

Manage Your Metrics to Grow Your Business

It's not only the time of year to plant flowers and spruce up your outdoor living space, it's also the half-way mark for businesses. It's the perfect point to assess whether or not your plan is working and make any course corrections. As the saying goes, you can't manage what you don't measure.

Measure your business performance through metrics. Metrics are a set of measurements that quantify results. They are like gauges on your car's dashboard. With a quick look at your car's dashboard, you determine fuel reserves, oil reserves, and even your rate of speed. When you set benchmarks, you better manage your actions. In this example, a benchmark might be gas mileage. With a quick look at your dashboard, you determine your car's performance. If you notice a decrease in the average gas mileage, you may need to change the oil or schedule a tune up. The metrics help you to make more informed decisions and identify what improvements are necessary.

When using metrics in your business, remember to:

- **Measure results that are important to the success of your annual goals.** Measuring for the sake of measuring is wasted time. Each metric must have a valid purpose. While each business is different in what they measure, for many entrepreneurs, the Prospect-to-Client Conversion Rate is a common metric to see if your sales process is working. As you implement your strategies, use that metric as an indicator of the condition of your sales/marketing initiatives and systems.
- **Keep it simple.** If you set up too many metrics and spend more time tracking rather than bringing in revenue, it's time to identify your most important measurements, streamline your tracking systems, or delegate non-revenue generating, but necessary, tasks.
- **Communicate your metrics throughout your company.** If you have a team, share your results. When your team knows the standards and results, they are more apt to be motivated to be a part of the solution. Use line charts or other graphs to easily, quickly and visually communicate your progress.
- **Give yourself or your employees a training tune up.** The marketplace has changed, but if you're doing the same thing over and over expecting your metrics will change magically, think again. If your metrics are not where they need to be, you may need a training tune up to help you see things differently. Converting prospects to clients an issue? You may need to learn the systems to automatically bring in pre-qualified prospects. Don't know how to read your financials? You may need a Financials 101 course. Once you have identified and implemented the training, keep an eye on the metrics to make sure the training sticks.
- **Celebrate your achievements.** When the metrics show improvement, reward and thank the people who were responsible for the success. Whether it is a referral partner, your Mastermind partner, or your team, send a personalized thank you note specifically outlining the improvement and their role in that improvement.

When you manage the metrics, you will create massive momentum for your business. You will also be able to make more informed decisions keeping you in the driver's seat to success.

If you haven't yet created metrics, get started on the road to business success by taking these first steps:

1. Outline the specific metrics that define success for your business.
2. Review the metrics on a daily, weekly, monthly and quarterly basis.
3. Make adjustments as necessary.

Lisa Mininni is a best-selling author and President, Excellerate Associates, home of the sought-after Entrepreneurial Edge System showing small business owners how to automatically bring in pre-qualified prospects and turn them into invested clients 98% of the time. Pick up her free Ebook, Get More Clients Now! at www.freebusinessplanformat.com.