

Considerations for Growing Your Business

Now that you're running a business, take a second to notice where you are in the life cycle. Are you experiencing growth? Going through a slowdown? Adjusting to your own growth cycle often means new expenses and changing needs. Take the following questions into consideration to make sure you're poised for effective expansion.

Evaluate your business

Managing for your needs

1. Are you currently in a growth cycle?
2. Are you adjusting your management accordingly? Do you plan to?
3. Are your production and delivery capabilities able to keep up with demand?
4. Do you have the necessary resources and flexibility to scale up or down accordingly?
5. If you are experiencing contraction, have you identified ways to conserve or limit expenses?

Strategic planning

1. Are your strategies in line with your growth?
 - a. Are your operations proportional to your revenue?
 - i. Can you scale up or down easily?
 - ii. Do you have the right personnel to produce effectively?
 - iii. Does your space and location meet your current business needs? Is there space for future expansion?
 - b. Are your sales strategies sufficient to meet your growth projections?
 - c. Do you have a marketing strategy that will meet your growth projections? (See "Managing Your Business")

Are your employees stretched too thin?

1. Are you positioned to acquire and maintain appropriate staffing levels?
2. Can the work be done less expensively by a third party vendor?

What is your recruiting strategy?

1. Do you solicit recommendations from industry contacts?
2. Do you use job search engines?
3. Do you maintain a presence at job fairs and college career days?
4. Do you use recruiting agencies to help find talent?

Managing your money

1. Do you want to rent additional space or purchase a building?
2. Are your fixed costs affecting your operating expenses??
3. Have you met with your accountant and attorney to discuss your needs?

Is it the right time to borrow?

1. Do you have borrowing needs in preparation for or reaction to growth?
2. Will your growth strategy support your borrowing needs?
3. Have your tools and equipment grown with you?
 - a. Is it time to update your IT?
 - b. Is there newer and better technology available for your industry?
 - c. Do you need to update any business-related software, such as inventory, database, etc.?
 - d. Are you working with an experienced lender?

Is your business protected?

1. Are your insurance policies up-to-date? Do you need to realign them to the current size of your business?
2. Do you have an ongoing relationship with an attorney?