



FIVE COMPONENTS TO MAKE YOUR BUSINESS FLY

When we first start working with clients they have a fair idea of where they want their business to be over the next few years, however there is a lack of clarity as to how each component drives the business.

There are the five key components that need to be combined if you really want your business to fly and for your business to give you what you want:

1. Key Objectives

What your business must achieve at the end of two to three years so it grows and prospers and provides you the business owner(s) with the lifestyle of your choice.

If you do not have this clearly defined then your business might simply have you doing what it wants - on more hours, more time away from you family and more personal cash.

Your key objectives should be exciting, specific and give you a feeling of extreme accomplishment.

2. Killer mission

The ongoing achievement of your mission will propel you toward the attainment of your key objectives. Most mission statements are 'feel happy' useless statements that achieve nothing for your business - let your mission statement be a map toward your Key Objectives.

Your mission does not need to be seen by your clients and does not need to be on the wall in plain view of all ... it does need to be a strong statement of how you are going to get your goal, by when and by what methods you are going to achieve this.

Management uses your mission to assess your businesses performance with regard to marketing, sales, operation, human resources and finance. If each area is focused on performance in line with your mission then your business will achieve its Key Objectives.

3. A-class clients propel your business to new heights

Most business owners expand their business without taking into account how their client base will affect their business and its ability to achieve their Key Objectives.

Clients can destroy your business if they are the wrong type. Imagine for a moment that you expand your business with clients that always complain about what you do, expect the lowest price for the best service and are always pestering you with no real benefit.

These are D-Class clients.

A-class clients are the answer. Your A-class clients will support you and your business in achieving your Key Objectives if you know who they are and how to find them.

4. Purpose gives you heart

A major reason behind employees not working the best they

can or not working toward the achievement of the owner's Key Objectives is because they don't feel any heart in the business. The purpose of the business is either sterile, does not exist or does not inspire any emotion.

As such the employee can only work for money and treat you like all the other businesses they have worked for - and let's face it; some of the businesses out there are not good.

5. Your powerful exit from your business

A statement from one of the biggest business brokers reported that 65% of all businesses listed for sale do not sell and either go broke or simply close the doors. Your exit from your business needs to be defined now in order for you to get the most from your business and to add to your life. Here are a few options:


Sell the business - If you are going to sell your business then you will need to make sure that your business shows a healthy profit, has clients (a, b, c, or d class does not matter) and can be operated by the new owner and there is opportunity for growth.

Sell the business to family - This strategy requires more thought and requires that you systemise the business to a higher degree as the normal status of 'sell to family' requires an ongoing payment back to you, so you will need to be sure they will be open every year and can pay and are happy.

Management - This is where you sell to yourself every day, where you get a manager into run the business. The business will need to be highly systemised, reporting back to you highly systemised and the direction and ongoing mission of the business clear. The business will not rely on your relationship with clients as the dynamic of the manager will most likely be different.

Sell the business to a multinational - Most likely the multinational will want your client base and or a cut of the market you are in. They will be less likely concerned with systems and the on-going nature of the business and will pay against the number of clients and cash inflow from sales (market share). In some cases they will want your business as a going concern - however this is not the norm.

Merge with another business - The merger will be for either strategic benefits or to create a larger and stronger business. Systemisation may not be an issue if the other firm is strong in this area, however that will depend on who has the clients and who has the systems.

Some exit strategies will take more time than others and will deliver a greater return at the end of the day ... the choice is yours, but you need to start now. 

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