

## **Management Article\_2009 is Ancient History – What Are You Doing to Make 2010 Your Best Year Ever? November 2009**

I know, I know, you think I am confused. Trust me. I know we have three months until 2010 starts. I suspect 2009 was not a great year for you. If you want to change your results in the coming year, now is the time to start planning. Have you started on your budgets for next year? Done your financial forecasts? Outlined specific programs to improve your key operating metrics in 2010? You need to start now to be ready to go in January.

Let me share with you a few steps that you can take now to make more money in 2010:

1. **Review your financial performance for 2009:** Compare 2009 month-by-month to 2008. Be sure to include total sales, sales per salesperson, and sales per day. Look for trends in expenses and cost of goods. Taking a month-by-month look at your metrics will help you identify which areas to focus on in 2010. Review your operating metrics also: How many cars did you buy per month? How many did you spend buying cars per month? How much were your expenses for each car you processed? These are just a few of the metrics you should consider as you look for ways to improve your results in 2010.
2. **Prepare a financial plan for 2010:** Using what you've learned, make a financial plan that has metrics consistent with your forecast. For example, you can't forecast more sales if you buy and process fewer cars at the same value. If you are forecasting growth next year, prepare a bridge. Use a bottom up budgeting process to make certain that you have accounted for the relationship between your metrics and are in a position to make the right decisions based on the numbers. Learn more about bridge plans and bottom up budgeting in forthcoming issues of this publication or by visiting the recycling industry discussion board at [www.MrMissionPossible.com](http://www.MrMissionPossible.com).
3. **Involve your people:** As you do your planning, ask your staff to tell you what they think they can accomplish in sales, dismantling, buyers, etc. Make the 2010 plan *their* plan. Once they buy in, you can get them energized to meet the goals they have set forth for themselves. Have them tell you what resources they need you to provide so they hit their goal. For instance, sales will tell you how much you need to spend on cars. Buyers can tell you what they need to make sure they can buy the required amount, and still keep cost of goods within projections. Dismantlers need to tell you what they need to be able to dismantle the cars you buy. Make sure that you have considered the best way to prevent your people from sharing teeth. (Learn more about sharing teeth in a future issue or on the recyclers' discussion board.) Don't forget to include the people that will be delivering parts to your customers in 2010. What do they need to deliver on time to your newly added accounts?
4. **Build accountability and monitor progress:** Hold a group meeting to communicate the objectives of your plan and who is accountable for results in each area. Cycle back and check for the deliverables beginning in February for the January results.

If you would like to do even more to make 2010 your best year in business, join one of our Peer Benchmarking Review Groups. You will be in group with 10-12 other non-competitor auto recyclers to compare metrics, sharpen strategic initiatives, and share what works and what doesn't in meeting 2010's challenges. To learn more about participating in a PBRG, visit [www.MrMissionPossible.com](http://www.MrMissionPossible.com).

Visit Mr. Mission Possible ([www.mrmissionpossible.com](http://www.mrmissionpossible.com)) to learn more about industry specific [peer benchmarking review groups](#). From personal experience, I will tell you they work to generate the extra business required to grow a small business in tough times. I lead these meetings year round for recyclers and other industries, check my website for the calendar and Join us!

Visit [www.greenweenies.com](http://www.greenweenies.com) to learn all the backroom business terms in Ron's book *Green Weenies and Due Diligence*. There are 1,200+ terms in over 300 pages, with hilarious illustrations by world famous artist Gahan Wilson. Register for your free weekly "green weenie" by e-mail. If you want to know what a three fingered booger is, or what's in a train wreck envelope, **greenweenies.com** the only place to go!

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**AutoSalvageconsultant.com** was formed in 2001 to help recyclers improve their businesses. The company has become THE definitive source for recyclers' management and training needs. The founder, Ron Sturgeon, is past owner of AAA Small Car World and was part of the partnership that purchased GreenLeaf from Ford Motor Company, executed a turnaround, and sold the company one of the largest public companies in the auto recycling business. You can review his resume, with skills and experience, at [www.AutoSalvageConsultant.com](http://www.AutoSalvageConsultant.com). In March 2009, his third book, *How to Salvage More Millions from Your Small Business* was published. You can order it at [www.SalvagingMillions.com](http://www.SalvagingMillions.com). His first book, *How to Salvage Millions from Your Small Business* was reprinted in the U.S. and published in China, Korea and the Czech Republic. You can learn more about how to help your business at [autosalvageconsultant.com](http://autosalvageconsultant.com). You can reach Ron Sturgeon by calling 817.834.3625, by e-mailing [rons@MrMissionPossible.com](mailto:rons@MrMissionPossible.com), or by mailing to 5940 Eden, Haltom City, TX 76117.