

# Business Intelligence



Volume 2 - 2008

TRANSFORMING  
BUSINESS SMARTS  
INTO  
BUSINESS INTELLIGENCE

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## PRESIDENT'S MESSAGE

*Growth and Balance of every business entity are supported by 3 fundamental pillars of Cash, Sales, and Administration (CSA). A disruption, positive or negative, in any aspect of the 3-legged CSA structure systematically impacts the overall balance of a business. Therefore, efforts are required to be concentrated on continually professionalizing every approach to simultaneously balance these three elements in a business.*

*To discuss openly the most vital issues in continual success of small and midsize businesses, and to assist business owners and key decision makers in realizing their true business potentials and transforming their **Business Smarts** into **Business Intelligence**, it is my great pleasure to personally introduce to you the **Business Intelligence**, a concise and informative one-page fast-read practical business article and is designed specifically for decision makers in fast paced small and midsize business environments.*

*I would certainly hope that as key decision maker of a business, you would benefit from reading the contents of these diverse articles, view them as general guidelines, which are required to be customized to fit the profile of your business.*

*Sincerely,*

*Rahmat Ushaksaraei*





## BUSINESS SUPPORT PROGRAM

*In dealing with complexity of issues on hand among small and midsize business entities in diverse sectors, it is often difficult to generalize an approach and rigidly apply it to even the most common problems.*

*Furthermore, research shows that although most key decision makers of small to medium size businesses are technically the top notch experts in their specific line of businesses, yet commonly disrupted by shortfalls of lack the skills, experience and time to be effective in various key aspects of management, as well as establishing the contacts and acquiring necessary resources required to maintain and grow their businesses.*

*To address this common concern, currently, among thousands of similar solutions globally, only a flexible program that is supported internationally by all expertise needed in the business that functions collectively as a single body is to set itself above the crowd.*

*Business Support Program, a unique business model specifically designed for small and midsize businesses is such unsurpassed solution, and is supported by continually growing 5500 Senior Executive Associates in all corners of the globe. This unparalleled approach allows a confidential one-on-one dialogue between a decision maker and a qualified expert, who understands business in its totality and is more than capable in guiding the decision maker step by step in discovering the hidden treasures in the business.*



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# Business Intelligence

TRANSFORMING BUSINESS SMARTS INTO BUSINESS INTELLIGENCE



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## Effective Business Objectives

In today's market, the percentage of Small and Mid-size Businesses (SMBs), which have precise understanding of their business objectives and tight controls over their destinies, are very low. This phenomenon is further complicated, where a SMB has rarely developed a structured and controllable mechanism in leading the business through all related phases towards reaching its goals on time. In essence, although efforts are constantly made by a serious SMB to distinguish itself from the ones that purely adhere to the entrepreneurial approaches in their businesses, on an average, it would not behave any differently in practice. Simultaneously, this notion is not to undermine the values of entrepreneurial spirits that have been so far the main driving factors behind the most business and technological innovations throughout the history. Yet, the main intention is to emphasize the inevitable fact that developing a business culture, where simultaneously vision, structure, and planning are appreciated, adhered to, and continually promoted is extremely essential.

Generally, in reaching a business goal, although it may seem that developing a structured approach is either a natural consequence of leading a business or a systematic result of adapting a Business Plan, generally SMBs are struggling with clearly defining their goals and in most cases even with arbitrarily conceptualizing the best roadmap in reaching them. If ever in doubt about this issue, place a SMB of your choice under scrutiny, and request the key decision maker to precisely define three business objectives for the business, and the required time and key elements in reaching them on time.

Simultaneously, in reaching a clearly defined business objective, although logically there may be thousands of paths, undoubtedly, there is only one that is the most secured way. Additionally, the rest may delay a business in realizing its dreams, or be the paths to the land of redundancies and never ending loops.

Considering this very critical issue for the SMBs, now let us redirect our thoughts to find a practical solution.

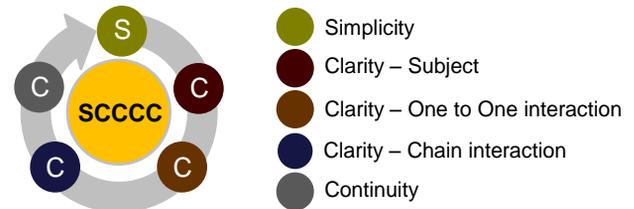
To focus our attention, consider the following question:

### What is an Effective Business Objective?

It is a clear and living business focal point that allows suitable and dynamic gateways to be designed for continually guiding a business in reaching its objectives.

### What is the next step in revitalizing an existing business objective or developing a new one?

First and foremost, it is essential to utilize a simplified and dynamic method such as **SCCCC**<sup>1</sup> that is based on the practical and universal principles:



To comply, the dynamic steps are as follows:

- 1- **Simplicity:** In outlining a business objective or revamping an existing one, its **Simplicity** is the first main criteria. In this regard, instead of devising a written mission statement, which is merely decorated with fancy and trendy phrases, one needs to consider only a simple and realistically achievable goal.
- 2- **Clarity - Subject:** As the complementing factor to simplicity, the **Clarity** of a business objective is the second element in outlining all its aspects.
- 3- **Clarity - One to One interaction:** Once a Simple and Clear objective is defined, the next step is to analyze and define the individual impact; i.e. because of it, in an one to one interaction, who impacts whom, and how.
- 4- **Clarity - Chain interaction:** The next step is to clarify the hierarchal level of interactions, where impacts, roles and responsibilities are broadened beyond the one to one interaction and ensuring that it encompasses all elements.
- 5- **Continuity:** Once the first four **SCCC** components of **SCCCC Methodology** set the course, the most vital factor is to appreciate the fact that a business is a living entity. Therefore the rejuvenation and structuring its business objective is to be viewed as the first step in making progress. Also, it is required to be continually reevaluated, and adjusted accordingly to represent business realities.

Now, what are your business objectives and how far are you from reaching them?

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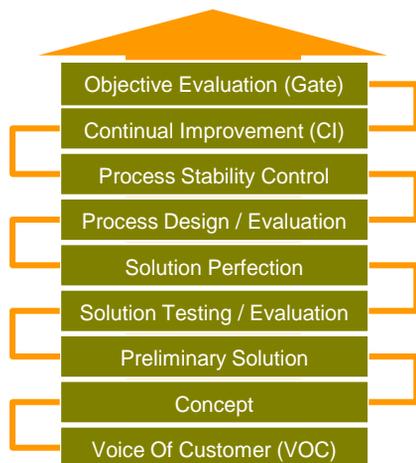
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## Transforming a Business Dream into Reality

At the height of recent successful launch of the **GeBTL, Global executive Business & Trade Links [www.GeBTL.com](http://www.GeBTL.com)**, a business dream, which introduces the only international, interactive, private, and secured internet based portal for communicating exclusive global business opportunities from executives to executives in all business sectors, reflecting on the experience, it was reminiscent of the true value of employing a simple, and practical approach, namely the **Dynamic Requirement Planning (DRP)<sup>1</sup>**, in achieving a business goal.

It has often been experienced that among small and mid-size businesses, there is constant challenge in brining a business concept into life. Admittedly, although a true challenge at the first glance, when the goal is dissected enough and the process is mapped realistically, once a challenge, the experience becomes an exciting journey.

Although this issue is part of a broader topic of Concept Management, in its scaled down version, the same principles may be tailored to suit the needs of small and mid-size business entities. To explore the Dynamic Requirement Planning (DRP) and its logical consecutive steps, let us consider its following macro level depiction:



**Dynamic Requirement Planning (DRP)<sup>1</sup>**

Now, let us briefly discuss the involved stages:

**1- Voice Of Customer (VOC):** As a known terminology in Automotive Industry, in simple terms, it reflects “**what a client wants**”. In a more universal term, VOC consists of devising a simple yet sophisticated protocol, where the parameters of an objective are precisely outlined and well understood. In this regard, experience has repeatedly shown that failures in subsequent stages of the DRP process are often due to either undermining the importance of the VOC or trying to bypass it.

**2- Concept:** When VOC is precisely defined in simple and clear terms, drafting an achievable Concept based on it is the next step in translating “wants” into a tangible goal.

**3- Preliminary Solution:** Based on a simple and clear concept, Preliminary Solution is to be proposed as the macro level guideline in developing a detailed solution.

**4- Solution Testing / Evaluation:** At this stage, hypothesis, which was introduced as the Preliminary Solution is to be challenged enough to ensure that it eventually produces realistic results. If the solution fails to live up to the set expectations, the most logical action will be to go back to the drawing board; i.e. VOC & Concept.

**5- Solution Perfection:** Although perfection may be inferred as an unachievable absolute, following an intensive Solution Testing / Evaluation step, one is required to ensure that to one’s maximum ability the presented solution is a true reflection of the eventual goal.

**6- Process Design / Evaluation:** Once an achievable solution is defined, a roadmap is required to be incorporated into the process to steer all related activities. Additionally, proposed roadmap is required to be scrutinized continually against business realities.

**7- Process Stability Control:** Often omitted, undermined, or mistaken as Process Capability, ensuring Stability of a designed process is essential. Consequently, quality gates and triggers are required to be incorporated to ensure that the process is stable, and therefore is repeatable.

**8- Continual Improvement (CI):** Continuity is the constant reminder that a process and the solution resulted from it are dynamic entities, and constantly are required to be evaluated to ensure the overall health of the system.

**9- Objective Evaluation:** In order to ensure that an achieved result is indeed a true reflection of the original VOC, there is a need for developing a final gauge, technically referred to as “Gate”.

*1- Dynamic Requirement Planning (DRP) methodology and its fundamentals have been developed by Rahmat Ushaksarai. All Rights Reserved.*

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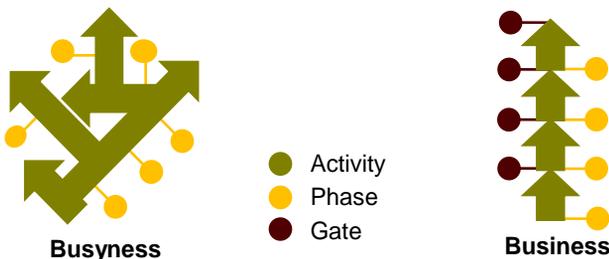


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## Business versus Busyness!

While conversing with key decision makers of small and mid-size businesses in various business sectors, it is almost impossible not to hear the phrase "Business". Although in majority of cases this phrase subconsciously refers to set of daily activities, a conscious perception of its true meaning in relation to a business objective is still a challenge for small and mid-size businesses. Additionally, when observed as an unbiased outsider, a common pattern is that majority of small and mid-size businesses are occupied with numbers of sporadic activities without a certain direction, or a tangible and measurable goal to reach at. This phenomenon is referred to as **BUSYNESS**, which includes unbearable and unrelated workloads, and never ending loops that consume time, waste energy, and never resembles a well operated **BUSINESS**.

Considering the above argument, an in-depth analysis shows that commonly the mystery behind this phenomenon is rooted in misperception about **Business** versus **Busyness**. Pictorially, the difference is:



To even further distinguish the vital differences between the two, let us dwell on the following questions:

### 1. What are the definitions of Busyness and Business?

**Busyness:** a noun; Related to **Busy**;

- Having a great deal to do.
- Currently occupied with an activity.

**Business:** a noun;

- A person's regular occupation or trade.
- Work to be done or matters to be attended to.
- Commercial activity or a commercial organization.

### 2. Considering both the depiction and the definitions, what are the real life differences between the two?

Differences are tabulated below:

	Busyness	Business
Consists of Activities	✓	✓
Contains Phases	✓	✓
Includes Gates	✗	✓
Activities are sequential	✗	✓
Activities are time-bound	✗	✓
Phases are correlated	✗	✓
Gate defines phase closure	✗	✓
<b>Legend:</b>	✓: Applicable	✗: Not Applicable

### 3. Based on the tabulated results, what are the major shortcomings of Busyness? What are their impacts?

The major shortfalls within a Busyness and their impacts are as follows:

**a- Non-sequential activities:** Activities are sporadic, non-related, and collectively are not heading in a specific direction. Also, presence of overlapping, and repetitive efforts with totally missing on the important ones are inevitable. Consequently, proactive planning of necessary future steps and forecasting become extremely difficult.

**b- Non-time-bound activities:** Due to non-sequential nature of activities, majority of them have no systematic starting points and normally last as long as they will take. Therefore, in this reactive mode, measuring time loses its true value, and proactive planning for a specific time in the future becomes irrelevant.

**c- Uncorrelated Phases:** A Phase defines both start and completion points of an activity, and includes all of its inherent elements. Furthermore, in a set of activities, if they are not intentionally set as parallel ones, completion of a phase dynamically defines start of the next one. Due to non-sequential and non-time-bound natures of activities within a Busyness, phases are independent of each other.

**d- Lack of Gates:** A Gate consists of elements sometimes referred to as KPI (Key Performance Indicator) that collectively measures the success of a phase before its closure. Due to lack of such vital element, it is almost impossible to reflect on the learned lessons within a phase and benefit from it as an experience for the next one.

### 4. Now, in your case, is it a Busyness or Business?



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## Contracting & Sub-Contracting, and Liabilities!

Among large corporations, the issues of contracting and sub-contracting are well perceived concepts and intricate parts of their everyday business affairs. Unlike well established businesses, it seems that Small and Mid-Size Businesses (SMBs), are alarmingly unfamiliar with the concepts, hardly are proactively prepared for them, and consequently are faced with jeopardizing their businesses by not accounting for the related liabilities, which may arise from mishandling such business engagements.

To explore the complexity of contracting and sub-contracting, let's consider the following hypothetical case:

A school, let's call it business entity **A**, decided to sub-contract the Training Firm **B** for conducting the weekly training for its students. In turn, the Training Firm **B** had employment and/or further sub-contracting arrangements with individual Instructors, Business **C**; a small business entity. To picture the interrelations in our minds:



### The sequence of events thereafter were as follows:

- 1- There was an incident in one of the training sessions accidentally witnessed by a parent. It inspired a complaint about the conduct of one of the instructors to the School **A**.
- 2- Initially, the School **A** did not either react to the incident or show interest. Therefore, to relay the issue directly to the Training Firm **B** in order to initiate an investigation into the matter, the Parent, **the customer**, requested from School **A** the contact information for the Training Firm **B**.
- 3- Meanwhile, the position of the school **A** changed to that due to annual nature of sub-contracting the Training Firm **B**, it would not feel obligated to be concerned with whom the Training Firm **B** employs or contracts as instructors.
- 4- Upon contacting the Training Firm **B**, the Parent was provided with a quick response, blindly supporting the conducts of the instructor **C**.

5- Unsatisfied with the inadequate response from the Training Firm **B**, the parent informed its management that the issue may be referred to an independent body for official investigation and determining the liabilities.

**Now, as far as a small or mid-size business is concerned, what are the immediate responsibilities of the A, B and C business entities?**

Leaving the legal aspect of the matter to the experts, the immediate coherent business issues are as follows:

i- Since School **A** is the prime service provider to the Parent, the eventual customer, measures were required to be in place for the customer satisfaction. Therefore, logically, systematic approaches were needed to be employed to ensure engaging in a reputable sub-contracts that would not tarnish the reputation of the School. At a practical level and as part of adhering to the fundamentals of business best practice, School **A** was also mandated to show an interest and to devise a systematic, documented, and auditable communication methods of relaying issues to its final customer, the Parent.

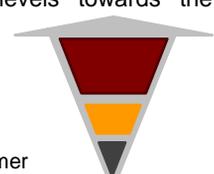
ii- Since School **A** has sub-contracted the Training Firm **B**, minimum logical business expectations were as follows:

ii-1: Devising a systematic, documented, traceable, and auditable method of ensuring that the Training Firm **B** had delivered the service, which was promised and continually measuring its performance against the well established Key Performance Indicators (KPIs).

ii-2: Establishing a systematic, documented, traceable, and auditable method of communication for discussing concerns and/or issues, and necessary proactive measures and corrective actions.

iii- In Turn, the Training Firm **B** was required to had already established its own internal business processes to ensure that it had devised a bi-directional systematic, documented, traceable, and auditable method of communication with its instructors, either as employees or independent trainers and the School **A**.

In summary, although in the first instance sub-contracting seems like a simple typical interaction between small and mid-size businesses, the level of its complexities and related liabilities are increasing at every stage. In this specific case, increasing liabilities levels towards the Parent, customer, are:



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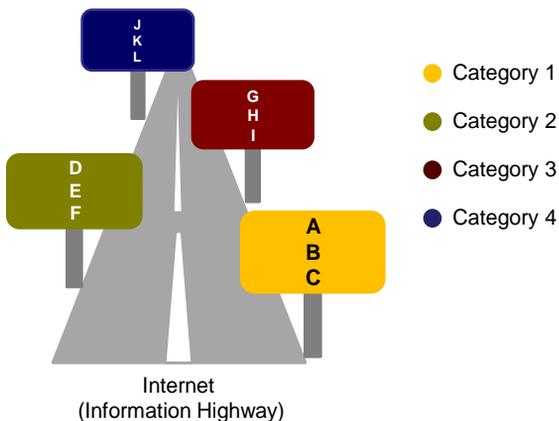
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## Internet, Website Raking, SEO, ... & SMBs

Among Small and Mid-size businesses (SMBs), the excitement resulted by the certain ranking of their business websites among top listed ones on a search engine result page is amazing. Although in some cases such achievement may have been resulted from investing time, money, and effort, one simple and yet extremely critical question is:

### Where EXACTLY has such top ranking been attained?

To explore this issue further, and perhaps grasp the idea, let's consider the following depiction:



As depicted in the above picture, considering the internet as an Information Highway, to maintain the flow of the traffic and ease of retrieving the content in any coherent system :

- 1- Information are required to be categorized, and often sub-categorized indefinitely.
- 2- A portal that processes information on such highway would logically has to have its own criteria in categorizing, sub-categorizing, and filing the information within each category and/or sub-category.
- 3- To keep current with new emerging ideas and technologies, categorizing criteria are needed to be continually reviewed, evaluated, and perhaps modified.

4- To distinguish between relevant useful information and millions of non-related and often disruptive ones, a portal needs to impose security gates and filters.

5- As many portals and hubs exist on the internet , there will be equal amount of continually changing sets of criteria for categorizing, sub-categorizing, filing, and filtering; i.e. aiming at a continually moving target.

### How would one deal with this moving target?

Although experts immediately recommend the Search Engine Optimization (SEO), in order to examine this approach as a viable business solution and not a temporary patch, one needs to perceive its basic fundamentals. In a very simple term, SEO process adds special content(s) / features to a website and/or certain pages of it to make it more favourable to an Internet Search Engine medium for finding and enlisting it in its database. In other words, striving to proactively implement suitable features that mimic and trigger the criteria set by a search Engine. Reflecting back on the previous section, if characteristics of Search Engine are fluid and unknown, then how effective will be a set of fixed features architected by SEO process within a website?

Now, let's consider the case that a professional SEO process has been implemented to make a business website as flexible and diverse as possible even to a degree that more than one Search Engine and its agents would find it a prime choice for enlisting. If so, the corresponding search criteria of a Search Engine, tags a specific link/ page/ feature of a website and adds it to its infinite database of information and in a specific category, and sub-category. As a result, it will display the tagged information, when it is searched for by an end-user.

Now, on which page of the search result pages the tagged information appears is a direct result of a constant competition between billions of websites, their inherent contents, abundant investment by larger businesses in continually adapting SEO features, and perhaps payments made to Search Engine portals for top ranking spots.

So, if billions compete for the top ranking on the first page, how big would it need to be logically to accommodate even the thousands of large corporations which are willing to invest indefinitely for securing the top ranking spots?

Generally, is there a single first page? Is it possible that there are millions of First Pages, each one specific to a category, or sub-category, or sub-...-sub categories?

**So, in reality, is a top ranking attained somewhere visible to all or merely in a local category?**

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## Business Rule of Thumb!

In the corporate world, it is customary to reflect on the past events, which commonly may contribute to the overall performance of the business, and employ the inherent knowledge gained from the exercise to ensure the success of the future corporate initiatives.

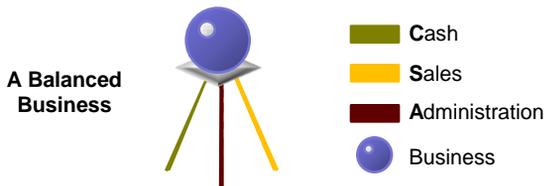
Among Small and Mid-Size Business (SMB) entities, unfortunately, this critical business rule of thumb would not bear the highest priority. Instead, in some cases, reviewing the financial aspect of a business is regarded as the only criterion in determining the overall health of the business. Interestingly enough, although subconsciously no key decision maker of a business either denies the value of a comprehensive business review or brushes it off as a wasteful exercise, following are often mentioned as the primary reasons for such omission:

- a- Not having enough time.
- b- Not having the adequate resources.

In order to explore the value and impact of a continual and simple business review for a SMB and defining practical boundaries for such activity, let us start by dwelling on the following questions:

### 1- At a macro level, for every business, what are the key elements that influence its well being?

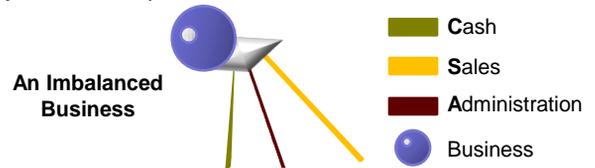
As depicted below, **Cash**, **Sales**, and **Administration**, (**CSA**), which are forming a supporting structure for every business, are the three macro level elements impacting its balance and overall health:



### 2- Would the components of the CSA behave independently from each other?

Although it is the presumption among many, components of **CSA** are so intertwined that it is almost impossible to draw a distinguishing line separating their impacts.

In particular, as shown below, any change, even a desirable increase in an elements of CSA such as Sales has a direct effect on the entire balance of the business structure, tipping it to one side, where immediately other two elements of Cash and Administration are to be adjusted to compensate for the imbalance:



Furthermore, the only issue that may prevent the continuation of a business imbalance to total failure is a quick attention to the entire business system. Inevitably, a damage control will be successful, if and only if:

- 2.1 - There is a total control over the entire business system at all time, where a disruption is easily noticed.
- 2.2 - There are triggers already put in place to alert a change in the business system.
- 3- To prevent the adverse consequences of an imbalanced business, is there a set of proactive and practical guidelines for one to consider?**

Yes; the Rules of Thumb that regardless of the nature of a business may be employed by it are:

- 3.1 - Treating the three areas of CSA as one combined living and dynamic entity. Furthermore, instead of a one dimensional approach, where the attention is focused only on one area at a time, adapting a three-dimensional approach that encompasses all components of the CSA.
- 3.2 - Upfront, defining a business roadmap consisting of various business phases and clearly defining the influence of the CSA at each and every phases.
- 3.3 - At every phase, reviewing the status of the three elements of CSA within the business, both as individual components and as a combined living and dynamic entity. Thereafter, if any imbalance is noticed, making the necessary adjustment in ensuring a balanced status is achieved before initiating the next business phase.
- 3.4 - Implementing **Business Gates**, where randomly the health and balance of the business are audited proactively.
- 3.5 - Knowing that there is a difference between "Lessons Learned" and "Learned Lessons", Learning from the elements of business imbalance at every stage.

**Now, considering the three dimensional CSA approach to the business, as the key decision maker, what would one need to do next? Think about it!**

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## Business Risk; Handling versus Planning!

In the first instance, Risk is generally regarded by many as an inseparable component of any activity. Otherwise, if distinguished clearly, at a macro level, Risk is of two distinctive types:

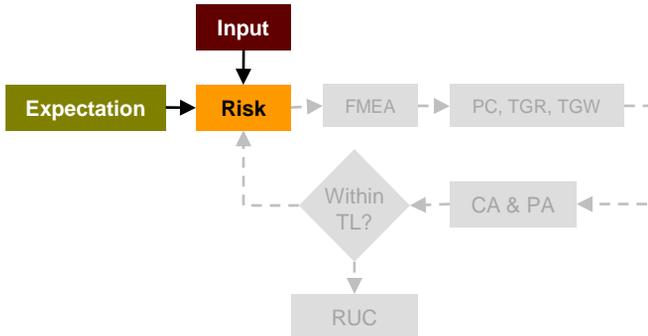
**a- Uncontrollable:** Embodies unpredictable event(s) resulted from sudden instability in the forces of nature.

**b - Controllable:** Associated with human error.

By considering the Controllable Risk type only, to streamline the analysis, one would need to explore the following questions:

### 1- What is a Controllable Risk?

As depicted below, according to the fundamentals of **IER (Input, Expectation, Risk) Methodology\***, a controllable risk is the natural result of combining two main elements; Input(s) and Expectation(s):



By concentrating on the Input, Expectation, and Risk section of IER methodology only, for a business initiative:

**1.1- Expectation:** Refers to the goals and objectives that are supposed to be reached, Voice Of Customer (VOC), or what one wants. Upon translating the VOC into realistically attainable results, a detailed list of requirements encompassing the Expectations is generated.

**1.2- Input:** Refers to all internal elements and external influences that are collectively responsible for achieving a goal or an objective, each of which inherently carries its own capabilities and limitations.

In executing an initiative, combining required elements detailed under **Expectations** with the **Inputs** containing both the capabilities and limitations of the involved internal and external parties, naturally introduces certain Unknowns referred to as Risk in the technical term.

### 2- In dealing with Risk, what are the possible options?

Realistically, in embracing any unknown or risk, one may adapt one of the two following distinctive approaches:

2.1 – Reactive: The action tailgates the event.

2.2 – Proactive: The action precedes the event.

**2.1- Reactive:** Within this approach, it will be hardly strived to employ an educated guess process well in advance, where the unknowns are speculated and identified to one's maximum ability. Consequently, within a reactive approach, when the elements of risk eventually emerge one after another, enormous time and energy are spent to control the outcomes. Although it may seem as a coherent decision to avoid walking on this path, in depth studies show that it is a dominant practice among many and specially small and mid-size businesses (SMBs). Ironically, although mitigating the outcomes of such approach is commonly labelled as **Risk Management**, in reality a reactive approach defies all fundamentals of **Management Body of Knowledge**. Pictorially:

Risk Element Emerged → Risk is Reactively Handled

**2.2- Proactive:** This approach advocates integrating **Planning** as an inseparable component of dealing with Risk. Moreover, it consciously places the emphasize on the **Planning** for risk instead of dealing with its outcomes:

Risk is Proactively Planned For → Risk is Controlled

Comparing the pros and cons of two different approaches, the limited resources normally available to SMBs, and unavailability of room for continual errors, should a SMB consciously adapts a reactive approach to the element of risk, obviously it will be severely impacted by it. Otherwise, adapting a business culture, where even at its minimal possible level via trial and error, the fundamentals of a proactive approach is practiced, eventually SMBs will master the art of controlling the element of risk and minimize its effect(s).

**Now, considering the discussed facts, what are the mandates for a SMB to ensure such business Risk Awareness cultural shift? Think about it!**

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## Family Business Structure; Myths & Realities!

When the rate of success or failure among Small and Mid-Size **Family Businesses** is considered, experience shows that there is a sharp division between two schools of thoughts regarding the overall impact of such unique management and hierarchy structure on a business. In particular, either the success of the business is attributed to its family oriented structure or its failure is blamed on it.

Now, in exploring the related myths and realities to this issue, without any prejudice regarding the level of the impact that a special family oriented business structure may have on its overall success or failure, let's study a business of any size and entity. In doing so, let's exercise patience through some trivial and obvious, yet carefully crafted step-by-step questions, to shed some light on the issue and guide us through the process:

### a- At a macro level, what is the main function of a business?

Obviously, considering the nature of a business entity, its main function is to render a service and/or offer a product to a single or multi-levels market. Generally, this is two dimensional representation of a business, where in simple terms, it refers to the Face of the business or its Hard side. Pictorially:



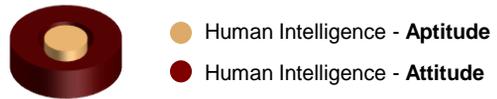
### b- At a macro level, how is the main function of a business supported?

Considering the very apparent fact that a business is not an isolated entity and may not exist without the human touch, a product and/or service is the fruit of a collective effort of the **Human Intelligence**<sup>1</sup> within a business. Often referred to as Soft Side of the business, the influence of this extremely critical and underlying factor, becomes evident, if and only if, a three dimensional approach is taken towards a business. Pictorially:



### c- At macro level, what are the main attributes of the Human Intelligence? What are their overall effects?

If studied in-depth, the Human Intelligence, is the combination of two main factors; one's Aptitude and Attitude. Pictorially:



Based on this unique approach:

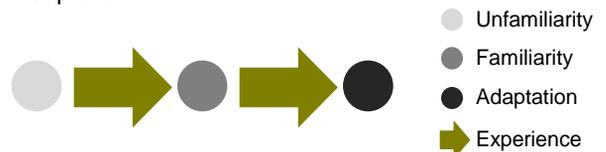
**Aptitude:** Represents one's intangible total inherent potential, which reveals itself from time to time in a specific type of expertise or achievement.

**Attitude:** Represents one's tangible and apparent attributes, which are viewable by others in forms of how one presents himself/herself in any given time and space.

### d- As a new employee of a business, what are the major steps that one goes through?

Generally, as one enters any new environment, regardless of the circumstance, the adaptation process is identical. These consecutive common steps are:

- Unfamiliarity
- Familiarity
- Adaptation



The repeated similarities from case to case are due to the inevitable fact that despite our differences, once again, every single case involves a human being. Furthermore, unanimously, at the Adaptation level, one's level of comfort with surrounding and sense of ownership will increase to a level of "feeling being part of the family."

Now, considering the discussed issues about the Human Intelligence:

### i- Is the impact of a family oriented organizational structure on its overall success or failure a Myth or Reality? Think about it!

### ii- What are the critical elements in the organizational structure of a business that impacts its success or failure? Think about it!

*1- Human Intelligence Management methodology has been developed by Rahmat Ushaksaraei. All Rights Reserved.*

# Business Intelligence



TRANSFORMING BUSINESS SMARTS INTO BUSINESS INTELLIGENCE



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## Business Experience versus Innovation!

When two distinguished worlds of exponentially increasing successful teenager entrepreneurs and their established adult business counterparts are compared, at the first glance, the immediate difference is in their business approaches. If further analyzed, the fundamental deviation is discovered in the practiced business models, where in case of young entrepreneurs the reliance is on continual and bold **Innovations** versus religiously signifying the value of **Experience** by the mature business owners. This clash of business identities is depicted as follows:



By focusing on the experience driven business model first, in order to underline the sensitivity of this issue and appreciate its impact on a business, let us consider the following simple yet fundamental questions:

### a- What is a Business Experience and what are its main aspects?

A Business Experience is the collection of "Learned Lessons" resulted from facing unknowns while either overcoming them or being overcome by them. Consequently, an experience is of two main types :

a.1 **Good Experience:** An overall **success** resulted from series of business activities. In turn, it becomes a model for future business initiations that mimics its essence.

a.2 **Bad Experience:** An overall **failure** resulted from series of business activities. In turn, it becomes a constant reluctance factor in undertaking similar initiations.



### b- Is the business experience common?

Considering the fact that no two businesses get identical impressions and/or results from engaging in the same business activities, a business experience is case dependent. This issue is further amplified by the impact

of the **Human Intelligence Management**<sup>1</sup> aspect of a business, where two absolutely identical businesses with exact business setups located even side by side yet managed by two different people will have two dissimilar overall business statuses.

Without undermining the great value of relying on past experience in guiding a business throughout its future endeavours, although business experience is a time-bound, circumstantial, and case dependent element, it still plays a significant role in justifying majority of the most important business decisions that are being made every day by key decision makers. Furthermore, ultimately, it is the main justifying factor in rejecting innovations and/or innovative ideas put forward by others; interesting!

### c- What are the fundamentals of the Innovation driven business model?

When commonalities among businesses practiced by young successful entrepreneurs are studied, the patterns are as follows:

- c.1 Have an attitude of adventure, and enjoy the journey!
- c.2 Put yourself out there!, Don't be afraid of rejection!, Don't be afraid to ask anything!

In this regard, if a business model could be deduced from these commonalities, it is "**To continually explore and generate Experience that thrives on Innovation!**"

In comparison to experience based business model, although pure innovative approach may be rejected by many established businesses with proclaimed prides of being in business for so many years, one inevitable and undeniable fact is that in today's business landscape the business model nurtured by it is the main engine in generating new multimillion dollar sustained industries.

In summary, in an era that national and international business landscapes are constantly shifting, to ensure the stability and competitiveness of a business, a key decision maker is undeniably faced with the critical challenge of balancing between Experience and Innovation.

So, considering this inevitable mandate, how are you addressing this balance in your business? Think about it!



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## The RIGHT TIME in a Business!

Commonly, every business passes through critical milestones throughout its journey from start-up to succession and/or closure, where for each of which there is a RIGHT TIME. As it well perceived by the key decision makers of the successful business entities, attending the needs of a business proactively and precisely at these critical gates is the key element in ensuring the overall health and momentum of the business.

On the other hand, among struggling business entities, often enough this term is interchangeably utilized for justifying an inaction at a critical point during a business life cycle; the familiar phrase "It is not the right time for..."

Now, considering the two dissimilar perspectives about the Right Time, it goes without saying that the major difference between successful and struggling businesses is that how these Right Times are perceived, attended to, and taken advantage of. Yet, when it comes to the Small and Mid-Size Businesses (SMBs), taking into account the seriousness of the result of inaction on their businesses, it is absolutely necessary to formulate this sensitive matter and develop a clear understanding about it.

Additionally, Considering the dynamism and liveliness of a business, it is extremely important to proactively recognize these Right Times, develop sophisticated and proactive triggers in alerting the business of their emergences, and devise practical plans to address them.

To comply, let us concentrate on the following questions:

### a- At a macro level, what are the critically important Right Times in a business?

Although they may be somehow unique to a particular business sector, any logically crafted business roadmap is to entail the following intricate and inseparable Right Times:

- a.1- Development of Business Plan prior to business Inception and/or start-up
- a.2- Business inception, and initial execution of elements prescribed by the Business Plan. This includes developing a sound and robust system.
- a.3- Embracement of the initial Human Intelligence and

adequate internal and/or external resource(s).

a.4 Re-investment in the business financially due to activity and/or scope expansion. Remaining as a private business entity or becoming a public one, this may be in the form of direct investment, angel, or partnership. Inevitably, it encompasses re-investment in further Human Intelligence and internal and/or external resources.

a.5- Implementation and execution of Succession Plan/ Exit Strategy predefined Business Plan.

Pictorially, these macro level intertwined fundamentals may be depicted as follows:



- Business Entity
- Business Plan
- System Design
- Intelligence & Resource
- Re-investment
- Succession / Exit

### b- Are these macro level Right Times static concepts?

Logically, it is evident that both inception and closure of a business are static single events. Otherwise, it is extremely important to realize that, as the true reflection and portrayal of its key decision maker(s), a business is a living and dynamic entity. Therefore, to maintain the health of the overall system, the dynamism is required to be a dominant element in all aspects specially the ones of Business Plan, System Integrity (Cash, Sales & Marketing, Administration), and Human Intelligence & Resources.

### c- How the integrity of the overall system is maintained?

Viewing a business as a dynamic entity mandates that the key decision maker of a business continually and proactively monitors the Right Times, and both devises the necessary actions and allocate required internal and external Human Intelligence and resources to attend them; i.e. "exactly knowing the Right Time for taking the actions about the Right Times". During this delicate process, the main challenge for a key decision maker is to realize the limitation within the business, and forecast the impact of any inaction resulted by the generally misunderstood concept of business pride; then bravely "Ask for Help."

Otherwise, any passive attitude towards this sensitive issue would only result in continual "Fire Fighting" of the emerging issues one after another.

d- So, considering the criticality of the Right Times in a business and inevitable responsibilities resulted by them, where would your business stand?

# Business Intelligence



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## The True Identity of a Business!

Specially among Small and Mid-size Businesses (SMBs), the difference in opinions regarding the "True identity of a business" revolves around two main distinguished views. These opposing perspectives are:

**a** - The true identity of a business is established by the product that it manufactures or the service it renders. Therefore, its internal structure and culture, and external values are secondary issues; i.e. a business is purely branded by the quality of Product and/or Service.

**b** - Regardless of the product or service, what defines the true identity of a business is that how well it is organizationally structured, and how its internal human aspects representing it externally; i.e. It is all about the people within a business.

Pictorially, these opposing perceptions of the True identity of a business are:

### Perspective a:



● Business

### Perspective b:



● Its Product / Service

● Its People

Although either strong-minded opposing thoughts places emphasis on the validity of its own point of view, interestingly enough and simultaneously, both sides exercise the caution that survival of one is inevitably influenced by the other one; i.e.:



● Business

● Its Product / Service

● Its People

At the first glance, although the above arguments may seem purely suitable for academic purposes and totally irrelevant to the realities of every day business life, to realize its sensitivity, importance, and inevitable impact on the fate of a business, let us dissect this matter from a more tangible business perspective.

To start, let us reflect on the simple business case that has been previously mentioned under a different topic:

**Case:** Regardless of the product manufactured or service rendered, within the same market, if we set up two exactly identical businesses side by side, yet employ two separate groups with identical qualifications to both manage and lead them, upon conducting an annual evaluation:

- 1- What are the chances that they have progressed equally, and exactly share the same success rate?
- 2- If not equally successful, what is the main reason?

To respond to these fundamental questions, by slicing through a SMB structure, one may evaluate the main aspects, which make up a business:

**i- Outer Layer:** How a business is portrayed externally.

**ii- Inner Layer:** Its internal intelligence; employee(s)

**iii- Centre Core:** Its key decision maker(s)



● External Portrayal

● Internal Intelligence (Employees)

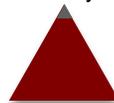
● Key Decision Maker(s)

From above, it is evident that although at the same time the external portrayal of a business is directly influenced by the collective business culture, which is being practiced by its internal intelligence, employees, more importantly the culture itself is manifested and nourished continually by its centre core; i.e. the Key Decision Maker(s).

In other words, by functioning within the parameters of the Business Comfort Zone, often referred to as "the way one runs a business", that has been mandated by the Key Decision Maker, the employees are functioning as a medium in broadcasting the Business Attitude of the Key Decision Maker. Is it hard to believe? Why?

An overall observation among SMBs shows that "every business as a whole is a true reflection of its Key Decision maker as a person!"

This issue is further complemented by the fact that, by ratio, the level of influence of a Key Decision Maker's Personal Attitude on the dominant culture within a business is by far the highest:



▲ Internal Intelligence (Employees)

▲ Key Decision Maker(s)

Finally, considering the powerful impact of the Human Intelligence landscape within your business, how dynamically are you aware of this strongly influentially parameter within your business? Think about it!



## HOW TO REACH US



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