

SUPPORT NETWORKS MAKE THE DIFFERENCE

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The importance of a support network to a business cannot be stressed enough. Businesses have achieved much more with a strong network in their corner than they ever could without one. "I believe that small businesses, collectively, are the heart of a community," says Alan Lapczynski, CPA and a principal at Yeo & Yeo. "To keep this heart pumping and retain vital signs of business life, a support network is critical to ensure the success and growth of small businesses and the community in which they provide goods and services.

He explains that a business support network builds mutual trust, allows for effective two way communication, provides a linking of needs to solutions and establishes a framework to share resources and expertise.

"None of us has enough expertise to make a business succeed without the support of a team," adds David Parsigian, a lawyer with Honigman Miller Schwartz and Cohn, LLP. "That team consists, of course, of the management and employees of the business, but it should also include outsiders such as a board of directors and other business advisors such as lawyers, accountants and other consultants with specialized expertise that the business cannot afford to employ. Large businesses use this structure and smaller businesses should do no less."

Traditionally, there are five pillars to the business support network: lawyer, accountant, banker, insurance provider and Chamber of Commerce. But there are also more unconventional means of gathering together a group of mentors.

About a year into her business, Sharon McRill of The Betty Brigade, a full-service personal assistance/concierge service, read an article about businesses that gathered a mentoring team around them for advice. "I put together a team of eight people from different backgrounds. Once every quarter I would buy these people dinner and for two hours I would ask questions. This helped me tremendously. If I was having a crisis, I could call any one of them and ask if I could take them to lunch to talk about my problem. Initially I got to know these mentors through networking events; I screened them carefully since I was trusting them with important information."

Another mentoring opportunity has since fallen into McRill's lap. In March she was the first participant in this geographical area to be awarded a free year of mentoring by ATHENA, a Chicago-based business mentoring program for women-owned businesses. They put together a local team of twelve people of various skills to meet with her monthly. The group already has suggested new ways to improve cash flow, helped

with her plans to open a second location in West Bloomfield and guided her towards franchising within the next five years.

“As a small business owner we get so focused on our business that we forget to look up and see that it’s a big world and other people have some good ideas,” she says. “Others have already experienced some of my issues themselves and I can apply their strategies and not reinvent the wheel.”

Dean Jeffery of Worknet Systems, an IT consulting company, agrees that it is essential for small business owners to develop an informal support network. “It is so valuable to have other business owners to compare notes and brainstorm for ideas on business issues. Often those are the ones who will provide referrals and spread the word about your business.” Jeffrey meets many of his contacts through his membership to the local chapter of Business Network International and the Ann Arbor Chamber.

Attending professional association events at the local, state and national levels enable business owners to find colleagues who share their passion. Megan Turnbow, Marketing Director of the Ann Arbor Chamber, explains that sometimes you have to cast a wider net to avoid local competitive issues. “Join a service group like Rotary, Kiwanis or Lions. You meet people from other professions. Serving on a non-profit board or committee also introduces you to people from across chimneys.”

Joining forces with his support companies has enabled Jeffrey to win business he would otherwise not be qualified to get. “I have been able to team up with other companies that provide services I need in order to do a project. Curtis Manuel of Handy-Manuel has come in on a project of mine to help with network installation while I do the hardware and software configuration.”

Jeffrey has also found it very useful to use the advice from traditional sources such as a banker, attorney and accountant in order to get different perspectives. “Sometimes they agree, sometimes they disagree. This helps me make more rounded decisions because I can see what issues are important to them.” When someone is starting out, they may have a great idea for a business but have not thought of all the background situations that may arise, explains Pam Ufer Wood, of Ufer & Company Insurance Agency, Inc. “Entrepreneurs can be really creative and technical which is great for their business, but they may not know how to protect themselves. Often they have been employees of larger companies and are more channel-visioned and haven’t thought about all the things they need to take into account as a business and an employer.”

An insurance agent can help them look at the big picture, assess risks, implement insurance such as personal property and liability policies and recommend cost effective health plans to suit the demographics of their employees. The right insurance policy has been crucial for many business owners who have endured crises such as fire, theft or mechanical breakdown.

Parsigian agrees that a lawyer also ensures that the owner's interests are protected in a manner consistent with the owner's business goals. "Risk is inherent in any business venture but the lawyer's job is to minimize that risk," he explains.

Parsigian's practice is generally devoted to representing technology-based businesses. "In that circumstance, and particularly with the more nascent technology companies, it's critical that they be established with the correct structure to ensure they are well situated for outside investment. I have represented many small companies that avoid using a lawyer to save precious resources in their early stages, but end up spending much more later on to correct fundamental mistakes that could have been avoided with a small amount of legal assistance at the outset. In the worst case, they may cost the business an investor or a customer."

Lapczynski is currently helping a small business owner whose accounting tasks are very basic; however, a product in the final design phase requires other professional expertise such as legal counsel, venture capital and high-tech product computer simulation for visual animation. "Networking was instrumental to provide the support needed," he says.

The Chamber itself offers monthly and quarterly networking, marketing opportunities, free business counseling, savings plans on everything from office supplies to credit card processing and the opportunity to serve on committees ranging from marketing to participation in the Chamber Ambassador Corps.

Sometimes the benefits of belonging to an organization come in a more subtle way. Ross Johnson of 3.7 designs was excited to hear that his new client had found him through a brochure at the Ann Arbor Chamber office. "She became one more addition to the leads and clients that I have acquired through Chamber networking events and exposure opportunities. Being able to position oneself at the forefront of all other local companies is really an unbeatable strategy."