

### Setting Your Key Business Priorities For 2023/24 & Beyond

Here are some key priorities for businesses to focus on for the current financial year (and beyond) together with a checklist that can help you ensure you're prepared for the business year. **As you read through these key priorities businesses should focus on, we encourage you to rate yourselves on how you think you'll do in each of them.**

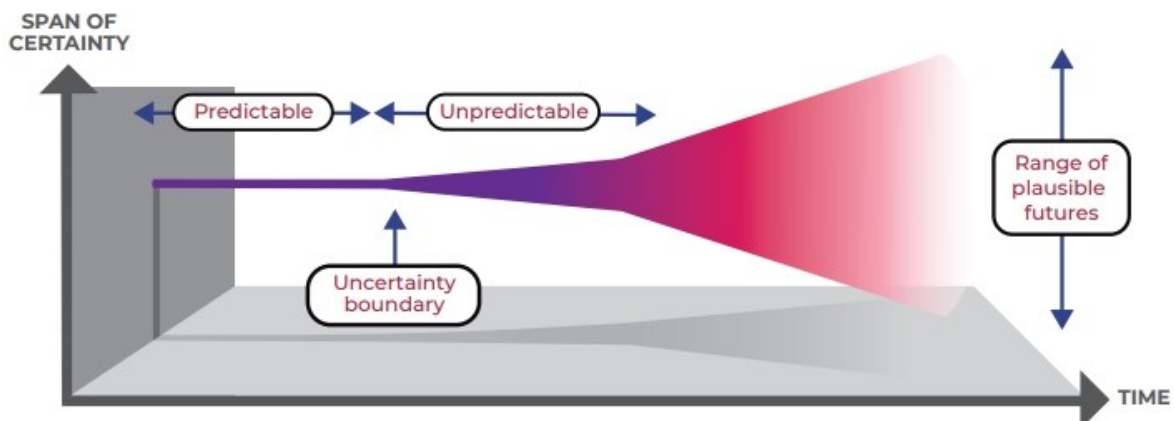
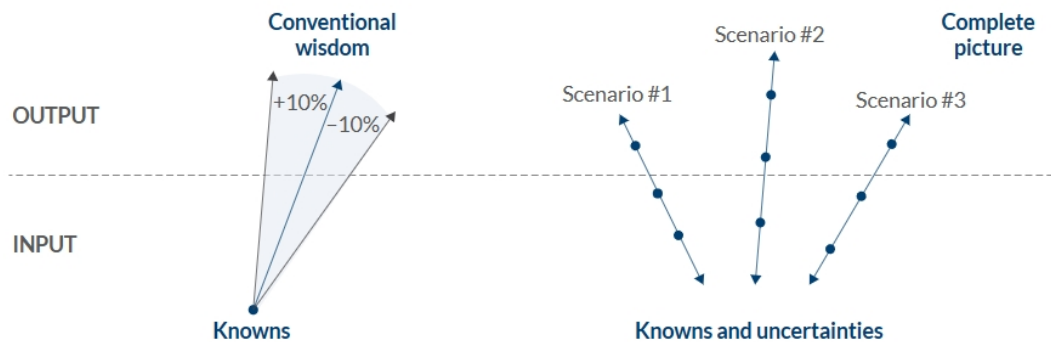
#### Scenario Planning Risk Management:



- Imagination and suspension of any disbelief
- Credible, but not necessarily accurate scenarios
- An appetite to align on what matters most

Especially in evolving environments, tracking the evolving market and economic conditions and ensuring there are sufficient mitigation strategies, is critical for the performance of the business. It's also important to focus on addressing increasing technology risks.

Scenario planning versus conventional approaches



### Sustainable Growth and Expansion:



The key word here is ‘sustainable’. **Businesses need to ensure they are building a foundation that can sustain continued growth – a holistic and strategic platform pillared by the right people, processes, suppliers, clients, and strategy.**

### Maintaining Financial Discipline:

$$G + P = E1 + E2 + E3$$

G = Growth

P = Profitability

E1 = Economy

E2 = Efficiency

E3 = Effectiveness

For the small business to be successful and grow and prosper in a profitable manner, the small business owner must operate the business using the least amount of scarce resources (economy), using sound business practices in its operations (efficiency) to achieve the optimum results of success (effectiveness).

**Maintaining financial discipline is a vital trait that companies must cultivate to achieve lasting success** and enable them to weather economic uncertainties, seize growth opportunities and build a solid foundation for long-term prosperity, ensuring their sustainability and competitiveness in a dynamic business landscape.

### Adapting and Excelling at Lead Generation and Sales:

**Sales leaders must have three strategic objectives if they want to transform their sales organizations from functional to high-performing:**

**Scalability**  
The objective: replicate success

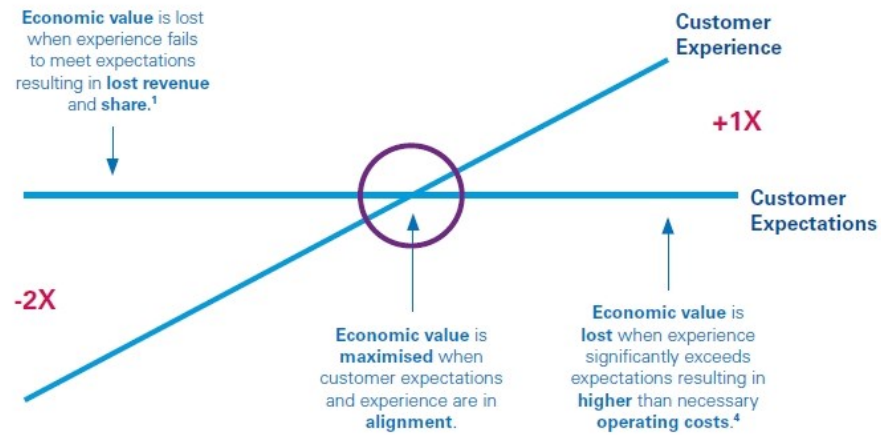
**Questions a sales leader must ask:**

- > In which markets do I have the right to win?
- > If I expand to new markets, do I have the visibility I need to ensure growth?
- > How can I replicate successes across new markets?
- > Am I able to set my new team members up for success?
- > Are our opportunities and challenges related to people, market dynamics or other factors?

You can't be in business if you're not "being in sales". With markets and consumers evolving, it's critical for companies to ensure they are investing in continually improving and oiling the sales machine of the business and taking a holistic approach by establishing effective processes, upskilling and training, reviewing and having the right tools and resources available.

### Customer Experience Enhancement:

Balancing between what customers expect and what an organisation should deliver plays a direct role in the value CX brings to a business. Both under and over delivery of customer experience negatively impacts economic value.



The negative impact of under-delivery can be up to twice as great as the positive impact of over-delivery.⁵

Source: McKinsey & Company

Businesses need to understand that consumers who buy from you also likely buy groceries from the local grocer or visit a hairdresser or buy from an electronics store etc, so the customer expectations are often also influenced by experiences outside of their specific industry. So with major businesses continually improving their CX and UX, it's important for all businesses to ensure they are not perceived to have a poor customer focus nor have a significant gap in fully understanding and excelling in delivering on their needs. **CX = Customer experience UX = User experience**

### Continued Digital Transformation:

Lead with the problem to be solved and lay the groundwork for success in your digital productivity transformation



Embracing AI and digital technologies and leveraging them to transform business processes is a priority for organisations especially with major advancements in AI recently. Companies shouldn't shy away or fear new technology especially AI, but educate themselves, learn and plan to integrate these tools to add greater value, where appropriate.

**Talent Management and Development:**



In most cases, companies need to understand that they are not a manufacturing or retail business for example, **but they are a people business that specialise in those areas**. So having the best functional team structure enables a business to achieve its goals more effectively and efficiently, to scale and grow sustainably.

**Operational Efficiency:**

**STRONG DRIVERS OF BUSINESS CONFIDENCE ARE PERENNIAL BUSINESS BASICS**

Across all mid-market businesses, the top three drivers are:

- 31% STRONG CUSTOMER RELATIONSHIPS
- 20% HIGH QUALITY TALENT
- 20% OPERATIONAL EFFICIENCY

Looking at high-confidence businesses, the second and third most important drivers are different to the overall mid-market, being:

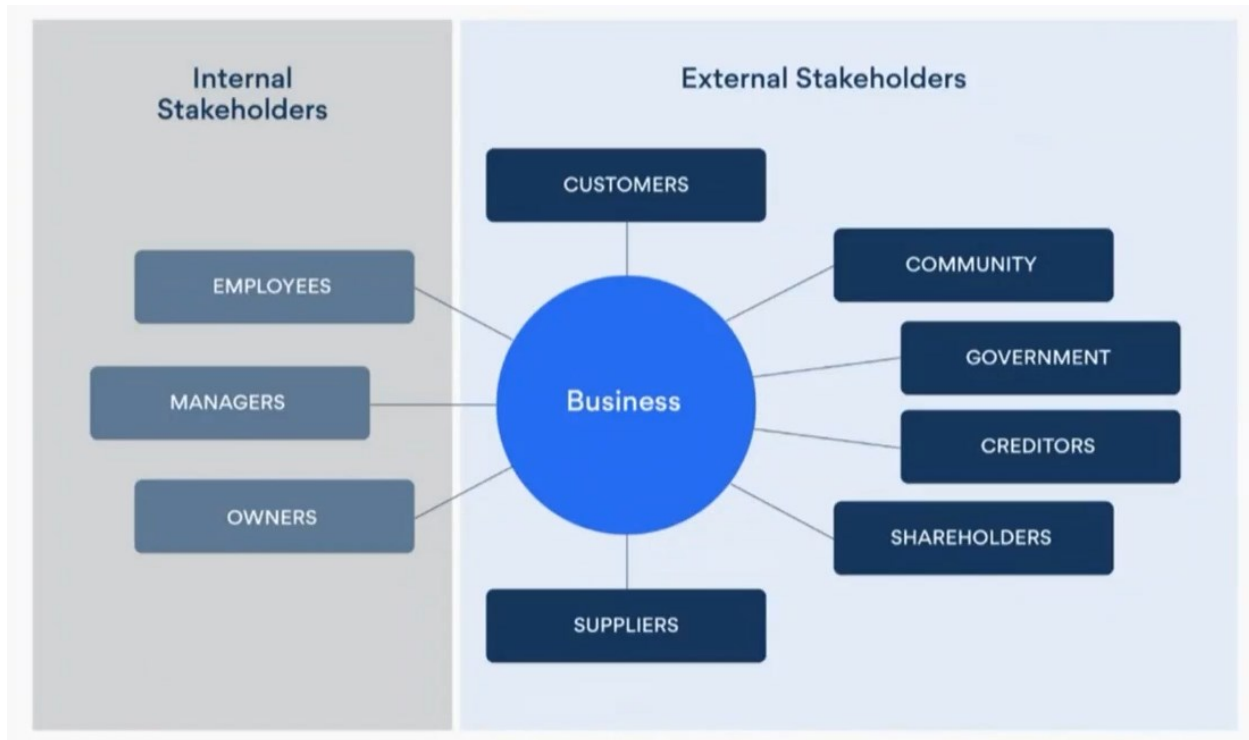
- 27% STRONG CASHFLOW MANAGEMENT
- 25% HIGH FUNCTIONING MANAGEMENT TEAM AND STRUCTURE

In a world that is experiencing speed of change greater than any time before, it is heartening to know that the fundamentals of great, successful businesses continue to hold true.

**Source:** Business Survey Results

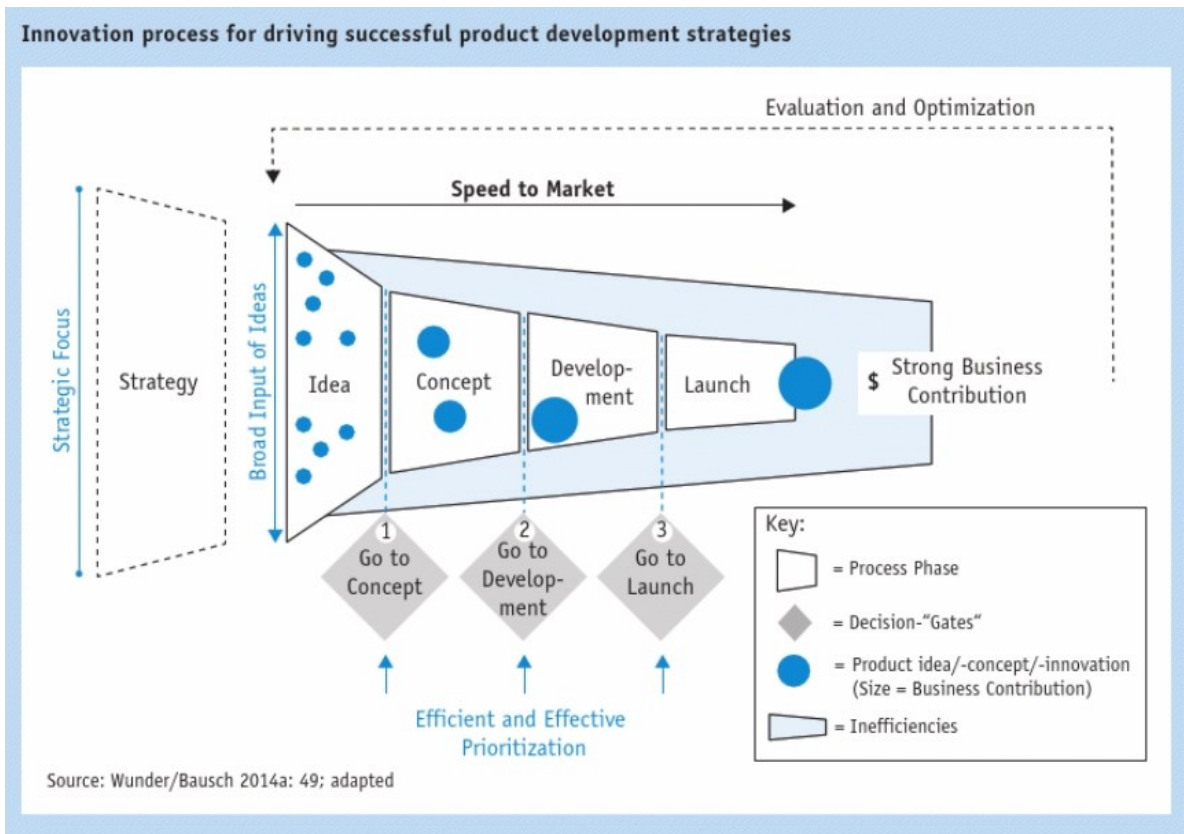
Today's business game is very much about efficiency and the most effective organisations win. **Optimising internal structures, processes and systems must be a priority for businesses**. Ensure you are always reviewing and continuing improve and streamline workflows, review operating costs, improving supply chain management, and enhancing overall operational efficiency.

**Supplier and External Team Relationships:**



With so many aspects to be experts in, successful businesses build strong external teams that support their business. Having trusted advisors help businesses to stay on top of trends, apply best practice and enable strong supply relationships.

**Innovation and R&D:**



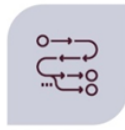
With how quickly things are changing, companies need to stay ahead of the curve to remain competitive and relevant. Hence **it's critical to invest in research and development activities to drive innovation** – exploring new technologies, investing in product/service improvements, and fostering a culture of creativity and experimentation.

**Decisive and Adaptable Leadership:**

Leaders have a role beyond communication in resilience, sometimes "yesterday's style" does not match today's challenges



Without leadership semi-autonomous teams will become "disconnected"



Leaders ensure seamless technologies for communication and information flow



They lead scenario planning for "normal" and "extreme" conditions



They ensure appropriate empowerment and devolution of responsibility (but not a free for all)



They avoid unnecessary fragility by ensuring that processes are properly resourced



They are open in communications



They ensure clear roles and accountabilities



They encourage and enable learning

**wbs** **LEADERS SHOW THE WAY** and light the path for others  
- Nicola Burgess -

LEADERSHIP IS A PROCESS...  
... AS MUCH AS A PERSON

Senior leaders **ROLE MODELLING THE BEHAVIOURS EXPECTED** is an important **ENABLING FACTOR**

**ACTIONS**  
**ACTION SPEAKS (AT LEAST) AS LOUD AS WORDS**  
Persuading others to participate in training and engage in improvement requires leaders themselves to have invested their time and attention

**LEADING FOR IMPROVEMENT REQUIRES A COACHING STYLE OF LEADERSHIP**  
"leaders should be problem framers not problem solvers"

**LEADERS SET ATTENTION** - getting organisational participants to focus attention on significant priorities

**LEADERS PROMOTE IMPROVEMENT CULTURE** through improvement in capability of people

**IF LEADERSHIP IS A PROCESS, then leader behaviours can be learned and role modelled**  
There are elements of leader's work that can be standardised - e.g. GEMBA walks

**LEADERS ESTABLISH NEW ROUTINES TO FOSTER COACHING BEHAVIOURS** and enable a culture of continuous improvement

CHANGES TO LEADERSHIP STYLE ARE ESSENTIAL FOR DEVELOPING IMPROVEMENT CULTURE WITHIN AND ACROSS AN ORGANISATION

LEADING CHANGE ACROSS HEALTHCARE SYSTEM: HOW TO BUILD IMPROVEMENT CAPABILITY AND FOSTER A CULTURE OF CONTINUOUS IMPROVEMENT

**Disclaimer:**

Business Plus is distributed monthly by CBSW Tax & Business Advisors to provide information of general interest to our clients. The content of this newsletter does not constitute specific advice. Readers are encouraged to consult their CBSW advisor for advice on any specific business matters.

Providing you professional direction



**Our liability may be limited by a scheme approved under Professional Standards Legislation.**