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When Smart Business Matters®

After a long, hard (for some) winter, spring is finally here! Spring is a great time to clean clutter and "stuff" and get better organized. Cleaning the clutter usually creates a sense of awakening. The organization or re-organization usually gets the creative juices flowing with new ideas, different ways of approaching a task or challenge, or renewed energy to raise that bar one more notch. Take projects, for example. They usually take on a new life when well-organized with a plan, especially one with follow up. You may want to get some of the business clutter cleared so that you can spring into action. Enjoy! *- Kathy*

Will You "Project" Me? I Do!

How to create a winning proposal that will lead your clients to "Yes!"

After you have met with a prospective client, made a presentation that highlights your work and skills, learned more about their needs, and been given the nod to proceed to the next step, it is time to sit down and create a proposal to close the deal. Here are seven tips to help you create a winning proposal that will have your prospects saying "Yes!"

Define the project. Within the proposal, reiterate your customer's needs and respond to them. In the first section of your proposal, list the overall project description and specifications—project name, the end results of your work, any components or general phases, and what marks the end of the project. Include the minimum acceptable quality level for materials and skill levels of your people. Make sure any goal is something objective and not a future source of contention.

Create a timeline. The type of timeline depends upon the work. It can be as easy as a project completion date for a simple project. It could be a list of milestone dates. For more complex projects, it may require a table of tasks or deliverables with information on each, such as effort and number of resources required, estimated completion date, whether you or the client is responsible, and what dependencies are not under your control. Be sure to note the impact of delays to avoid misunderstandings. For a project with complex dependencies, you may need to create a Gantt chart with project management software. Include a buffer for unexpected delays based on your experience with similar projects.

List your fees and terms of payment. Write a short paragraph or two as to how your fees have been calculated and whether this agreement is fixed price or based on time and materials with a good faith estimate. What does the scope of the work include and exclude? How will changes be costed and approved? If you anticipate extra services the client might want or need to complete the project, list those as well and provide an estimate, whether you or a third party would provide them.

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Five Ways to Cut Your Utility Bills

Save money while saving our resources.

Whether or not you feel like you are coming out of a recession, or still in the middle of one, you should continue to cut expenses wherever you can, and saving money on utilities can be a great place to start.

Watts Up? How much of your earnings go towards paying off the basic utilities needed to keep you in business? Want to measure how many watts your office uses during a specific period of time? The Kill A Watt is a meter device that plugs into a power outlet. It has an outlet on the front to which you can attach any device (or a power strip with several devices) you wish to monitor. Continue to assess your energy use as you make changes to reduce your overall usage. Computer peripherals (desktop hard drives, printers, and the like) continue to draw power if they are plugged in. Separate those items onto a second power strip that you can turn off, or use reasonably priced "smart" power strips that cut off the supply to peripherals when your computer is off or in sleep mode.

Conduct an Energy Audit. Review office machine use, lighting, and insulation around doors and windows. Turn off machinery that is not used on a regular basis. When practical, replace older machines with more energy efficient models in order to reduce energy use. Use the most efficient power management settings for your computer and laptop (plugged and battery modes). Shut down computers, copiers, and other office equipment at the end of the day. Although many of these have a sleep mode, they still draw power, so you can save more by actually turning them off.

Review Communication Costs. Have you reviewed your phone, mobile phone, cable, and Internet provider bills? If you are paying multiple providers for different communication utilities, you are probably paying too much. Many providers offer packages that offer a suite of services. Research several providers, assess your communications needs, talk to others about their experiences, and choose the provider that offers a package best priced—and suited—for your business.

Stay Warm or Cool, but Solvent. If you pay the heating bills, you must keep an eye on your thermostat. There is some middle ground between being comfortable and being too cold, or hot. During the cold months, lower the thermostat at night (but not low enough to freeze the pipes) and try to keep it set consistently at 68 degrees during the day. Layering can help keep you warm; a sweater or blazer in the office might be all you need to take the chill away. Make sure your windows are well insulated. On sunny days, try keeping shades open to warm up the room. During hot months, try to rely on fans and save air conditioning for only the hottest days. Close shades to keep the sun out. If your business allows, you may want to adjust your hours whenever possible to do your most productive work during the most comfortable hours of the day.

Conserve Water. There's always one person who leaves the water running while washing dishware and cleaning up the kitchen. Even if you are not directly paying the water bill, it is good practice to assess and reduce your water use. Installing low-flow faucets or aerators can reduce water use by 30 to 50%. Reduce the use of hot water, and you will also save energy. If your business requires you to do laundry on site, wash (and dry) full laundry loads (do not overload) to conserve and save on water—and energy. Wash as much as you can on cool or cold settings and save even more on your utility bills.

Check for Tax Incentives

Want to save even more money? Check with local and federal agencies for any tax incentives that may be available for energy audits or for reduction of energy or water consumption.

Wordpress or Blogger?

Which blogging platform is best for you?

Before jumping into the blog world, you should check out the pros and cons of various blog platforms. It helps to ask yourself why you want to blog, what you expect to gain from blogging, and how you expect the process to go. Think about the features you require most from a blog and your own computer abilities. Learn which platform experienced users prefer and why. Everyone's abilities and needs differ.

A Word about Wordpress. There is a distinction between WordPress.com and WordPress.org. The .com is brought to you by the folks at .org and utilizes the same software, however with WordPress.com, the hosting and management of the software is taken care of by the team. With WordPress.org, you need to install software on your own server or with a third party provider.

Pros and Cons of WordPress.org. Let's look at WordPress.org, the self-hosted blog. Since it is self-hosted, your content is stored on the host server of your choice and so your content is ultimately yours. The WordPress self-hosted blog allows you to customize your theme, making it easier to style it in a manner similar to your website. The platform software is free. Most hosting companies offer simple one-click installation. Many talented developers create "plug-ins" that increase WordPress functionality. Depending upon their requirements and goals, professionals may use WordPress as their main website. Standard templates are more professional. If you don't have time to customize WordPress yourself, there are plenty of themes available for free or for a relatively small fee. WordPress allows categories for posts, tags, and the ability to add pages.

What are the cons of WordPress.org? Since it is self-hosted, you have to pay a company to host the site. It requires more technical knowledge to set up and run, and may prove more difficult to use "out of the box". There are frequent releases of new versions, requiring more management for the upgrades. Plug-ins and themes developed by third party providers are not supported by WordPress, so care must be taken when choosing a custom theme or plug-in.

Pros and Cons of Blogger. Blogger is free, easy to use, and the dashboard is easy to navigate. It requires less technical ability than WordPress.org's self-hosted option. There are templates available for use, and you can also design your own. With Blogger, you get free domain name hosting, similar to WordPress.com. Blogger is a Google product, so you also get free photo space through Picasa, a photo-sharing platform. This can be very useful if you expect to use many photographs in your blog. It is easier to make money from Blogger because you can add affiliate links and Google Adsense.

Since Blogger is a Google product, it is rumored to be searchable more quickly.

While Google puts together easy-to-use and free products, one of Blogger's biggest cons might be that it is a Google product. The files reside on Google servers; the files are ultimately Google's files, not yours. Blogger can shut down any blog if it is flagged for unfavorable content. Although it is simple to use, it is more difficult to customize; there are not as many options to make your blog unique. There are no plug-ins, no categories for posts, and no ability to make pages. With the Blogger blog, your domain name will be name.blogspot.com, unless you purchase your own domain name and point it to your blog.

WordPress.org and Blogger are definitely two of the largest platforms on the blogging block, but there are others you might want to look into. Some to consider are Wordpress.com, TypePad, Moveable Type, Live Journal, and My Space.

STILL FEELING PRESSURE FROM THE RECESSION?

You may be able to turn to your national and local government agencies for some relief. While a bailout on a grand scale may not be in the cards for small businesses, many national and local governments are creating and targeting programs or tax incentives to small businesses in an effort to fuel job growth. Tax incentives, delays in tax payments, small business loans and quick-turnaround times for loans, and provisions to help businesses compete and win government contracts are some of the solutions being offered. Various programs and tax acts will continue to provide critical resources to help small businesses continue to drive economic recovery and create jobs. Check with your government's business and tax bureaus for more information on programs that may help you to fuel your recovery.

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List your fees by phase, by job type, or whatever way you feel best serves the project, then provide a total. Indicate how you are to be paid—up front, upon completion, monthly, quarterly, on delivery of materials, or on a specific payment schedule. State how long the client has to accept the proposal for this pricing to remain effective.

Consider any other expenses. Are all your expenses included? Will you bill other out-of-pocket costs such as overnight delivery, service bureau charges, etc.? Unanticipated overtime or rework? If so, provide an estimate that gives you breathing room.

Outline how the project will be delivered. Consider how the project will be delivered, and state that in the proposal. Will a building be delivered completely finished, or framed? Will photographs and design be furnished at a specific size—printed or on disc? Be sure you and your client are on the same page as to what the end result of your services will be.

Add any other necessary language you need to protect yourself. If ownership of material or intellectual property is an issue (for example a website or architectural design, photographs, artwork) then state that. Does the work you provide remain in your ownership until final payment? Do you want to retain the ideas and concepts used (or not used) by the client? Is the client expected to archive any digital work themselves, or is that a service provided by you? Whatever you state you will do, be sure you can back it up! Provide signature lines for you and the client, as this should be binding for both of you when accepted.

Keep it neat and clean. Your proposal does not have to be elaborate. If it requires the use of graphics, keep them neat and at a minimum. Be sure that the proposal is well thought out and is written in an easy-to-read format and font. You can add style by bolding a section header, increasing the font-size, and adding a bit of color.

What's the difference between an estimate and a proposal?

An estimate provides your best calculation as to what a service will cost. A proposal offers more details — the scope of a project, how it will be accomplished, when it will be finished, and how much it will cost. Proposals often include time frames and responsibilities for actions as well as parameters for work to be accomplished for the agreed upon fee. A proposal is generally considered to be a binding legal contract whether signed or not—an estimate almost always is not.

No Bailout for Your Retirement and Pension Savings?

To rebuild your retirement funds, save more, work longer, and invest wisely.

If you are like most people, your nest egg for your golden years is looking a bit tarnished. In order to bring your savings up to their previous levels, focus on saving more to have more.

Save, Save, Save! In a downturn, it is easier to talk of saving more than actually following through. You probably have debts to repay and greater current financial demands, and your dollar is not going as far as it did three years ago. Tighten your belt a little more, if possible, and save as much as you can—up to the maximum amount allowable by law for your retirement, pension, and 401k accounts. To save more, you must spend less—a good maxim to follow now and in your future retirement years as well. As the economy rebounds, continue to save as much as possible, not only to make up ground, but to hedge against future downturns.

Work Longer. We may be well past the days of retiring in our early sixties (or fifties). The math is simple: the longer you work, the more you can save, and the more financial ground you will make up. You will save more, actively add to your bank account rather than draw from it, and may get increased benefits from government retirement and pension programs by working past the minimum retirement age. Your investments will have more time to recover from short-term losses, and you will reduce the length of time you need support from those funds.

Invest Carefully. It's been said time and again: diversify your retirement portfolio. Have the appropriate mix of stocks, bonds, and cash for your circumstances and future requirements. Keep some funds in stocks to help increase your portfolio when times are good, but do not bet the farm by relying solely on stocks to bring back your savings or to pull ahead. Keep some funds in cash and bonds to minimize your losses when the market falters.