

Help! I Want To Grow My Business



As your business grows, it should begin to take on a life of its own and unless it's structured to do this, its ability to grow will be limited.

If you have structured your business well, it will need less and less of your input in the day-to-day technical work. Your capacity to be everywhere and do everything is no longer as important as it was in the early stages – and indeed your recognition of this is one of the factors that will allow the growth. Your role becomes more one of providing direction and identifying and developing the management skills your people need, in order for you to focus on the more strategic elements. It becomes critical that you think ahead and plan, and your planning needs to include the resources upon which you can draw.

Preparing for growth

Successful business owners and managers replace themselves with sound systems. These are processes they put in place so their replacements can replicate the tasks previously done by the owner according to prescribed standards. In this way the owner can get on and drive the growth phase, confident that the middle and lower level responsibilities are being handled. With growth comes complexity. Production issues, financial issues, marketing issues and general business planning all require more direction from the top. For most business owners the concept of growth usually means bigger, but this is not always the case. It can also mean better, more responsive, tighter focus on target markets, greater satisfaction, increased stability and productivity, all of which they want ultimately to lead to increased profits. Whatever your objective, it requires strategic work.

What is strategic work?

Strategic work is the work you do to define what the business should be doing to move forward, to grow, to get to the place you have envisaged it. It is the planning work you do to get it there. You created the business with an end picture in mind. And if you didn't you should have. Without strategic work, not only do you reduce your business' potential for growth, you run the real risk of putting its life in jeopardy.

The challenge for many owners is not that they are doing too much work, they are simply doing the wrong kind of work. They are not sure how to get out of their own way and allow others to do what they were employed to do. Strategic work includes the work you do to enable others to do the work you used to do.

Is strategic work an effective use of my time?

Who else is going to do it if you don't?

How will the business grow without it?

Consider this: if your sales or the demand for your services were to double in the next 24 hours, would you cope? The answer is, you probably would for a day, even a week, but after that it could get a bit iffy.

Your business is an integrated set of systems; it has marketing systems, sales systems, production and delivery systems, financial systems, management systems which are all interdependent. It's all very well to set up whizz-bang sales systems, but if the fulfilment side of the bargain can't keep up you will end up with dissatisfied customers who may not buy a second time – and worse, tell their friends of their experience.

With growth comes the possibility of outstripping your capacity to produce and deliver in a way that is satisfying to your customer. You as the owner are responsible for taking into account all the governing factors and developing a strategy for handling the growth.

That would seem to be a pretty effective use of your time and as it's your business, you are the one to lead this strategic work. This is what is meant by working *on* your business.

How can I do this all on my own?

You don't have to do it all on your own.

First recognise your strengths and acknowledge your areas of weakness.

People generally get into business because they could do 'something' and they were trained to do that 'thing' by someone else. They then decide to start their own business doing that same 'something' for themselves, without looking at all the support structures and mechanisms a business needs, such as management, leadership, marketing and so on.

If you can't do a specific task, you either go and develop the expertise yourself, or you find someone who can do it for you – often more efficiently and in a shorter time. If you are not naturally a sales person and you have a growing need for new business, there is no point in trying to do it all yourself. Find someone who is good at it. Growth can be quicker that way. It sometimes appears more costly, but if it facilitates faster growth, it can be a good investment.

As Chartered Accountants Brad Huckel & Co can help you develop expertise in all the key areas of a business – management, marketing, finance and production. We can assist you in learning what you need to know in order to develop the right strategies.

You probably don't need to know how to do the bookkeeping, but we will help you to learn what you need to understand as a business owner to make the right strategic decisions based on what the figures are telling you.

If you *are* competent with the bookkeeping and have been doing it yourself, now is the time to ask if this is the best use of your time, or has the time come for you to bring in a bookkeeper, an accountant or both to free you up to do critical planning in other areas of the business?

Where can I get the relevant information?

For a business owner, doing strategic work assumes that they are comfortable with 'the business of business'. That is, that they are across the underlying principles of running a successful business that can grow and is not dependent on the owner. While this is the preferred status, it's not always the case.

You have a number of avenues, each with its own benefits.

- Books – the business sections in bookshops are full of information for small business owners, although not always helpful in showing you how to implement the advice.
- Business courses – local Business Enterprise Centres are a good starting point.
- Mentoring – find someone who has proved themselves as an expert in running a successful business and ask them to mentor you.
- Business coaching – the most effective. We can assist you with a style of coaching that will help you look at your business as an integrated set of systems.

Key partners and suppliers – who are they?

Depending on the business, they could be us as your Chartered Accountants & Business Advisers, bank manager, solicitor, wholesaler, distributor or stock and materials supplier. The operative word here is 'partner'. Your strategic

work must include developing, building and maintaining these relationships. While your staff will also be involved with some of them, your responsibility is to maintain them at the highest level.

This list of potential key partners is as varied as the list of small business categories.

Expertise comes in many forms from many experts who have the skills you don't.

- Chartered Accountants
- Bookkeepers
- Tax specialists
- Legal advisors
- Sales skills
- Marketing
- Advertising
- Copywriting
- Market research
- Design
- Engineering
- Graphic design
- Web design.

Your exit strategy

How many people incorporate their own exit strategy when they plan what their business is to become? The answer is: very few. The exceptions are true entrepreneurs who create a business in order to increase its value and sell it. They are very clear about the purpose of creating and developing a business. What is your exit strategy? What do you want your business to do for you?

If you have read this far, it's a given that you want to build the business. And then what? Do you want to sell it? Do you want to bring in an investor? Franchise? Bring in a management team so you can stand back and still enjoy the rewards? Pass it on to the next generation? Or do you expect to retire and shut it down when you do so?

Whatever you decide – excluding the last option – your strategic planning must incorporate it. Being clear about your exit strategy will help clarify every step you take as you create a business that can handle and revel in healthy, controlled growth.

Why not call Brad today on 02 4655 7263 to discuss how we can make your business work harder for you.