

Questioning Your Business Growth Plan

So, you've been experiencing an increased demand for your products or services and you think it's time to grow and explore new markets. Before you jump headlong into a strategic growth plan, there are some very important things you should consider first.

Six criteria for evaluating strategy options



Have You Reviewed the Progress of Your Business Plan?

Regularly reviewing your progress in a timely fashion is absolutely critical for identifying how you can make the most of the market position you've established and decide where to take your business next. You'll need to revisit and update your business plan with your new growth strategy in mind and make sure you introduce any new developments you've noted.

Are You Meeting the Goals You Identified in Your Business Plan?

Can you show a system for growth to stakeholders and investors?

You must be able to prove you can meet those defined objectives if you want to build both internal and external confidence in your company's ability to expand and assure them that future goals will be met – and if you are [seeking financial funding](#).

Reassess Your Core Activities

Review your mission statement, products and services. *What is your company vision and what is it that you actually do?* Ask yourself what makes them successful, how they could be improved and whether you're in a position to launch new or complementary products or services, or expand into other areas.

Assess Your Business Efficiency

Are there any internal factors holding the business back, and if so, what can you do about them?

Consider the various aspects of your business across all aspects of the organisation's operation, for example, your premises, your people, your equipment, your IT and management systems.

Do you need more customers but are lacking a big marketing budget? Learn how you can attract customers on a budget in this step-by-step guide using cheap, yet powerful marketing ideas.

Review Your Financial Position

Do you have plans in place to adapt your financing to accommodate your business' changing needs and growth? When reviewing your finances consider [cash flow](#), working capital, cost base and borrowing ability.

Undertake a Competitor Analysis

The type of competitor information that will be really useful to you depends on the type of business you are and the market you're operating in. *Questions to ask about your competitors include:*

- who they are
- what they offer
- how they price their products
- what the profile and numbers of their customers are compared to yours
- what their competitive advantages and disadvantages are compared to yours
- what their reaction to your entry into the market or any product or price changes might be.

You will probably find it useful to do a SWOT (strengths, weaknesses, opportunities, threats) analysis. This will show you how you're doing in relation to the market in general and specifically your closest competitors.

You might also undertake commissioned market research if you need more detailed information.

Undertake a Customer and Market Analysis

When you're reviewing your business' performance, you'll need to assess your customer base and market positioning as a key part of the process. You should update your marketing plan at least as often as your business plan. Information gained in this process can give your business the flexibility it needs to beat off stiff competition at short notice.

When you revisit your markets, look at:

- changes in your market
- new and emerging services
- changes in your customers' needs
- external factors such as the economy, imports and new technology
- changes in competitive activity.

You can also get feedback on your business' performance from your customers, and this should help to identify where improvements can be made to your products or services, your staffing levels or your business procedures.

Do You Have the Right Team in Place for Business Growth?

You must have both strong leaders that can manage a business and capable employees in order to achieve business development. In addition, it's an important consideration for investors.

But growth hacking is not just about the internal team. Sometimes the green light for growth comes if you find a compatible business partner, for example a manufacturing company, or a production house, who wants to grow with you.

Before you make this decision consider very carefully their level of commitment, what they bring to the table and whether they share your vision statement for the future – and whether you and your staff will be happy working with them.

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Is Your Business Gaining Momentum?

Are customers and clients coming to you and are you fielding requests? If so this is an indication your brand is reaching a level of awareness that is positioning it for growth.

Are You Realistic About What Your Company Can Handle?

You may have conquered a particular market and believe the time is right to move to the next one. However, you must be discriminating in terms of what growth you can handle. You need to look at the economic benefits and consider your existing infrastructure and resources.

Can You Handle the Additional Workload?

While there may be plenty of clear signs that your business is ready to expand, successful growth can be tough to achieve if you're not personally ready for the accompanying commitment. It can take some time to achieve a regular rhythm after expansion.

The time needed and expended to project manage business growth can affect not only your business but also your personal life.

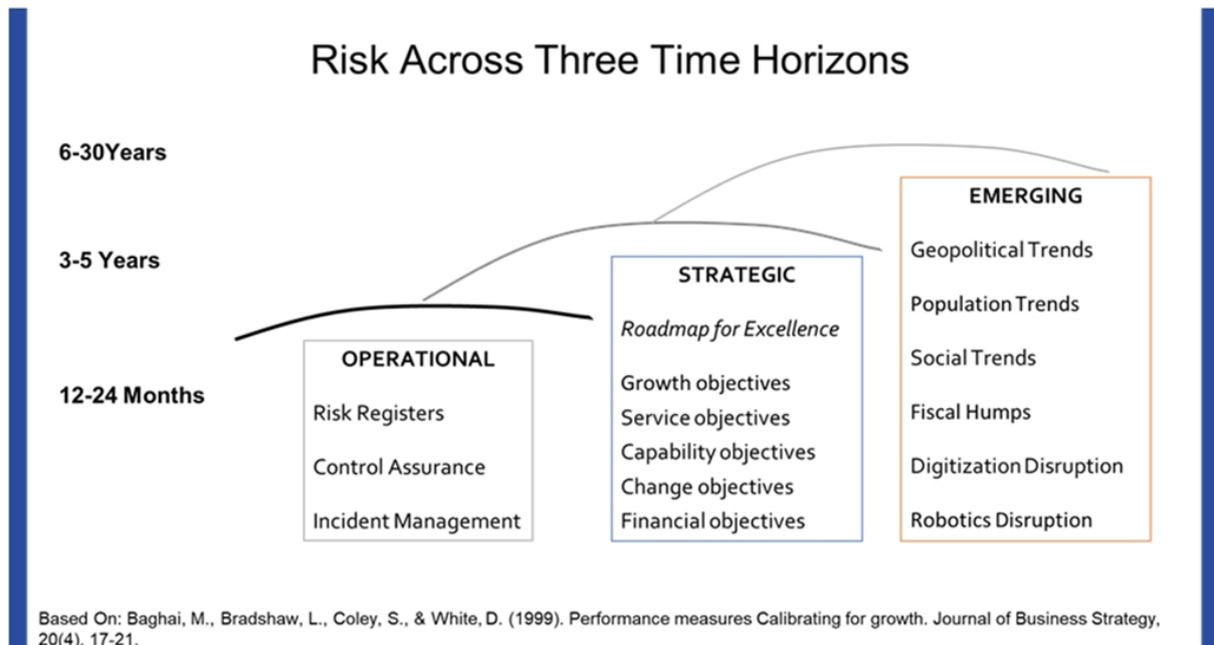
Do You Have the Cash Flow Required?

Put simply, growth costs money and you need a cost management plan. You aren't ready to grow unless you're in a position to carry the business until the sales catch up with the new growth plan investment.

Finally, Redefine Your Business Goals

Once you've addressed all the above considerations you're in a better position to redefine your business goals along with carefully thought through business growth strategies on how to achieve them. Ensure you develop and implement a management plan and develop a timetable.

In the dynamic business world of today, no plan is set in stone. Regular reviewing of all your business plans is essential, including reassessing the business risks across the timeframes, as illustrated in the diagram below.



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