

Optimizing Your Business Center: 6 Key Strategies to Driving Profits

Optimizing the operations of your business center can seem like an overwhelming task, however, it can be accomplished rather easily by taking it one step at a time.

To get started, I'll break down the optimization process into 6 key areas with a series of articles over the next few months. We've successfully deployed this optimization roadmap across the United States assisting business centers of all sizes and hope you find this information useful.

The focus of this article and the first key area of Center Optimization I will discuss is sales; one of the most critical components of any successful business center is a fully optimized sales process. We often see many struggling business centers that lack an understanding of the sales process or simply do not have a defined process in place. In today's market, gone are the days of prospects just walking through the doors looking for office space and accompanying services. Now you must drive people into the center, close every possible deal and make the most of your sales opportunities.

Let's take a look at the key components of a truly optimized sales process. First, are you using a Customer Relationship Management (CRM) tool in order to keep track of your opportunities, automate manual processes and measure your successes? There are several very good and affordable CRM systems available on the market which successfully help you manage your sales and drive revenues. If you are not currently tracking every prospect that walks through the door, logging every phone call or tracking every web click through your CRM, you are missing potential closed deals. For those thinking "I'm using excel and it's good enough"...no, it's not! To ensure the proper fit and ease of use, Alliance Office Strategies' often tailors the proper CRM to the industry and center specifically.

Once a good CRM is in place, you must define the sales cycle from the lead stage to close, in order to manage your potential clients as they move through the sale pipeline. Additionally, your CRM will help you gauge the percentage of lead to tour and tour to close statistics allowing you can manage your shortfalls. A major milestone in the sales process is the "tour stage." Are you moving enough leads to the tour stage and are you involving the whole team in the center tour so that everyone is focused on making the center show well, closing deals and driving revenue? We rarely find entire staff involvement occurring at struggling business centers and often it has not even been considered; managers and owners are always surprised at what a difference this process can make once deployed.

With regards to your employees, how well can your staff negotiate and are they getting the maximum possible revenue from closed deals? Just as important as your staff's negotiation skills is their ability to take a consultative approach when dealing with prospects. It's vital to build rapport with your potential clients while learning and understanding their needs so that you can effectively sell the value of what your center has to offer them or their business. As the old saying goes, "people do business with people" and it's even truer in the Office Business Center industry than many others; this is truly a service business, we must not forget this.

On the other side, is your staff empowered to make decisions, cut deals and give concessions when necessary to win the business? Many centers have a chain of command which ends up costing them business because owners or managers simply have inserted themselves needlessly in the sales process and micromanage deals. Unfortunately these types of inefficiencies interfere with the ability to create effective urgency to closing deals. Creating "urgency" is always a key in closing your opportunities as you never want to allow a potential client walk away (too many things can happen). You must focus on getting prospects to sign while you are in the driver's seat

as you might not get this opportunity twice. There will mostly likely be a sharp salesperson down the road with a great offer looking to win the business if you don't.

In order to fully and effectively handle any objections your prospects may have, you must know what sets your center apart from the competition. If you don't know everything you can about your competition, i.e. strengths and weaknesses, you are in effect telling your prospects to take a look at the competition, which is the last thing you want. Assisting your potential clients with knowledge they need to make an informed decision will help you build trust and loyalty and address your weaknesses on your terms. We find it very surprising the number of center managers who know nothing to very little about the competition in their local market.

A major part of knowing your competition is the understanding of how your business center's rates stack up in the local market. Are you the market leader who is able drive the maximum rates, or are you the value leader driving down rates? By understanding where you fall in the market best prepares you to approach every deal with the proper offer to win more deals and close more business. Another key factor is the overall pricing strategy in your market. Do your key competitors 'bundle' their pricing or do they break out each individual piece of their packages? Knowing this is key as you speak with your prospects to ensure they are comparing apples with apples. Once you understand where you are falling in terms of the market, it's essential to review your pricing on a quarterly basis so that you have the opportunity to drive rates up along with revenue as your occupancy increases. Just as important as knowing where you need to be in your pricing structure, is knowing the value of the intangibles your center offers and catering these to your individual prospects and promoting in your sales process.

Finally, all of the above processes are dependent on an effective training program for your entire staff. It's simply not a wise decision to invest time, effort and energy in building processes if you do not proactively train your staff to implement the process ongoing. Additionally, new staff training as well as keeping your seasoned staff's sales skills sharp through an ongoing training plan will deliver maximum performance from all members of your team. We often see training viewed as a "nice to have" or an afterthought and view this as a common mistake by operators.

Stay tuned until next month when I will deliver strategies to "Optimize Your Center Marketing." For more information on any of the above tactics feel free to contact me directly at kcondi@allianceofficestrategies.com or visit www.allianceofficestrategies.com.

About the Author:

Karen Condi has over 12 years experience in the Office Business Center industry and has been a key play player in AOS' rapid expansion; she possesses extensive knowledge and expertise in the areas of sales, marketing, operations, planning and development. Specializing in turnkey, takeover, start up and crisis management projects, Ms. Condi has dramatically increased ROI for many clients across the country. Prior to working with Alliance, Ms. Condi served on the leadership team for a national Office Suite provider, where she opened, acquired, developed and managed over 30 locations throughout the United States. Ms. Condi brings unparalleled development, management and operations experience with a complete understanding of best practices to maximize ROI, revenues and profits. She is currently the Executive Director and Principal of ALLIANCE Office Strategies. The AOS team is currently engaged in over a dozen consulting, development and management deals with business centers around the world.