

Small Business Matters

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EXPERT INSIGHTS/TIPS FOR YOUR BUSINESS

Tip #46 - Be a Leader

COSE recently reached out to members of its Expert Network to address questions related to his or her field. Featured today is Jim Smith, The Executive Happiness Coach®.

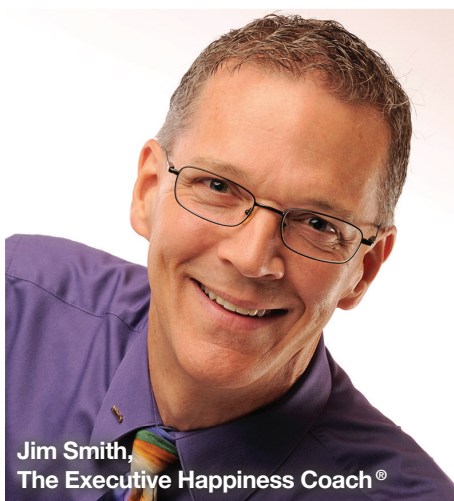
What aspect of leadership do your clients struggle with most and why?

Easy question: doing instead of leading.

If you're like most leaders, you started your career in the trenches. As you worked your way up, your early successes were about doing a job well. If you founded the company, you were the production, service, and sales departments. Even if you began as a supervisor, you likely managed front-line associates and served as backup worker during peak times.

Now you hold a leadership role, but the conversation you still carry in your head is, "I can do X better than others." Stop that! You hired them to do the work and solve the problems — they need you to provide inspiration, coaching, and leadership!

When you hear yourself saying, "I don't have time to manage people," that's a huge red flag that signals misaligned priorities. Try this exercise: Write down everything you do, then ask, "What should be getting done by someone else?"



Jim Smith,
The Executive Happiness Coach®

When I started coaching Jack, he was stuck in a direct consulting role and unable to achieve Partner status. To help him bridge the gap between doing and leading, we created an image of him on an actual bridge. He's holding onto ropes of various lengths attached to either end. He can only hold so many ropes, and in order to step forward and pick up a new one on the leading side, he must hand off something from the doing end to someone else.

What's one thing business leaders can do to balance a happy home life with a happy work life?

The one thing business leaders can do to happily balance work and home life is to Focus. Life/work balance is not about time — it's about how "present" you are during the time you have.

The core issue for most people is a lack of boundaries between their two roles. Technology makes work-at-home possible, but the downside is it's always pinging itself into your awareness.

Follow the advice of Frozen's Queen Elsa, and "Let it Go" every so often. If you are distracted or stressed, time you spend with kids can actually be detrimental. What they need most from you is to be fully present. Studies show quality of time is far more important than quantity. When you are with your family, especially kids, strive to be fully present.

Eat dinner together. Have conversation. Read with them. Do activities. Even if it's a short time, you're creating memories and connections built on significant moments, not on duration. You will feel more balanced and everyone will, in the end, feel happier.



expert network

Want more expert advice? Check out COSE Expert Network, an online forum connecting business owners with creative solutions to the tough questions they face every day. Learn more at www.cose.org/expert



52 TIPS FOR YOUR BUSINESS

#47 - How Becoming an ESOP Can Help Your Business

By Kimberly Jacobs and Elizabeth Fertal

Having an exit strategy should be a critical aspect of your game plan as a small business owner. While there are a number of potential ways you can step away from your business, one tactic to consider is to convert to an Employee Stock Ownership Plan (ESOP).

At KMG (formerly Kings Medical Group), we began the transition to an ESOP five years ago in 2010. Allow us to walk you through how we handled our ESOP transformation.

ESOP advantages

The first question you might ask is why bother? Start with a loyalty to your employees and a desire to see them have a continuing role in the organization. Under an ESOP, companies provide employees with shares of stock at no cost. The shares are held in a trust until the employee retires or leaves the company, after which the shares are sold back to the company for cash. ESOPs can also be a tax-favored alternative to selling to a third party for both the seller and the ESOP going forward.

The steps we took

We relied on the counsel of our legal and

financial advisors to help structure the deal. We had our legal and financial advisors on speed dial during the entire process.

The biggest challenge we had to overcome was finding time to devote to this transaction. Our business had been family owned for 30-plus years so you can imagine it took some time to unravel all the relationships that had been put in place over those three-plus decades. That's why it's important to enlist the services of a competent third-party valuation firm that can put aside those strong feelings of identity the family might have with the business. Is there anything we would have done differently? We would have communicated more clearly and more often with our staff.

Company culture

For us, the culture change post-ESOP has been so dramatic that it has allowed us to define an "all in" mentality. We thrive on being responsive and nimble. Being shareholders also brings an added layer of transparency to our company. Our employees are fiercely dedicated to success and there is no "clock-in, clock-out" mentality.



Kimberly Jacobs



Elizabeth Fertal

Post-conversion

Becoming employee owned has injected a renewed spirit into an old company, which was needed to propel it into the future. Our structure also engages our customers and vendors and affords them the confidence that they are dealing directly with the owners. If you're thinking about stepping away from your business, we encourage you to trust it with the employees that are vested in its future and look to an ESOP.

Kimberly Jacobs is the CEO of KMG and Elizabeth Fertal serves as Director of Sales and Marketing.

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council of smaller enterprises

November 30

By The Numbers



32 million

The estimated number of Americans who own employer stock through an employee stock ownership plan.

SOURCE: NATIONAL CENTER FOR EMPLOYEE OWNERSHIP

Connection Calendar

TECH GROWTH: GROW REVENUE, EMBRACE THE CHANGING ROLE OF TECH SALES

Join us for an instructive, engaging session and hear from successful tech sales leaders on how to remain nimble and responsive to change to keep your company growing in 2016 and beyond.

DECEMBER 10

7:30 - 10 AM



AKRON LOCATION:

Akron General Health & Wellness Center, Akron

CLEVELAND LOCATION:

Indiana Wesleyan, Seven Hills

Cost: \$10 for members, \$20 for non-members
Register at www.cose.org/events.

"THE WORLD IN 2016: BOMBS, BRAVADO AND BLAHS" 2016 GLOBAL ECONOMIC FORECAST

The International Business Network invites you to a program "The World in 2016: Bombs, Bravado and Blahs" 2016 Global Economic Forecast featuring Dr. Ken Mayland, President of ClearView Economics, LLC. Dr. Ken has spent more than 39 years studying the business cycles and providing economic analyses to a variety of constituencies, is widely quoted by the media and has won numerous awards for forecasting accuracy.

DECEMBER 16

8-10 AM

Embassy Suites, Independence

Cost: \$20 for members, \$25 for non-members
Register at www.cose.org/events.

Check out www.cose.org/events for all the latest happenings.

