

Audio transcript – ‘Wish someone told me’ with Nat Locke – Episode 5: The Small Business Lounge

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Nat Locke: Hey, this is *Wish someone told me*. And this is also the last time that I'm going to be chatting to a small business owner about the ups and downs of the job. I've saved the best for last though; I'm about to introduce you to the queen bee of small business. Brooke Arnott decided she was pretty great at bookkeeping, but wanted to do more. So she now runs The Small Business Lounge. It offers up all sorts of services to small business owners who need a bit of a hand. Plus, one of her hardest working team members is Monica Buczynski. She knows pretty much everything there is to know about social media marketing. If you're looking for absolutely everything you need to know in one bundle, this is it.

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Male voice: This is *Wish someone told me*, with Nat Locke.

Nat Locke: We're joined by Brooke Arnott, who is the owner, head honcho queen of The Small Business Lounge. Brooke, welcome.

Brooke Anott: Thanks, Nat.

Nat Locke: And Monica Buczynski, who is the social media director? Manager?

Monica Buczynski: Manager.

Nat Locke: Ah, titles. Titles.

Monica Buczynski: Director. Social media guru.

Nat Locke: Guru is a good word, isn't it, because it is a big thing at the moment. All right, so The Small Business Lounge.

Brooke Arnott: Yes.

Nat Locke: Now, I've been there. What an amazing facility, what an amazing resource.

Brooke Arnott: Thank you.

Nat Locke: How did you get into it? How did you... So literally, you started a business that helps other small businesses.

Brooke Arnott: Yeah, that's right. So I had a bookkeeping and consulting business that I had for ten years, prior to The Small Business Lounge. And a lot of my clients asking me where they could get social media, website, networking opportunities... And basically, I thought "I need to create a space, where businesses can come and get everything they need in one place."

Nat Locke: Because that's the thing I think a lot of businesses when they first start out, they're caught up in what they actually do, so the product they produce or the service they provide, but there's so much back room stuff that has to happen in

order for a business to keep running. And that's where you guys come in, right?

Brooke Arnott: Exactly. So, they're very good at what they do in terms of their business, but they might actually not know how to actually run their business, or just stay on top of their compliance or marketing or whatever they need to actually run the business.

Nat Locke: Yeah, and Monica is one of the people that work for you?

Brooke Arnott: Yes, that's right. So we've got a good team at The Small Business Lounge. Which is a bit of a mix of a marketing team, finance team, admin team as well. So we've got a good mix there.

Nat Locke: So Monica, what was your background? Where did you come from?

Monica Buczynski: So I actually studied marketing at uni... when I came over from Canada on exchange. So it was really interesting getting back into marketing after probably being away, and out of that main program for about two years, how much things have changed, and especially moved towards the digital world. And that's really...

Nat Locke: The change is fast paced, isn't it?

Monica Buczynski: Oh, it's... what I studied at uni, like going into practicality...

Nat Locke: It's no longer relevant.

Monica Buczynski: I still remember learning about print, and bleed, and all this stuff, and now I'm like, I would never recommend for anybody to turn to print any more. You've got such powerful tools that you can do right from your computer to reach your audience.

Nat Locke: Yeah.

Monica Buczynski: It's an interesting, quick paced world now.

Nat Locke: Because it used be that you... a small business owner would have to either pay to get an ad in the paper, or something like that. And now they can do it all themselves, with social media, can't they?

Monica Buczynski: They can. Yeah. Absolutely.

Nat Locke: What a difference. Yeah. Yeah. And so have we snatched you from Canada? Are you ours now for good?

Monica Buczynski: I think after these Perth summers I'm going to have a really hard time. I'm cool today, and it's 15 degrees out there and I'm shivering!

Nat Locke: There's no way you can go back.

Brooke Arnott: No, she's here forever. We've locked her in.

Nat Locke: So you would see a lot of small businesses come through the door, and come to you guys for help. What are their patterns? What do you think that most small businesses need to focus on, or that they haven't thought about before they walk through your door?

Brooke Arnott: There's a couple of things. I think actually engaging with a bookkeeper early on in your business is really important...

Nat Locke: Yep

Brooke Arnott: ...to stay on top of your obviously compliance with ATO. And also cash flow is really huge for us right now. We're really helping our clients actually look forward in their business, not behind, and plan for those financial burdens that may come across their business that they might not be ready for, or prepared for, or even thought about.

Nat Locke: And I guess there must be some businesses that get to a certain point and then just feel like they stagnate. Like that

growth isn't happening, where they thought that. Their business plan said it was going to happen...

Brooke Arnott: That's right. That's right.

Nat Locke: So how do you push people over that hurdle?

Brooke Arnott: Generally it's just looking at their pain points in their business, like finding out what their pain points are, finding out what success means to them as well, and just looking at that. And just having a good overview of the business, and looking at where we can either put a strategy in place, whether it is social media or marketing or do they need to cut back on what they're spending, do they need to increase what they're charging, so we just...

Nat Locke: Yeah, they might.

Brooke Arnott: Look at and analyse the business.

Nat Locke: Yes, there's a lot of factors, aren't there? Because as you say, you might have the best product in the world, but if you're not charging enough for it...

Brooke Arnott: That's right. And that's why with The Small Business Lounge, because we are there as a team support system for businesses, we can look at their marketing, we can look at their financials... everything... networking, whatever they need in their business, we can... it's a wholistic approach.

Nat Locke: Yeah. Why did you think a small business was the right thing for you, rather than... clearly, you've got skills and talents that would work in big business as well, why did you want to have a small business?

Brooke Arnott: Look, for us, small business I think is the backbone of our economy too, like there's a lot of people out there running small to medium sized businesses. Now, our clients are from sole traders up to global companies.

Nat Locke: Right.

Brooke Arnott: Even though we are The Small Business Lounge, we still work with clients that are turning over ten, 15 million dollars. Because they might not necessarily like to, or need to have a CFO or a bookkeeper, or a marketing person employed, but they do need those services. So we go in as that wholistic approach to them as well. But yes, small business I think is a big passion of mine. I love it, and I love supporting small business owners.

Nat Locke: Even though your business is now supporting small businesses, have you found that you've made mistakes along the way with this business yourself?

Brooke Arnott: Ah, you know definitely. We've been open 18 months.

Nat Locke: Well, let's call them challenges.

Brooke Arnott: Challenges, definitely challenges. We've been open 18 months, and Monica came on board quite early on. There was many times when we'd go, "Oh let's do this", or "Let's do that in the business", and we'd put out a workshop and no one would book in." And we'd go, "obviously that's not popular. Let's move on to the next idea." So it's been definitely up and down. The first 12 months in my business, I was a bit nervous, because I'd gone from a home based business to taking on a lease...

Nat Locke: Yeah, having a shop front.

Brooke Arnott: ...staff... I mean, I had a couple of staff before, but now I've got ten staff, and it's like, "Okay, well gee, this is like on my shoulders, and it's just me taking this on." But I think my attitude and my mindset... and I had a plan.

Nat Locke: Yes.

Brooke Arnott: And I've still got a plan, and I'm still checking into my plan continuously, and I know where I want to be. So I help my clients, or the clients at The Small Business Lounge also with their mindset and where they want to be in their business.

Nat Locke: And how have you gone managing your staff? Because it's not always an easy thing to do.

Brooke Arnott: No. I call my staff... they're the scaffolding for us to keep the business going. They are so important to me, and I think everyone has to nurture their staff, has to be a really good relationship with your staff. I'm quite flexible with my staff as well; I think that it's important that they want to come to work. They want to work at The Small Business Lounge. And I think we have a really good relationship. I think Monica can vouch for that, can you?

Monica Buczynski: It's always been... it's probably one of the first jobs that I haven't sat there and like, checked out, thought about something else.

Nat Locke: She's going "please Friday, hurry up..." (laughs)

Monica Buczynski: And it's really like every Monday I work tomorrow, because it's... it's because it's so new and it's so fresh, and you don't... when you're working with people like that all the time, and they've got all these ideas, you just are constantly happy being at work. And then we've got an amazing team.

Nat Locke: And a great office dog.

Monica Buczynski: Yeah.

Nat Locke: Well this is the thing I was going to get to, is that your dog Chili, the most adorable border collie, and I say that as a border collie owner, he's like equally the best looking border collie I've ever met.

Monica Buczynski: He's very good looking, isn't he?

Nat Locke: I mean, that is part of the joy, isn't it? Having... being able to bring your dog to work if you want to. And he's a friendly little chap.

Brooke Arnott: He is, and I think also even the space, where we've designed the space, it's not your normal office. It's like a New York apartment. That's where I got the idea from.

Nat Locke: Yeah, you certainly don't walk in ... normally you expect to walk in and there'll be a desk and somebody sitting behind it, saying "How can we help you?" But it's not like that at all.

Brooke Arnott: No, it's very open, and Chili is normally the one that greets people when they walk in the door.

Nat Locke: He hangs out in the window, it's super cute.

Brooke Arnott: He does, yeah. So if you're ever in Oxford Street, come past and have a look.

Nat Locke: Yeah

Brooke Arnott: Yeah, so he is... yeah. He's beautiful, and I think he's really calming in the office too, for the staff. He walks up, and gets a pat from everybody, and then just lays down and has his sleep, and yeah. Like I'm excited every day to come to work, and I think that kind of rubs off on the staff as well.

Nat Locke: Yeah, definitely. So when it comes to tax time, a lot of small businesses start to... we see end of financial year sales, and they've got to spend money before the end of the year, and everybody... I think there's a lot of cloudiness about that time of year for small businesses. Do you have any tax tips that small businesses should focus on at this time of year?

Brooke Arnott: Yeah, so at The Small Business Lounge, we always recommend that our clients go and see their tax accountant March/April. Before the end of the financial year, to plan. So finish the March quarter off, make sure everything's

reconciled in your accounting software, and then go and make an appointment with your tax accountant. Just to look at your tax position and see if there's anything that you need to do before the end of the financial year.

Nat Locke: Yeah, right.

Brooke Arnott: And if you don't hear from your accountant, just ring them up and make an appointment to go and see them, because it's better off if you plan, rather than come June 30, and then it's a surprise. You might have a large tax bill that you weren't aware of, and then how are you going to plan for that? So yeah, make sure you go and see your accountant. Also just getting prepared for payment summaries for your staff as well, making sure that you get them out on time is really important as well. And yeah, obviously cash flow is another big one. Huge, huge issue, I think across small business altogether. And making sure that you are planning for that as well.

Nat Locke: Yeah. How can you plan for... because I guess not every business has a sustained amount of sales or income over... even over a week. They might have a day that's more popular, and parts of the month and unexpected downturns because of weather changes or whatever...

Brooke Arnott: Yeah.

Nat Locke: How do you I guess guard yourself against that as a small business?

Brooke Arnott: Look, I think just looking at how you can obviously increase your cash flow in terms of maybe going to direct debit with clients as well? Is really important as well. And just managing that. We do a lot of scenario planning too, so if you know your peak periods or when you're going to be quiet, if you've got a cash flow forecast done, if you've got a budget done, you know when you're going to drop down. So

then you plan... you may need to reduce your staffing levels at that time, or just making sure that you may not be buying any big purchases or anything in that time when it's going quiet.

Nat Locke: It all makes sense when you say it out loud, but as somebody who used to have a small business...

Brooke Arnott: I know, it's hard. It's really hard. I even know it myself.

Nat Locke: And that is why there is real benefit in having services like yours, because...

Brooke Arnott: Mm-hmm (affirmative). We've got a great financial team, and we do CFO type services as well for clients, and a lot of our clients who are great referrers back to us as well, have said having that forward planning scenario, what does it look like if I want to put on another staff member? Can the business afford it? How do I need to increase my revenue to make sure I can pay for that? And a big thing is making sure on your accounting software that you've got your chart of accounts set up correctly, to give you that information. And we do a lot of that through reviewing for clients to make sure that when they're doing their reporting, or we're giving them their reporting, that they're getting the right information. So... because a lot of people look at a profit and loss...

Nat Locke: Yeah.

Brooke Arnott: ...report. And they go, "Oh great, I've made a profit. This is fantastic." But they don't actually understand what the profit and loss report means, compared to a cash flow report.

Nat Locke: Yes.

Brooke Arnott: Because the profit and loss doesn't take into consideration any loans they may have paid, or any payments to the ATO,

or anything like that. So they're confused. So that's where we educate, and help them understand that.

Nat Locke: Yeah. Awesome. And I guess marketing is another big part of what you do, so...

Brooke Arnott: Yes.

Nat Locke: ...you provide... I know you provide website design, which is a part of your products and your business, is marketing. And also social media, which is where Monica comes in.

Brooke Arnott: Yes.

Nat Locke: So what sort of stuff do you do on a day to day basis, Monica?

Monica Buczynski: So I've got a portfolio of clients. Each one's a little bit different. So I usually... on my Monday, I would make sure I'm scheduling all the content in advance.

Nat Locke: So you actually also do the content? You don't just teach people how to do it, you also will provide content.

Monica Buczynski: Yeah. So we... yeah, yeah, we do complete full management, from designing graphics to...

Nat Locke: Because not everybody's good at it.

Monica Buczynski: No. You know what? I always say... It takes me now two seconds to whip up a graphic, and you know, if you're not experienced in doing that, and you don't know how it works... like I'm constantly looking at trends, I'm constantly looking at tags, and reading articles and everything about what's happening in the digital space. And then something that I think... we get accountants that charge out \$150 to \$450 per hour, but they're sitting there building their own websites, or doing their own social media.

Nat Locke: Yes, exactly.

Monica Buczynski: It's like, "You know, you could be spending that time with clients, why not hand it over and not have to stress?"

Nat Locke: Yes.

Monica Buczynski: So I'll do that, and then I also do a lot of detailed analytics. So with any type of social media strategy... I mean, it all looks good on paper, but you put it all out.

Nat Locke: You go, "I've got this many followers..."

Monica Buczynski: Yeah, you put it out...

Nat Locke: ...but it's how many are actually engaging with your posts...

Monica Buczynski: How many are engaging, what's happening, what's working, what's not working. So also looking at the metrics behind it, and seeing what's actually... what's coming back to generating website clicks or are we guiding them through something? Or is the strategy... is it in line with what they want for the business? I mean, some people want 10,000 followers on Instagram, and they don't... it doesn't matter to them what it's doing, they just want to have that presence.

Nat Locke: Yes, yes. Yes.

Monica Buczynski: Whereas other people are like... they need more... they have a really optimised...

Nat Locke: They want those people to become customers, yeah.

Monica Buczynski: And they've got an optimised website, and from there, we can design targeted ad campaigns that I can... if they want a thousand people to their website, I can do that for them.

Nat Locke: So you must see businesses get a tangible result from what you do, so you would... if they are selling a product, and Instagram is the main way that they're doing that, if they do it well, they can see a tangible result, can't they?

Monica Buczynski: Yeah, definitely. At the end of each month, I'll always give detailed reporting, as to what was happening during the month, what was most successful. And it's so different for every single business. Surprisingly enough, I'll put a quote up on our page, and I'm not big on quotes personally.

Nat Locke: Yeah, right.

Monica Buczynski: So getting to that mind frame of what does my audience like to see? And then it's really different with every single account. So you really have to monitor, and see what is the audience responding to, what do they want to see, do they want to be motivated from this account? Why are they following this account?

Nat Locke: Yes.

Monica Buczynski: And just altering your strategy to make sure that you're constantly keeping engaged, and keeping that ideal customer still feeling like they know you and they can relate to you and you're on the same page as them.

Nat Locke: Do you have a feeling about whether Facebook or Twitter or Instagram or another platform is the best? Do have one that you prefer, or do you think a combination?

Monica Buczynski: It's... I'd say a combination. And it depends on your industry and it depends on what results you're looking for. So I mean, it's really case by case, so when a client comes on, we usually sit down and I would do an entire proposal. So with that, I'll do an actual strategy built into the proposal of what I think we should do, based on what they've come to us saying. They want to achieve this, or achieve that. And then I'll actually do research, and probably spend at least an hour preparing, before I even give them a quote, saying "Look, this is what I think we should do, this is what's going to happen in month one, month two, month three. And this is why we're going to do it this way." So nine times out of ten,

everyone looks at this and says, "Oh wow, this makes sense. Let's do it!"

Nat Locke: Yeah, yeah. I guess having that structure.

Monica Buczynski: Yeah.

Nat Locke: And that's part of the plan... it's part of the planning, isn't it?

Brooke Arnott: It is. Because we've got clients that come in and they're doing business to business, where we would look at more of a LinkedIn strategy. So then we've got clients that... maybe like a café or a hairdressing salon, then maybe Instagram might be better for them, or...

Nat Locke: Something that's more visual.

Brooke Arnott: That's right. And then Facebook as well, so it's just really just assessing the client. We do individual proposals for them, because we want to tailor it to their business. So it might be that they want some social media, bookkeeping, CFO... and then we'll just do a proposal so they know upfront what it's going to cost them.

Nat Locke: And what sort of businesses have you worked with? Are they retail businesses, are they online, are they medical practices?

Brooke Arnott: We work with nearly every single industry you can think of, so from cafés to retail stores to online stores to chiropractors to cosmetic doctors to global companies that deal with hydraulic brakes...

Nat Locke: I'd love to see their Instagram account.

Brooke Arnott: ...to recruitment companies, not for profits...

Monica Buczynski: But I'm serious. We have a drain cleaner to a barber shop, to mortgage brokers, that are all using us for social media services. And you wouldn't think that someone that's

clearing drains wants to be on it, but then they absolutely do, because it's just part of that online mix of people.

Nat Locke: Of engagement, yeah, yeah. So if there was one thing that you wish someone had told you at the outset, what would it be?

Brooke Arnott: Oh, it's probably a couple of things, but I think the main for me... I wish I had of started my business earlier.

Nat Locke: Okay.

Brooke Arnott: I had actually... you know, the bookkeeping side, and going back to that, is that technology has changed our industry so much, and I had to be at the forefront of moving forward with that. So we use technology a lot in the business, so I sort of wish that I had engaged a little bit earlier in the business, and started The Small Business Lounge earlier.

Nat Locke: Yeah.

Brooke Arnott: But you know, it's all about timing and that sort of thing, but in saying that, I wish I had someone like me teaching me ten years ago.

Nat Locke: Yeah.

Brooke Arnott: Because even as a bookkeeper, I would sometimes just even struggle with my cash flow. And my responsibilities and compliance. So I wish I had me ten years ago.

Nat Locke: It makes perfect sense when you talk about it like that, doesn't it? Well, thank you so much for coming in.

Brooke Arnott: Ah, thank you for having us.

Nat Locke: It's been great talking to you, and good luck with it all.

Brooke Arnott: Great, thank you. Thanks, Nat.

Nat Locke: Say hi to Chili for me.

Brooke Arnott: Will do.

Nat Locke: Don't forget, Bankwest has a bunch of tools and calculators online to help your business succeed. Head to bankwest.com.au/connect to check 'em out.

Male voice: This is *Wish someone told me*, with Nat Locke.

Nat Locke: Thanks for listening to *Wish someone told me*. It's been great to have you along the ride.