



CAPFLOW
FUNDING GROUP

*READY TO TAKE YOUR
BUSINESS TO THE
NEXT LEVEL?*

7 ESSENTIAL ELEMENTS FOR SUCCESSFUL BUSINESS GROWTH

Remember the first day you were open for business? You thought nothing could rival the excitement of starting your own company. Now here you are, ready to take it to the next it to the next level. Growing a small business can be both exciting and scary. When you are ready to take that next step, there is always that question "Will it be successful?"

The key to successful business growth is to have all the necessary building blocks in place before moving forward. Without them, it's like building a house and not having all the right tools and materials. Construction won't go smoothly and the end result won't be what you envisioned. The same is true when growing your business. Whether you are planning to expand product or service offerings or add an additional location, make sure you have everything you need to ensure success.

STRATEGIC VISION

Most business owners have a clear vision of what successful business growth should look like but many fall short when it comes to having a strategy to make it happen. A properly developed strategic vision will outline your business direction for the next 12 to 24 months. It should be reviewed regularly and revised to keep pace with the evolution of your business. Creating a strategy to achieve your vision will map out exactly what you need to do to achieve your goals. This will

allow you to see what you already have in place and what you may still need to implement.

It's crucial that you share this vision with your employees and they understand that they are an integral part of making it a reality. In order for it to resonate with your workforce, your strategic vision needs to be credible and based in reality. When employees see the vision as attainable and enhancing their future as well as the company's, it encourages commitment, gives meaning to the tasks they perform and motivates them to achieve a higher level of excellence.



MISSION STATEMENT

According to [Entrepreneur](#), a mission statement is defined as “A sentence describing a company’s function, markets and competitive advantages; a short written statement of your business goals and philosophies”.

If you don’t already have a mission statement, now is the time to make one. It should explain what your business is all about and communicate its purpose and direction to employees, customers, vendors, and other stakeholders. A mission statement doesn’t have to be elaborate, it just needs to accurately reflect “who” and “what” your company is. Keep in mind, a mission statement isn’t necessarily set in stone.

You should review it periodically and revise it as your business evolves.

It’s important to make sure everyone involved with the company fully understands its mission statement and any revisions made to it. A 2016 [Gallup](#) report that focused on millennials found that only 40 percent of millennial workforce surveyed felt strongly connected to their company’s mission. A clear mission statement will boost employee engagement and provide strategic alignment throughout your company.

COMPANY CULTURE

Company culture is the shared values, practices and beliefs of a company and its employees. In recent years, the term has focused solely on the internal operation of a company and how it benefits

employees. While Silicon Valley companies like Google have pushed having [fun at work](#) to the forefront, this is not the only factor that defines company culture.

How a company conducts business is equally important as the environment a business provides for its workforce. It is an integral part of company culture, as it influences how your business is perceived by consumers and is directly impacted by the work environment provided. A positive environment motivates employees to be invested in the company mission, more productive and provide a higher quality of customer service. All of this will help to grow your business and keep it moving forward.

BRAND STRATEGY

If you’re ready to take your business to the next level, your brand should already be established. Strategy is

a long-term plan for the development of your brand to achieve specific business goals. A fine-tuned and properly executed brand strategy impacts every aspect of a business and promotes how your brand is perceived.

The key to an effective brand strategy is to identify and instill your unique value proposition. [Unbounce](#) has defined this as a clear statement that describes the benefit of your offer, how you solve your customers’ needs and what distinguishes you from the competition. In short, it’s letting your audience know what your brand can do for them and why you can do it better. Once you provide customers with the quality goods or services you promised, you’ve made a connection that’s the foundation for brand loyalty. In some cases, loyal customers may even become brand advocates.



OUTSTANDING CUSTOMER SERVICE

In today's digital marketplace, you can't simply say you provide excellent customer service - you have to prove it. Word-of-mouth has been enhanced by online reviews and testimonials which influence a much larger audience. More and more consumers are choosing products or service providers based on online recommendations.

A BrightLocal [survey](#) revealed that 86% of consumers read reviews for local businesses and 50% visit the websites of local businesses after reading positive reviews. It is important to build up these reviews before investing in business growth. When a customer expresses their satisfaction with your business, don't be shy. Simply ask if they'd please leave an online review. With so many consumers finding the reviews valuable, they are becoming more willing to provide them.

The same survey found that 89% of consumers read businesses' responses to reviews making it important to monitor them and respond. Should you receive a less than stellar review, address it quickly and either provide a solution or offer to discuss it with the consumer offline.

FINANCIAL REPORTS AND ANALYSIS

Knowing exactly where your business stands financially is crucial. While transitioning from one level of business to another, it's vital to consistently monitor your financial situation. This requires having an accurate and reliable system that generates regular reports. These reports should be reviewed monthly and provide numerous benefits when it comes to keeping on top of business finances.

Business taxes, especially if your company is moving into the corporate sector, are costly and can wreak

havoc on your working capital. Having detailed financial statements to review regularly will allow you to avoid being caught off guard by the amount of tax owed and plan accordingly.

Analysis of your financial reports can help mitigate accounting errors and reveal any questionable activity. If your business has investors or shareholders, providing them with regular financial statements will build their trust. Among the numerous benefits these reports provide, the ability to accurately analyze and evaluate your business finances will facilitate informed decision making, planning, and forecasting.

You can either do your accounting in-house or hire an accountant. If you decide to handle your accounting in-house and haven't already invested in accounting software, you should. Organizing and tracking finances manually can take a big chunk of time out of your day. Accounting software will automate the process and generate up-to-date reports allowing you to have a real-time snapshot of your finances. Depending on your industry, you may require additional reports but there are at least four reports that are a must-have for every business. These are the profit and loss statement, general ledger, trial balance, and balance sheet reports.



EXIT STRATEGY

It may seem counterintuitive when planning for business growth but having a solid idea of what the endgame will be can greatly influence business decisions and drive growth. In essence, an exit strategy is the ultimate goal. It is where and what you want your business to be when you leave it.

That strategy will differ depending on how you plan to exit. Are you growing the business to hand off to future generations? If so, you'll want to discuss this with potential candidates and choose someone who is not only capable but interested in your business. Once you've chosen someone, it is important to have them learn the business and what is involved in sustaining its success. An internship is a good way to do this.

If you plan to sell the business for a profit, you'll need to focus on making it attractive to potential buyers or investors. Properly preparing a business to be sold typically takes 3 to 5 years. Most business owners will find it difficult to be objective about their own company.

It can be extremely beneficial when preparing to sell your company to enlist the services of an impartial outside party to help evaluate the current health of your business. They can better access its value and identify what should be done to improve it.

While it may not be the exit plan of choice, an unexpected crisis, such as an injury, health emergency or a severe downturn in your industry can result in the failure of a previously successful business. Developing a good exit strategy and making business decisions based on your desired endgame can leave you in better financial shape to rebound from such an event.

When planning to grow your business, there will be a myriad of things to consider and endless decisions to be made. It can be easy to find yourself overwhelmed and wondering where to begin. Every business is different and there is no one-size-fits-all solution. However, checking off these essentials will provide a solid foundation for business growth.



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