

Workable New Year resolutions

New Year resolutions – we’ve all made them, and broken them – often before the end of January. There’s something about New Year celebrations that makes us yearn for a fresh start, but is there a way to make that desire for change more permanent?

Here’s a twist that can make your resolutions more durable, more beneficial and less prone to that embarrassing quick fade.

Align goals to your business

Try aligning personal goals to your business goals. This can deliver more benefits than you might have anticipated. For example, suppose your goal is to take a month’s holiday in September of this year – perhaps the first real holiday you’ve had in years.

If you’ve booked your tickets in advance, your goal has a fixed deadline and you’ll need to have the business ready by then to operate without you. So what do you need to do? You might decide the critical steps are:

- Start delegating more tasks to employees – beginning gradually to test their competence.
- Create an operating manual so everyone can follow clearly defined procedures on all business processes.
- Improve the accounting system so you can check the health of the business while you’re away.
- Monitor the key drivers in your business (key performance indicators) so senior staff can quickly take action on any slippage from defined parameters, such as a dip in the gross profit margin.

Notice how aligning your personal goal of a holiday with business goals provides both purpose and motivation to empower your original resolution. Your goal was simply to take a real holiday this year, but achieving the goal will deliver extra personal and business benefits:

- Learning to delegate to others means the business becomes less dependent on you, so you can take more leave. As important, the business will seem more valuable to others when it comes time to sell or pass it on.
- Improving the accounting system, such as moving to a cloud-based program, will lead to better money management, allowing you to monitor cash flows in real time from anywhere in the world.

- Capturing business processes in an operations manual should lead to a greater efficiency, cost saving and more consistent customer service. Documented processes will also make it easier and faster to train new staff; allow employees to cover for those away from the business; and allow you franchise the business in the future if this is your aim. You're also adding significant value in the eyes of a future buyer.

Be SMART

When it comes to setting the actual goals for your resolution, use the SMART system (Specific, Measurable, Realistic and Time-bound). It's a timeless oldie.

- **Specific:** Be precise about what you want to achieve, because vague or abstract goals such as "I'll get fitter this year" are destined to fail.
- **Measurable:** Adding facts, figures or percentages to your goals allows you to track your progress. What is measurable tends to get done.
- **Realistic:** Your goals need an element of challenge in them, taking you out of your comfort zone, but they should also be attainable. Lofty goals are usually the first to be discarded.
- **Time-bound:** Deadlines are how we get things done.

Two more tips

1. Keep it simple

Break goals down into simple, smaller steps. For example, to complete your operations manual by the time you leave, you may be aiming to complete one section a month for each process in your business, such as customer service, shipping, order follow-up, credit management or inventory control. Break this down further into smaller steps of what needs to be done this week, and this fortnight.

Use graphics

Creating some kind of graphic for each goal, such as a chart, a calendar or graph, allows you to see progress. The visual impact of a graphic tracing your progress is a powerful motivator that keeps everyone on track towards the finish line.

AV Chartered Accountants can advise you of the best strategy for your unique business needs.

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