

# THE 5 GUIDING PRINCIPLES INTRODUCTION



VIDEO  
TRANSCRIPT  
ONE



**COACHING ACADEMY SPECIALIST**  
Where Small Businesses Grow

## Video Transcript One

### The 5 Guiding Principles Introduction

This complete Training Course consists of not less than thirty six modules on thirty six areas of your business that you'll need to become absolutely accomplished in as you grow your business.

The thirty six modules in themselves come under the umbrella of what I would describe as **The Five Guiding Principles**; principles that I've learned through working with over 1,000 companies across not less than eighty four industries over some three decades.

And The Five Guiding Principles, I would say, are first of all Purpose; the second one is Procedures; the third one is to Promote; the fourth one is the People; and the fifth one is Profit.

#### **Purpose.**

The first one we'll talk about is the Purpose.

And every business owner will say, "Of course, I've got a purpose, and the purpose is to make a profit." That's easy to understand and it's easy to say.

**The most successful business owners I've seen are the ones who've got a purpose which is greater than just something as simple as a profit.**

And very often, it's what they'll do with that profit, and how they do that will be personal to the business owner. And that's what will drive the business owner past making a profit, because we're talking about a business that could be there for ten, twenty, thirty, forty, or fifty years. And for that, they will have to have something that will inspire them, something greater than just making a profit.

**So this Purpose becomes hugely important to the success of the business.**

# Video Transcript One

## The 5 Guiding Principles Introduction/ Continued....

### Procedures

Next one I want to talk about is the Procedures and the systems.

Of course, you're going to have procedures and systems.

**The key to the success of the business that has procedures and systems clearly defined are as follows:**

You must have them not only clearly defined, but take the trouble to document them. And then revise them as of when you grow and as of when situations demand that.

**The whole point of having good procedures and systems is that instead of managing people, you get the people to manage the systems.**

Because there's not a person leaving home today, on their way to work who likes to say, "Boy, am I looking forward to going in to work and to be managed all day." Nobody wants to be managed.

So you get the people to come in and manage a system; a system that you have in your mind that you must transfer to paper so they can clearly understand it, improve it, change it by all means and transform it, and come back and redo it again but review it again.

But you must have systems that are easy to understand and easy to follow; that your customers, your suppliers, and indeed your shareholders and all relevant parties understand.

**And that's what will make a huge contribution to the success of your business.**

## Video Transcript One

### The 5 Guiding Principles Introduction/ Continued....

#### **Promote**

Next, I want to talk about how you promote your business.

The business is not just going to come to you. And how you promote the business becomes hugely important. You might have the best product in the world, the best system in the world, the best procedures in the world, and the best location in the world.

**But if you don't promote your business profitably, you're going to fail.**

We can all find customers, but if it costs more than you can afford to pay, then that's not a good idea. You need to be able to attract and find profitable customers that are a pleasure to serve who appreciate and value the product or service you supply. You need customers that you can hold onto, and that will stay with you year after year.

**So you need to find methods and systems and procedures that will enable you to promote your business on a consistent basis.**

## Video Transcript One

### The 5 Guiding Principles Introduction/ Continued....

#### People

The fourth principle we're going to talk about is people.

And the key factor to the success of your business is going to be the people that surround you, the people that you attract to your business. And a key factor here is the right sort of people. And how do you identify the right sort of people?

**I can tell you, you will not find it in a CV.**

I'll tell you how you find out. You need to find people who've got core values identical to your own. Instead of you trying to change those people's core values or instead of them coming in to try and to change yours, find people who've got core values that match yours, and then you're on the way.

**Because once you've got that established, the rest is just detail.**

You get these people to execute, and follow the procedures and systems you have in place and just watch these people come to work with a spring in their step because they love being with you.

So that's the trick. First of all, clearly identify what your own core values are, and then find people who match those values, and the rest is plain sailing.

**But you must be able to do that for the growth of your business and recognise that those people are the ones who are going to help you do it.**

## Video Transcript One

### The 5 Guiding Principles Introduction/ Continued....

#### **Profit**

Finally, we're going to talk about profit.

Making a profit in the good times can be fairly straightforward but let's talk about making a profit in the difficult recessionary times.

Every truly long standing successful business I've come across has had challenges. "Challenges" meaning they've got downtimes, issues that appear to be out of their control or there's a change in the market or there's a downturn in their business, and they need to be able to respond positively and quickly because the profit is so important.

**It frequently means making big decisions that major companies all too often fail to make; big decisions like maybe having to part with some of the staff.**

When companies need to cut expenses, they will so often go around the corner, taking a look at ways in which they can save a pound here and a pound there, when in fact the real costs are in payroll.

It is so easy for companies, when it comes to making a profit, to say, "Well, we're a little bit overstaffed at the moment, but when there's an upturn, we will need these staff."

Okay, we fully understand that. But if you want to make a profit, you have to make those decisions to say goodbye so that you continue to make the profits. Because without the profits, businesses go under.

**So these are the five key principles that are critical to the success of your business.**

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