

BUSINESS LINE

To Your Success

FIVE STEPS TO A SUCCESSFUL WEBSITE

By Carolyn Griswold, *cgwebhelp, llc*

You've decided your business needs a new or redesigned website. How should you proceed? Consider using these five simple steps to simplify the design process and ensure your resulting web site is a successful tool for your business.

STEP 1. Consider your market. Create a client profile—and build your content and design to appeal to that profile.

- Who will use your website?
- Are they young or old?
- Are they computer geeks, computer novices or somewhere in between.
- What will they expect to see or do on your website?
- How will they find your website – through search engines, through networking, through print ads?

STEP 2. Gather your materials. Gather or create photos, graphics, logos, and content that you would like to use on your website. Answer these questions when you're creating your content.

- What makes your company unique?
- What services or products do you provide?
- Would case studies or testimonials help explain your products/services and provide more credibility?
- Who are you? What qualifies you to provide those services or products?
- Who are your clients? Would a client list on your site help define your ideal client?
- How will customers contact you—email, contact form, telephone, and/or mail?

STEP 3. Now that you have your content, you'll need to organize it so that your site visitors can easily find exactly what they came to find. Create an outline for your site as the basis for your navigation. The main categories in your outline will be main navigation buttons on your website. Sub-categories will become sub-navigation. Make sure your navigation remains consistent throughout your website and that you can get to any page on your website with one or two clicks. Analyze your content and determine what key words and phrases visitors might use as search terms to find your site.

STEP 4. Choose your web designer. When you interview web designers, discuss your client profile, the content you have or will have for your site and the outline or navigation of the site.



Use these five simple steps to simplify the design process and ensure your resulting web site is a successful tool for your business.

Your designer should work with you to create a site that appeals to your target market, is easy to navigate and is keyword rich. For example, if you have an older audience you might select a larger font and use a dark font color against a white or very light background. You'll want your site to look appropriate to your business market—not too young or old; too flashy or too conservative. Make sure your design doesn't waste your visitors' time – optimize your images for quick download and avoid the use of excessive or non-relevant graphics.

Discuss your keyword phrases and how they should be incorporated into your site to optimize it for search engines and for your site visitors. For example, it's helpful to use contextual links within your content to link to other areas of your site. Instead of using words like "click here" as a link, use descriptive "keyword" text such as "Five Steps to Successful Website" as the link – search engines and people will find it easier to scan your site for relevant content.

Discuss your budget and what you can expect to get within your price range. Ask about web hosting options—your designer should be able to recommend a host or provide hosting services that will meet your needs. Make sure you have a site statistics package included with your web hosting so you can monitor your site traffic.

Talk to your designer about the best way to update your site. Do you have the skills, software or time to do it yourself or should you plan to pay someone to update it for you?

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Valuable information for your business including:

- *Tips for Checking out a Franchise*
- *Cash Flow-Why it's So Important to Analyze*
- *Letting QuickBooks Make Your Budgeting Process Easier*
- *Five Steps to a Successful Website*

The contributors to this newsletter are independent professionals providing general information. Business owners should consult an experienced professional for assistance suited to their particular needs.

CASH FLOW-WHY DO I CARE?

By Yvonne R. Bruno, CPA

The other day, I was working on a client's file with the goal of completing their year end accounting, and preparing the tax return. As is customary, I initially compared the current year's income statement with the prior year. I noticed that although the company did better, the operations still generated a considerable loss for the year. Looking at the company's balance sheet, I noticed that the cash account was considerably higher than the year before. How could that be? I then examined the company's cash flow statement for the year, and found my answer. The company had found an additional investor, who became a new partner and provided the company with some much needed funds. Because my client routinely generated cash flow statements, I avoided trading phone calls, or performing some additional accounting work to determine where the cash to fund operations came from.

Cash flow analysis is often forgotten when a business owner looks at the operations of their company. Many times the emphasis is on increasing sales, cutting expenses, and increasing income. While all of these things are important, it is also vital to make sure that there is adequate cash in the business to pay your employees, your vendors and most important, yourself.

Often when a business owner hears the term "cash flow analysis", they think of a process involving endless spreadsheets, complicated formulas, and large accounting bills. While that may sometimes be true with a very large company, it does not have to be that complicated. The process involves looking at the cycle of how cash flows through the business and using that knowledge to ensure that funds are available to satisfy the company's financial needs.

The first step is to determine the time between making a sale and depositing the funds into the company bank account. For some businesses like a retail store, this may be instantaneous. For other companies it may be a series of payments, possibly being provided as the product or service is completed. In other situations, it may not be until after the product or service is delivered to the customer. The important thing is to determine what that period of time is for your business.

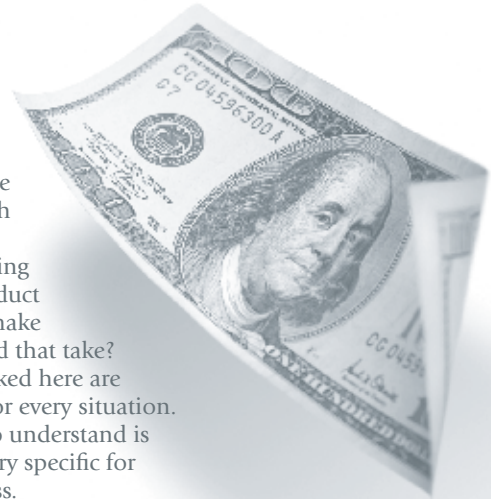
Next in the process is to calculate what was needed in both time and funds to produce the sale. Did inventory need to be purchased to sell in the store? Did you

or an employee provide the service? How much time was involved in preparation for providing the service? Did a product have to be created to make the sale? How long did that take? The questions to be asked here are too numerous to list for every situation. The important thing to understand is that the answers are very specific for your particular business.

The business owner's responsibility in this process is to understand their particular procedures, the components involved to produce the sale, and communicate this information to the individual responsible for the accounting function. Once this is done, things can be quantified. Since the owner of a small business often wears many hats, they are often both the CEO and the accounting manager. Because there are never enough hours in the day, it is at this point where having a good accounting advisor is necessary. They can assist the business owner with the numbers part of the process.

When the costs and time involved in making a sale are combined with the sale and the time needed to collect the funds, a cash flow analysis has been produced. The business owner can now utilize this information. A cash flow analysis illustrates when the company will have excess cash or have a shortfall. This information can be utilized to determine if a line of credit is necessary, the appropriate time to give employee raises or take a bonus, when to order supplies, or if it is possible to expand the business.

Once an initial cash flow has been prepared, it takes considerably less time to keep it updated. However, it never loses its value as one of the most important planning tools a business owner can have.



A SUCCESSFUL WEBSITE (continued from page one)

STEP 5. Maintain your site with current information and monitor it's progress by reviewing your site statistics. Basic site statistics will tell you what pages are being viewed, how many hits and page views your site is getting and what search engines and other sites are sending visitors to your site. Use this information to strategize your updates and your on-line marketing and advertising programs.

Once you've completed these five steps, you'll have completed the first step to a successful website. Your site will be designed to appeal to your target market. Your content will be descriptive and arranged in a

logical, organized manner that will appeal to both people and search engines. And you'll have made plans to monitor your site statistics and update your site as your business changes and grows.

Carolyn Griswold provides "Common Sense Internet Solutions" for business owners looking to build or manage their business website. As owner of cgwebhelp, llc since 1999, she works with business owners to create effective and affordable custom websites designed to appeal to their target market. More information is available at her website, cgwebhelp.com

OPENING A FRANCHISE...LOOK BEFORE YOU LEAP

By Attorney Judy Gedge

If you're like many people, you may have that secret yearning to own your own business. There are certainly advantages to 'being your own boss'. For one thing, no one can fire you! On the other hand, there's no 'calling in sick' when it's your own business. While you can open your own business or buy an existing business, a popular approach is to open a franchise business.

The benefits of opening a franchise business include

- Use of a tried and true set of business techniques
- The advantage of goodwill and name recognition of an established franchise
- Extensive training by the franchise company in how to run a successful business
- Pooled marketing and advertising dollars amongst a large numbers of franchise operators
- Assistance in site selection, build-out and other start-up requirements

The very essence of running a franchise business is that you must follow the franchise company's rules and regulations in operating your business. So, for instance, the owner of a Subway® sandwich shop is not allowed to serve his wife's spaghetti and meat sauce as an added menu item. Uniformity amongst franchise locations is a key element of buying into a franchise system. A Connecticut Yankee who walks into a McDonald's in South Dakota is entitled to expect substantially identical food, ambience and service as he receives in a McDonald's in West Hartford (local accents excepted!) So, if you're a real maverick who wants total control over your own business operations, you may want to think twice (or three times) about buying into a franchise business. But if you like the idea of buying into a tried and true method of doing business and you're prepared to pay the franchise fees, then franchising may be a good option for you.

There are franchise opportunities available for practically any type of business you can imagine, including businesses in retail, junk removal, fast food, tutoring, professional services and even pet waste clean-up. (See FranchiseOpportunities.com to get an idea of the multitude of franchise options available.) If you're considering opening a franchise business, you'll need to do two things - Do your due diligence (investigation and evaluation of the business) and put together a team of professionals to guide you through the process.

DUE DILIGENCE

The key to choosing the right franchise business for you is completing a thorough investigation of the franchise (a process we lawyers refer to as 'due diligence'). The franchise company will provide you with much of the information you'll need for this investigation in the form of the Uniform Franchise Offering Circular (UFOC). Franchise companies are required by federal law to provide you with an updated UFOC and give you adequate time to review it.

Do not succumb to high pressure tactics to sign up today or risk losing the opportunity to 2/10/100 people (fill in the number) who are ready to sign on the dotted line if you don't. Buying into a franchise system is an



important and expensive business decision that will take time to properly investigate.

Here are some of the areas that you'll need to investigate in any franchise opportunity.

• **Cost and Financing.** How much will it cost to open the business (initial franchise fee and other start-up costs). How will you pay for it? Do you have home equity you can 'tap into' to fund the business? Are you prepared to mortgage your house to get a business loan?

• **Projections.** What will your projected cash flow be? Will you have sufficient working capital to fund the early start-up months of the business? Your accountant can be of great help in this area.

• **Franchisor Assistance.** What exactly will the franchise company do to help you start this business. Will they actively work with you to find the right location? Will they provide plans & specifications for a build-out? Do they have a list of approved contractors you can comfortably use?

• **Terms of the Deal.** What will the franchise company commit to do for you? For instance, will you be entitled to an exclusive territory (meaning they won't open another franchise in your area)? What are you obligated to do as a franchise owner? Make sure you understand each and every franchise fee. In addition to royalties on sales, you may be paying an additional percentage of revenues for an advertising fund. Is there a minimum royalty payment regardless of revenues?

• **Talking to Others.** Make sure you talk with other franchise operators including, if possible, owners that have left the business. You'll want to find out what it's really like to operate this kind of business and whether the franchise company truly delivers on its promises. The contact information is listed in the UFOC for current and former franchise owners.

PROFESSIONAL TEAM

Last, but not least, you'll want to put together a solid team of professionals to help you evaluate a franchise opportunity. This includes an accountant, banker, insurance agent, real estate agent and, of course, a business lawyer. Buying into a franchise business may be just right for you. But it's like any other important decision, you'll want to 'look before you leap.'

USING YOUR ACCOUNTING SOFTWARE TO PLAN THE FUTURE OF YOUR BUSINESS

By Annabel Pedemonti, Accounting Software Services

Creating a budget is an important part of running a business, but becomes even more important when you are planning for change or growth. Are you planning to hire employees for the first time? Are you adding employees? Are you bringing in commissionable sales people? Do you want to increase or change your marketing and advertising budget? In order to answer these questions you need a budget and a cash flow forecast to see the impact these changes will have, and if you will be generating enough cash to pay for them.

There are several tools in QuickBooks that help you to generate the information you need:

- Budgets
- Estimates
- Cash flow statement
- Cash flow projector

1. BUDGETS

QuickBooks allows you to create a budget using last year's actual numbers or you can begin from scratch. You enter the amounts you expect to earn and spend for each month.

I recommend exporting the prior year's information into Excel to create the budget there. This allows you to create 'what if' scenarios (e.g. The cost and increased sales of adding a salesperson) where you can immediately see the impact on monthly net profit or loss. When you have completed the budget in Excel you enter the finished budget into QuickBooks.

You can create budgets for specific jobs or classes in the budgeting module. This can be important if you are taking on a large job and need to ensure that you will make money on it and track the expenses it incurs.

Having created the budget, make sure that you monitor it. Don't just create it and say to yourself "Good, that's done for another year!" Look at the reports that compare actual sales and expenditures against the budgeted amounts. Doing this on a regular basis allows you to control spending and adjust your expectations immediately (if necessary) instead of waiting until it is too late to make changes.

2. ESTIMATES

Estimates are useful when costing a job; for instance a house or large remodeling job for a contractor. In the estimate you can cost each phase of the job, and then compare this to the actual costs as the job progresses. This is an important tool to make sure that you control your costs and maintain your profit.

3. CASH FLOW STATEMENT

This report in QuickBooks pulls information from data you have already entered. It begins with your bank balances, adds monies that will come in based on invoices in the system, deducts monies that will go out based on entered vendor bills, and ends up with the resultant bank balances. It is a retrospective report that you cannot change.

4. CASH FLOW PROJECTOR

The cash flow projector is a tool rather than a report. It begins with existing information produced by bank balances, accounts payable, accounts receivable, and memorized transactions. However, unlike the cash flow statement, you can adjust any of these numbers. You then enter projected monies coming in from sales and monies used to pay future expenses and see the resultant cash available.

This differs from the budgets in several ways:

- It combines current information and future projections
- It projects future available cash. The budget forecasts profit and loss on a monthly basis and takes no account of previous, current, or future cash balances.

As you make plans for the future development of your business, using one or more of these tools provided by QuickBooks will help you to analyze their impact. They will give you the confidence you need to grow, as well to avoid costly mistakes.

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