

An illustration of a person from the chest up, wearing a black suit, white shirt, and red tie. They are holding a grey briefcase with both hands. The briefcase is open, and inside, the text 'Big Business LESSONS FOR SMALL Companies' is displayed. The background is a dark blue gradient.

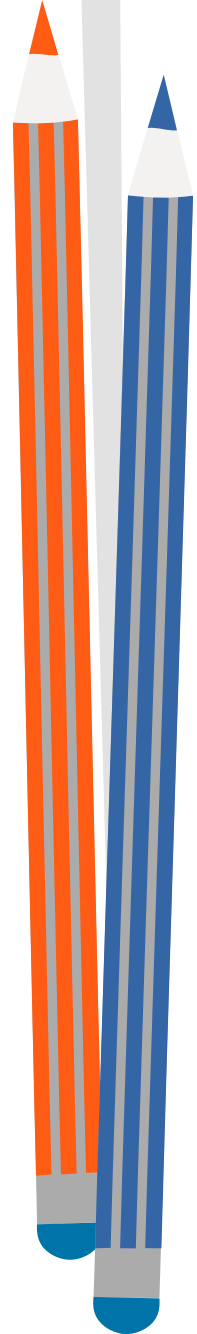
# **Big Business** **LESSONS** FOR SMALL **Companies**

# Big Business **LESSONS** FOR SMALL **Companies**

Knowing the basics can really only get you so far, and no one wants to run a basic business.

**Success can be learned, practiced and executed** on a regular basis if you have the steps and fortitude to stay disciplined and motivated. Learning from the businesses that have grown and succeeded is a great way to model best practices and implement strategies for long-term growth and overall success.

Large companies like Google and Microsoft are large for a reason - they're incredibly successful, and there are plenty of lessons smaller companies can learn from the big ones. Here are a few ways that any small business can put to use (though some of them are examples of what not to do).





## Determine What's Important

Any company that wants to succeed needs to first define what's meant by "success". How someone defines their success determines how effectively they'll be able to measure their progress towards that goal. This also applies to small businesses.

### Define "success"

Vague goals like "Create the best customer experience" can't be measured, while concrete ones like "Sell 1,000 units every month" or "Gain 1 million clients by the end of the year" can be.

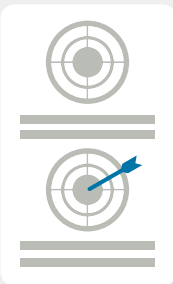
Additionally, when a company reaches its goal they can determine what strategies were employed to reach that goal. They can then determine how to reach the next goal. If it took local ads that cost A, for example, in order to shift B units of product, then it will probably cost X in advertising to move Y units of product.



### Develop a clear plan

People sometimes think that smaller companies don't need to worry about long-term goals or have a set strategy. They reason that big corporations get bogged down by strict schedules, and that their business should be more agile and adaptable. While it is true that smaller companies can be more nimble than big ones, small businesses shouldn't do away with timelines completely.

Google, for example, uses Objectives and Key Results (OKRs) to great success. These OKRs focus on the steps people took to reach specific goals, and how long it took them to get there. Small businesses have fewer people involved, and insight into what everyone is doing will help to keep each person accountable.



### Limit your scope

Trying to be the best at everything can be a stumbling block for smaller companies. Instead, decide on the one thing your company aims to do better than everyone else and focus all of your attention on that. Use these big companies' initial focus for examples:



**Apple:** Easy-to-use, aesthetically pleasing devices.



**Facebook:** Making it simple to stay connected to your friends.



**Google:** The internet search engine.

### Emphasize value over price

Disney is one of the largest corporations in the world, and according to Jim Korkis, a Disney historian, Walt Disney himself once said, "Never sell price, sell value, because there is always someone who will sell lower than you." Small businesses would do well to keep this in mind.



If a product is strong enough and customers trust the brand, they won't pay as much attention to the price. Customers focused on the value of your product or service can become brand ambassadors. People who like your company so much they'll practically sell it to others for you. There is a reason that people wait in line for days for Apple products and flock to Disneyland in droves.

## Prepare to make money

Small businesses are, at the end of the day, businesses. No matter their goal, product, or service, they need to be able to acquire money in order to pay their employees and keep doing what they're doing. Too often, companies focus so much on creating something and getting it out there that they don't consider how to get paid for their efforts. Other times, they are afraid that asking for money will push their audience away.

Regardless of the reason for not having a plan to make money, small businesses should know there are many different ways of doing so. These big companies demonstrate that:

### The New York Times Monthly subscription



### Advertising model

Mint advertises brands like TurboTax, and vice versa



### Freemium model

Customers can use the basic service for free

Users pay a fee to upgrade to more storage space



### Per-action fees

Guests get charged a 6-12% fee of the reservation subtotal

Hosts are charged a 3% service fee



## Align Your Business Strategy

Now that you've defined what success means for your company and you've made a solid plan for what to do next, your company should be up and running. But there are still more lessons to be learned from bigger companies.

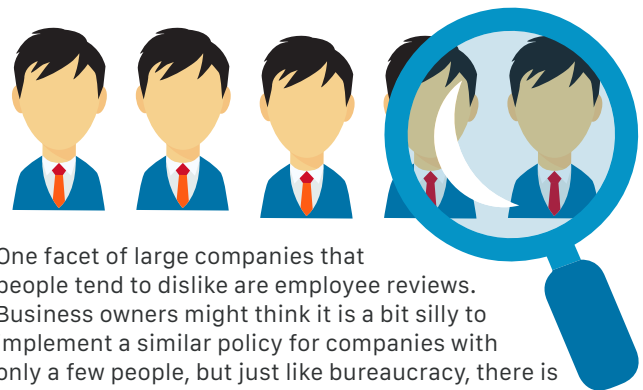
## Bureaucracy isn't necessarily a bad thing

Sometimes individuals in large corporations find making changes requires passing through so many layers of red tape that when they become entrepreneurs, they throw all that bureaucracy out the window. But not all bureaucracy is unnecessary. Some level of organization is needed in any company in order to prevent individuals from working at cross-purposes or on redundant projects.

Sure, small companies don't need nearly as much bureaucracy as large ones, but doing away with it entirely means doing away with progress. Properly-managed bureaucracy can help:

- Manage errors
- Prevent miscommunications
- Keep the company from overly relying on one person

## Everyone should be reviewed



One facet of large companies that people tend to dislike are employee reviews. Business owners might think it is a bit silly to implement a similar policy for companies with only a few people, but just like bureaucracy, there is a reason the big businesses use them. By reviewing employees, people can learn how they have done since their last review and be held accountable for their actions. Reviews help us improve, and the same thing applies to managers.

Small companies should be tightly-knit organizations of people, and learning how a manager or founder is doing can be just as important as a customer service rep or ...


...

software engineer. While those in charge might not like to be criticized, understanding how their employees feel about them and their management style can help them run their companies more effectively.


## Don't put up barriers

Sometimes what small companies can learn from large ones is what not to do. Poor communication tends to be one of the most common mistakes for companies to make. Who hasn't spent far too long on a customer service hotline, or tried navigating a nearly-incomprehensible automated messaging system?


No business can function without its customers, so be sure to make yourself as accessible as possible so that your customers can connect with you. That includes:



Making sure your website is clearly organized and easy to navigate.



A well-trained customer service team that can handle customer complaints quickly and efficiently.



Contact information is available on your website, blog, and social media accounts.

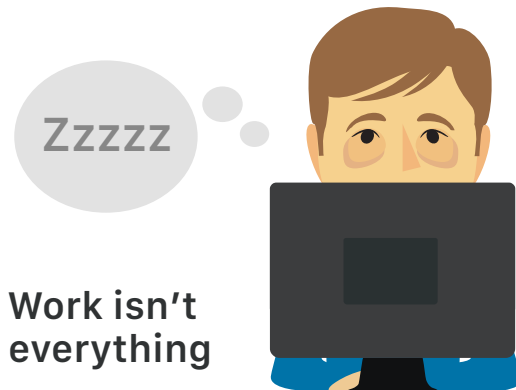
## Fail better

Irish playwright and poet Samuel Beckett once wrote "Ever tried. Ever failed. No matter. Try again. Fail again. Fail better," and "Fail better" should be the motto of every small business. No one likes failure, but people learn from their mistakes. The same



applies to companies. So long as your business understands what didn't work, it will be in a better place to figure out what does.

And if your company succeeded, even better! Examine what you did correctly and keep doing that.



## Work isn't everything

Businesses of any size can fall prey to the idea that the more time its employees spend in the office, the more productivity will increase, but that's just not true. Time and again, studies have suggested that working longer hours increases stress and impairs employee health.

Smaller companies, because they have fewer employees, might end up pushing their people too hard. Even managers can find the line between work life and home life is a blurred one at best. Everyone needs time to rest and recharge their batteries, so make sure that you and your employees take a step back from your job now and again. Your work will thank you.

## Goals are important, but situations change

It is true that small businesses should set goals and follow plans on how to achieve those goals, but be careful of making hasty decisions based on limited information. The working world is constantly changing, and while it is important to measure progress and set goals, be aware that situations can change quickly. Adapting to change is something every small business should be familiar with.



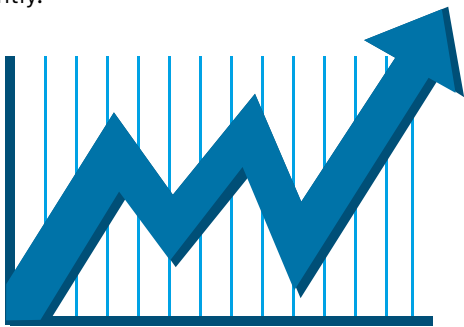
## Things to Keep in Mind

### Work isn't everything

Small businesses that are operating smoothly should keep the following in mind:

### Performance is most important

Seniority tends to be a strong indicator of who is most important at a company, and sometimes certain policies can reflect this. Small companies need to reward their top-performers in order to keep growing. Just because someone has been around longer doesn't make their work any more valuable than someone who was hired recently.



### Don't put people on a pedestal

Too often, small companies (and even big companies) place their founders or important employees on a pedestal. It is an easy impulse to give into. After all, if someone started the company or invented the chief product, then they are very important and they do deserve respect. But that is not the same thing as following their every decision blindly and thinking they can do no wrong.

Certain team members will be very important to the company as a whole, and rightly so, but the company

should be able to keep going even if it loses an important employee. For whatever reason, sometimes businesses and their founders/developers part ways, and not being able to handle their loss can lead to situations like Apple in 1985. When Steve Jobs left the company, the company struggled over the next decade. They ended up hiring him back in 1996, and were better prepared when he passed away in 2011.

### Enthusiasm is great, but it won't solve all your problems

Some small companies can be prone to coasting on enthusiasm, trusting that the goodwill and high energy of their employees will help keep moving them forward. It is true that a positive work environment is one of the things people like most about working at small companies. Office perks designed to improve morale (like ping pong tables) can make people feel great about coming to work every day. However, every company needs to have a system of checks and balances to make sure that people are actually getting their work in on time.

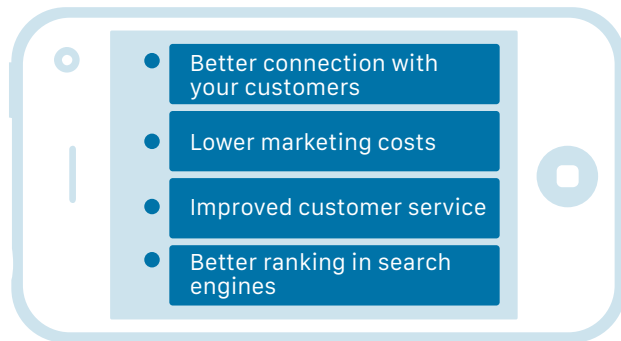




## Social media is your friend

Many small business owners know their company should be on social media; they are just not quite sure why. Almost every major brand interacts with their customers and users through a wide variety of social media platforms, including Facebook, Twitter, and Google +, but also Instagram, Pinterest, and more.

Not every platform will be suited to your audience, of course, and how you interact with your customers will depend on the platform you are using. Even so, social media only costs time, and an active presence can pay off dividends, such as:



## Learn from the best

Visionaries and autodidacts lead some of the world's biggest companies, and learning from their successes and failures can help you steer your company in the right direction. Compare what your business is doing and how it is performing with others in your area, and your industry in general. Who would you say is leading the pack?

To find out what those companies are doing well, read about them, whether that is their blogs or social media accounts. Find out if their leaders attend certain seminars or have participated in leadership conferences. Look at their path to success and try it out for yourself. This will help teach you what changes you need to make in order to improve your business, whether the goal is to become more like the big companies or less.



Now that your company is performing like a well-oiled big-business machine, stay focused and motivated. Hopefully these tips will help you continue to see growth and long-term business success.



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orlandosentinel.com, fastcompany.com, linkedin.com, inc.com,  
adsolutions.yp.com, vator.tv, forbes.com, brainyquote.com,  
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