of some really unique questions to get people to remember you.

Answers will vary. Discussing the answers as a group if possible may help learners to think about more unique questions.

Examples may include

- 1. What made you choose to become a small business owner?**
- 2. Why do you sell the product/service that you do?**
- 3. If you could give me as a new business owner one piece of advice, what would it be?**

Activity – Personal Branding Statement

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Answers will be very specific to the client and their business. Look for full sentences, proper grammar and supporting details.



Activity – Create a card**Page Error! Bookmark not defined.****Option A – Cards at home****Results will vary but cards should include basic information like**

- **Business name**
- **Owner's name**
- **Phone number**
- **Email**
- **Logo (if available)**
- **Image that relates to business**

Option B – Cards professionally printed**Answers will vary but learner should be able to complete chart.**

Business Name	Contact Information including the name of who you spoke with	Cost (with tax and set-up fees)	Completion date	Software program required to send logo or other pieces	Additional notes

Activity – Create a PowerPoint sales presentation

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Results will vary but learner should be able to complete a PowerPoint that includes points outlined in the article.

Sales presentations should

- introduce the product or service
- identify the customers' needs
- position the business to be the one to serve those needs
- compare the product or service to the competition
- list the benefits of using the product or service
- list the actions that can be taken after the presentation by the owner and/or the audience
- give the audience a reason to follow up with the owner (ex. offer a time specific discount)
- provide contact information as well as where to go to find additional information about the business (ex. websites, brochures, references)

Activity – My Competition

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Answers will vary based on the industry and learner research. The learner should be able to complete 3 charts. An example is below.

Competitor Name: **Sweet Treat**

Area served: **Westtown**

Products/Services offered: **Cakes, cupcakes, squares, in house and custom orders**

Approximate pricing: \$2 for a square - \$120+ for a custom cake

<p>Strengths of my competitor</p> <ul style="list-style-type: none"> - been in business for 7 years - strong brand - name relates well to product - offers gluten free and vegan options 	<p>Weaknesses of my competitor</p> <ul style="list-style-type: none"> - no seating - doesn't offer any beverages other than water - only serves sweet baked goods - no parking
<p>Opportunities for me to learn from my competitor</p> <ul style="list-style-type: none"> - responds to needs of unique clients (gluten free, vegan) - does not have a good online gallery of custom orders (I could do this better) - has a good custom order form (I could modify and rebrand) 	<p>Threats or concerns I have about my competitor</p> <ul style="list-style-type: none"> - good reputation in the community may make it hard to enter market - prices are pretty low - next to popular coffee shop

Activity – Legal start-up costs

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Visit the sites in the lesson and identify which steps you need to take, what the costs of these steps will be and when you will complete them by. It is important to run a legitimate business that is registered and acknowledged by the government. If you sell your product or services first, you may run into trouble later.

Use the chart below to start your planning.

Step to complete	Website/Contact Information	Costs of completing	Completion date
<p><u>Self-Employment Benefits</u></p> <p>Decide if you want to participate</p> <p>Register through My Service Canada account</p> <p>Wait 12 months before you can use benefits</p>	<p>http://www.servicecanada.gc.ca/eng/sc/ei/sew/index.shtml</p>	<p>Depends on income</p>	<p>Not necessary – can opt in anytime</p>
<p><u>Business Name Registration</u></p> <p>Log on and complete registration (may also be done through mail or phone)</p>	<p>http://www.cra-arc.gc.ca/tx/bsnss/tpcs/bn-ne/bro-ide/menu-eng.html</p>	<p>\$60 Credit card required</p>	<p>Immediately</p>
<p><u>Tax returns</u></p> <p>Find an accountant</p> <p>Take necessary documents to accountant at tax time</p> <p>Complete tax return</p> <p>Pay taxes (if necessary)</p>	<p>http://sbinfocanada.about.com/od/taxinfo/a/incometaxhub.htm</p>	<p>Accountant costs (vary)</p> <p>Taxes (if required)</p>	<p>Keep documents all year</p> <p>File at tax time</p>

<p><u>Opening an HST account</u></p> <p>Decide if you need to register</p> <p>If yes, register online, through mail or over the phone</p> <p>Include HST in sales to customers</p>	<p>http://www.cra-arc.gc.ca/tx/bsnss/tps/gst-tps/rgstrng/menu-eng.html</p>	<p>None</p>	<p>Immediately if you are projecting to make more than \$30,000 in this current year</p>
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Activity – Policy Building

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Answers will vary. Examples are listed below.

Record Keeping

- **Customer information will be kept on the password protected computer.**

Work Hours

- **Office hours will be from 9-2. Occasionally, meetings may take place outside of these hours.**

Vacation

- **Vacation responders will be used if staff are away from email for more than 24 hours during the business week (Monday – Saturday)**

Sick days

- **The owner will be allowed 6 sick days per year.**

Operations

- **Orders will be completed within 5 business days.**

Other

- **Customer emails will be responded to within 24 business hours.**



Activity – Customer Issues

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You can't please everyone. It's important to have a plan of action for dealing with unsatisfied customers. Practice by responding to the situation below.

You own a furniture business. Customers can have their furniture delivered for \$85. To help your customers, you offer a morning delivery option (8am to 12pm) or an afternoon delivery option (12pm to 4pm). You do this so customers will not have to wait for delivery all day.

A customer calls your dispatcher the day before delivery. She had requested morning delivery but would now like to change it to the afternoon. She is specifically requesting delivery between 12pm and 1:30pm. Your dispatcher tells her she will do her best to get the furniture there at that time.

The delivery truck arrives at the customer's house at 2pm. They were unable to make it there earlier because of traffic. The customer has left a note on the door demanding delivery tomorrow afternoon and the return of her \$85 delivery charge.

What would you do in this situation?

Answers will vary. They should be fully explained and preferably in full sentences.

What impact would your action have on your business?

Answers will vary. They should relate and be a reasonable outcome in relation to the previous answer.

What policies (staff and/or customer) could you put in place to stop this from happening in the future?

Answers will vary. They may include

- **Emailing/texting the customer the delivery time and any changes to avoid confusion**

- **Requiring a customer to sign a document to confirm they understand delivery times cannot be guaranteed outside of the am or pm windows at time of purchase**
- **Recording all customer phone calls and making sure the dispatcher states and confirms with the customer that “deliveries cannot be guaranteed outside of the 4 hour window of time”**



Activity – Digital Safety

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Go online to google.ca. “Google” or search your business name. Click through the first 5 – 10 websites.

What are their titles?

Answers will vary. Learner should list the titles of 5-10 websites.

What type of websites are they? Are they businesses, personal blogs, community sites?

Answers will vary. Learner should describe the types of websites they visited.

Would any of them turn a customer off your business or confuse them? How?

Answers will vary. Learner should show some critical thinking and describe how these websites may affect their business. They should offer supporting details.



Activity – Health & Safety policies

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The Ontario Health & Safety Act requires that a business with more than 5 employees have a written health and safety policy and a program to support it.

A health and safety policy is

- clearly written
- a standard of health and safety
- in line with legal requirements
- a guide outlining who is involved in different parts of health & safety
- reviewed every year with employees

Parts of a Health & Safety policy and program may include

- WHMIS
- Infection, prevention and control
- Violence Prevention & Harassment
- Musculoskeletal Disorder Prevention
- Machinery or equipment use
- Slips, Trips and Falls Prevention
- Motor Vehicle Safety

Use the document below to start your policy. Choose at least 3 areas to begin writing policy. Each area may have multiple policies.



Health & Safety policies for (Learner Business Name)

This document is to be reviewed every year.

Dates of review – (Date in a common format)

Answers will vary. Examples are below.

Health & Safety Area	Related Policy
Example – Musculoskeletal Disorder Prevention	Employees should not lift boxes or object more than 40 lbs without assistance from another employee
Motor Vehicle Safety	Employees must have a valid G license to drive the company car.
Machinery or Equipment Use	Employees will be given 1 week training before they are allowed to operate the printing press by themselves.

For more information on small business and workplace safety refer to http://www.healthandsafetyontario.ca/getmedia/2bf7b1ba-b8fa-4538-a7ef-224edecd0d93/PSHSA_SmallBus_H-S_Nov2012_web.pdf.aspx

Activity – Balance sheet

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Count the bills and change below from the end of the day. Enter all of the information and complete the balance sheet in full. You may use a calculator.



Balance Sheet		
Date: <i>August 18, 2014</i>		
2	X 5 cent coins	.10
4	X 10 cent coins	.40
5	X 25 cent coins	1.25
1	X \$1 coins	1
1	X \$2 coins	2
0	X \$5 bills	0
0	X \$10 bills	0
6	X \$20 bills	120
4	X \$50 bills	200
1	X \$100 bills	100
	Debits	\$50
	Credit Cards	\$100
	Total Cash at end of day	574.75
	less float	\$55
	Total sales	519.75

Activity – Invoices**Page Error! Bookmark not defined.**

Complete the invoice. You may use a calculator.

ToyLand Inc.			
Date of invoice	March 1, 2014	Date payment is due	March 31, 2014
Bill to:		Send payment to:	
George Strombo 123 Live St. Port Colborne, ON L2L 9G9		Your Business Inc. 789 Best Ave. Thorold, ON L9K 2B9	
Qty	Product	Rate	Cost
1	Baby Doll	\$20	\$20
4	Colouring Books	\$4	\$16
2	Packs of Crayons	\$3	\$6
		Subtotal	\$42
		HST (13%)	\$5.46
		Total	\$47.46

Please make payment within 30 days of the invoice date. If your records do not agree with the information above, contact us immediately at 905-555-1234.

Activity – What's the profit?

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Below is a chart that will help you recognize what kind of sales targets you will need to make. For this activity use only the direct supply costs of your most marketable product/service.

Fill in your direct supply costs for one item then multiply it by the markup percentage to find out what your sale price would be. Consider your customers and how much they would be willing to pay to find the right markup. Also consider your competition's prices.

If you aren't sure about the direct supply costs for a product, use the example.

Fill in the chart below. You may use a calculator.

Answers will vary. Client should be able to complete the whole chart.



Activity – Create an equipment start up budget

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A start up budget is different than a projected budget. Think about what you need to start your business. You may have to purchase equipment at the beginning that will not be a regular expense. What is the bare minimum you need to open your doors? Use a startup budget to decide what you need and what the cost of start-up will be.

Answers will vary. Client should be able to complete the chart and total the expenses.



Activity – Making the case

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Whether or not you have decided to apply for a business loan being able to back up your business is a key piece of starting your business. Whether you are proving yourself to a bank, investors, customers or other small business owners, making the case for your success is important/

This activity focuses on self-reflection. Answer the questions below to prepare yourself for questions from lenders or other interested parties.

Answers will vary. Learner should be able to answer the questions in full sentences.



