Let’s face it. Your competitors couldn’t take you down. After sleepless nights worrying about cash flow, employee issues and rising vendor costs, you still grew your business. Then, along came a virus. The virus might not have taken your company out, but COVID-19 did its share of damage. Now is the time to start the rebuilding process.

So, how do you know if you are really on the right path to growth? Are you making the decisions today that will secure your success in the future?

St. Louis Small Business Monthly surveyed seasoned entrepreneurs to create a master plan for business growth. No matter what stage of growth you are in, we offer advice on how to rebuild your business and keep reaching for the next level.
A s a solo entrepreneur, the world is your oyster. You’ve stopped working for someone else and you’ve embarked on your dream. Sometimes solo entrepreneurs sabotage their efforts at growth. Lack of focus keeps most from growing their businesses. For a successful turnaround, focus is key. Some know exactly what business they are in and they are very focused. Others are constantly playing with the formula and their product and service offerings. They end up chasing one opportunity after another. They don’t spend enough time and energy to see what really works. They end up zigging and zagging all the time.

When it comes to sales, focus on your current and prior customers first. They already trust you, and they’ve paid for your products and services. When you need business quickly, they are your fastest path to cash.

Growth Factors

**HAVE YOURSELF A LITTLE HEART-TO-HEART**

Do you really want to grow the business? That’s a tough question for entrepreneurs who are living an adrenaline high of being the boss. Building a business takes time, tons of commitment and drains resources and many times patience. Define a plan of where you want to go and make sure you’re accountable. Write the goal down, put an end date on it and what you need to do to get there.

**LET SOMEONE ELSE DO NON-CORE BUSINESS STUFF**

Solo businesses are difficult to operate because there is no one else in the shop. This is where outsourcing comes along. Look into outsourcing non-core business services. These services may include administration functions, payroll or IT. Outsourcing will free up your time and energy to focus on core business functions. Even as a solo entrepreneur, you need time to work "on" the business and not just "in" the business.

**GET THEM TO SIGN ON THE LINE WHICH IS DOTTED**

At this stage of the company and in the current economic situation, systems and procedures are secondary, and gaining sales should be your primary focus. To be successful at sales, you first need to understand your product or service, who your prospective market is and how to reach that market. Entrepreneurs also need to make a commitment to the product or service to give it a chance and see if it works. You can’t chase money for the sake of money. You need to understand your product.

**六 Critical Action Steps To Rebuild Your Business**

Craig Palubiak is a serial entrepreneur turned author and consultant who has strategized with all levels of business leadership from Fortune 100s to mom-and-pop shop owners across the country. He has heard all of the excuses. He has listened to the blame games. And he has a clear message for entrepreneurs looking to rebuild their businesses: Now is the time to grow up and take control of your business.

“It’s time to take a step back and get strategic. If you don’t do that then there is a good chance that you will be out of business,” says Palubiak, president of Optim Consulting and author of “Drive Profits Today – Sales & Marketing tips,” and “Ten Tactics for Successful Family Companies.”

Palubiak says that there are several simple action steps you can take. Creating this foundation will ensure a brighter future for your business. Here are the unsexy six things you can start doing now. **Goals. Write them. For yourself and for your business.**

The process of goal-setting is an overly documented one. And, Palubiak stresses that you don’t need to overthink this. Goals should be quantifiable and should not take too long to create. “You need to have a 30, 60 and 90-day plan,” he said. “Don’t worry about one, three and five year plans right now. Forget about long-term planning right now. We are in second quarter right now. Sales are down. We still have to look at our potential revenue for the upcoming months. We have to focus on the next 30 days first. It is all about cash flow right now.”

**Get to know your numbers.**

The creation of a financial dashboard or flash report is critical to knowing what is possible. It also creates predictability for guiding decisions. Also, you can then show the management team and others how their behaviors affect the bottom line.

“Most business owners claim to know this,” says Palubiak. “But what they usually lack is the history. And they are missing out. Because creating this flash report gives your organization a common language so you can cut down on meeting time and work remotely. You can keep your finger on the pulse of your organization. You can start this process by asking yourself: what are the 15 items that are critical for measuring how successful we are in business? Getting your managers to report on those will create responsibility in your organization.”

(Continued on Page 19)
Hiring and employees are critical at this stage. If a three-person company makes a bad hire, it could go out of business. To further complicate things, the employees you need at this level must wear several hats, so they need to be cross trained. Now, as you bring back employees, it is more important than ever to make sure you have the right employees on board. If you don’t have “A” Players, go out and find some. These hires are going to be critical to whether or not the business can survive and grow to the next stage.

Growth Factors

IF IT IS NOT IN WRITING, THEN IT DOESN’T EXIST

This can be one of the most challenging stages for entrepreneurs because you are now responsible for other people – their happiness and success. So, you owe it to them to create systems and procedures that will make the work environment more stable and help employees understand their roles and what success in their role looks like. If you don’t have good systems and procedures in place, it will be more difficult to rebuild your business and grow your business. Now is the time to make sure you have those systems in place.

ESTABLISH YOUR CORE VALUES

Every business is its own living, breathing organism. So, what is your business’ DNA? Now is the time to start developing the core values for the company that will help guide decisions and employee behavior. If you don’t establish those early on a culture will be established by your employees, with or without your help. That value will help guide decisions and behaviors of employees.

GET FARTHER AWAY FROM THE DAY-TO-DAY

At this stage owners should be working on building their companies for the future and spending less time actually working on the ins and outs of the business. The owner should begin seeking out more revenue streams and helping clear hurdles for employees. Owners need to pull themselves away and start working on building the company. Many aren’t prepared to do that.

Get vision.

Palubiak stresses that what business owners need to be after here is clarity. He has sat through many meetings in which every person has a different idea of what the company mission is. If there is not unity around the mission of the organization, then little good can be accomplished. “You can’t write a vision statement in a vacuum, and it doesn’t need to be a dissertation,” says Palubiak. “It should state what makes you unique and be under 50 words so you could describe it at a party. It should be a sales tool, so it has to be practical. And, you should be open to constantly revisiting it.”

Gather customer needs.

Asking your customers for honest feedback is often a real gut-check for business owners, but Palubiak claims that it is crucial. “Keeping a smile on their faces is critical right now,” says Palubiak. “You have to take the time to nurture those clients that stuck with you through the crisis. Ask them how you are performing, what can be improved and evaluate if it is something you can deliver to them. Also, you can be discriminating with your clients. There are some that are actually a drain on your resources and your employees may feel customer abused. You have to get in front of those situations and unload those clients.

Get real about your fitness as a manager.

The truest testament to how good of an employer you really are, according to Palubiak, comes when you look at turnover figures during good times. Making sure that you are creating rewarding opportunities for your employees is crucial, but Palubiak also warns against being held hostage by nonperformers. “The right metrics will reveal who is performing and who is not,” says Palubiak. “If you have an employee that is not performing then he is stealing from the company. You can’t afford for a slacker mentality to creep in. You can take steps to make sure no one employee is the only point of contact for vendors and clients. That way they can’t hold your organization hostage.”

Stop playing games and admit what you want

Many entrepreneurs talk of growth as though it is a given. Of course we want to grow our company. However, Palubiak encourages a long, hard look in the mirror. Get honest about what you want. “If what you want is to have a job, then just admit what you want and what your goals are,” he says. “Just don’t play games. Don’t put up a camouflage that you want to grow a business, because that requires others to participate and build systems. Just own what you really want.”
The dynamics of employment shift at this stage. Now, with more employees, each person has more specialized job duties. Now, more than ever, you have to focus more on the role everyone plays and the significance of that role to the company. Make sure each employee understands how their job impacts the business.

Sometimes owners are tempted to promote top performers to management; however this must be done with caution. A clear definition and expectations of what you want managers to do is critical at this stage. If you promote a high-ranking technician, that individual should have the skills for the new job or you need to coach them.

Managing Both the People and the Process

Your role as CEO should be developing your people, and you are the main person to remove obstacles so they can get their work done. With managers in place, the owner’s role is now to grow revenue and help develop key employees. Also, instead of directly managing people, you must manage those systems and processes you developed when you had five employees. You have to find the discipline to work the plan.

Reach Out for Help

To grow, you’re going to need to get help. This is the time to revisit “The E-Myth” by Michael Gerber. The book makes a lot more sense at this stage because you start to see the truth of the principles reflected in your company.

Also, reach out to other successful business owners. A lot of people buy into the Steve Jobs and Steve Wozniak myth. They think that is how you build a business – a lone person that completely changes an industry. It is just not reality. You need a peer group of other business owners to share strategies and ideas with.

Create an Onboarding Procedure

It is more important than ever to formally welcome new hires and get them accustomed to the work culture and environment. Take a close look at how welcoming your culture is and start to build onboarding procedures. This is important because new employees may not interact as much as they did in the past.

Growth Factors

Identifying Your Target Prospects

Weinberg encourages business owners to ask a series of “who” and “why” questions to help identify strategic targets when creating a target prospect list:

- Who are our best customers (by industry, size, business model, location, etc.)?
- Why did they initially become customers? Why do they still buy from us?
- Whom do we compete against in the marketplace?
- Why and when do they beat us? And why do prospects choose us over them?
- Who used to be our customers (said differently, who used to buy from us)?
- Why did we lose the business?
- Who almost became a customer but didn’t (deals where we came close but lost)?
- Who has referred business to us in the past?
- Who should be referring business to us?

Source: “New Sales. Simplified.” by Mike Weinberg

My best advice for businesses as they are rebuilding is to do so as part of a community. Having a network of trusted colleagues, an advisory board, or a community of other small businesses around you can make it so that a company has the support, guidance, services, and even funding needed to be able to rebuild successfully.

—Katie Silversmith, ThriveCo

Noise is not action! Stop chasing shiny (all those things that marketing-speak says will save you)! There are many effective tools out there, but are they EFFECTIVE for YOU? Get back to BASICS -- WHO do you serve? WHAT do they want? WHERE do they buy? “Shiny” marketing has confused many business owners into chasing tools that don’t move their bottom line.

—Rachel Hinson, Hinson Strategic Consulting Group
STRATEGY + COACH

16 to 80 employees

This level is where it should be clear you no longer own a job – you own a business. And thanks to effective systems and delegation, this can be the best time for a business owner. You can now focus on building the business. However, if you are still working in the business and involved in most day-to-day activities as if you have five employees, growth is very difficult. When you get to this level, in order to grow, delegation and accountability are critical. This is also a time when business owners can start to step away from the sales and marketing side of the business, at least the day-to-day operations.

Growth Factors

A COACH (AND SOMETIMES A CHEERLEADER)

By now, the day-to-day operations for most business functions should be in the hands of employees, so you will need to share with them your experience and cheer them on when they are in need of encouragement. Most of your time should be spent helping employees to move past stuck points. You have to give them permission to make decisions and then highlight success stories as they occur. As you rebuild, now is the time for you to be a positive force for employees.

TOO BIG FOR YOUR BRITCHESS

Being an entrepreneur requires chutzpah. You won’t do your company any favors by playing insignificant. Now is the time to get involved with higher level strategic thinking (not the operations), go after more attractive clients and handle business with maturity and discipline. There are so many businesses where the CEO is involved in every decision. If you do that, you will be stuck and you won’t grow your business. Whatever level you are at, you should walk, look, smell and taste like the level above.

GIVING BACK

Nothing helps you learn as well as teaching. Since you have created some success in your business, it behooves you to share your knowledge with others. Also, make sure you allow employees to share their ideas, strategies and thoughts. Employees can be forgotten at this stage. Employees want two main things from employers: to know they make a difference and to know they matter. It’s your job to make sure those things happen for employees.

How Well Do You Know Your Customers?

Understand The Who, What, When, Where And Why Of Your Customers

Your business success revolves around your customers. A comprehensive understanding of your customers provides the parameters for customer-centric decision making. Understand the who, what, when, where and why of your customers.

1. What is the profile of our typical customer?
2. Do we know why and how customers are using our products or services?
3. Do we know exactly how, when, and how much they buy from us?
4. Do we fully understand how our products or services benefit our customers?
5. Do we know how our customers perceive our company and products?
6. Have we developed a customer service mission statement?
7. Do we see the world through the eyes of our customer and always put them first?
8. Are we proactive in our customer engagement?
9. Have we set up programs to adequately teach everyone to provide exceptional customer service?
10. Do we manage, motivate, and monitor everyone to ensure that exceptional service is being provided?
11. Are we providing extraordinary customer service? If not, what can be done to provide it?
12. How can we make our organization more customer service-centric?
13. How often do we implement customer questionnaires and surveys for our customers?
14. How often do we keep in touch with our customers? Should the frequency be increased?
15. How often do we have a heart-to-heart talk with our customers to really understand what is going on?
16. Do we ever share our growth or selected plans with our customers to get their input?
17. Is the way we keep in touch with our customers appropriate and useful? Are we getting the information we need?
18. Who are our best customers, and what are we doing for them?
19. Do our customers enjoy interacting with our sales people and staff?
20. Do we really know if our customers’ needs are being met or if our products or services could be improved?
21. Do we always give customers more than they expect?
22. Are customer complaints and problems handled immediately?
23. Have we benchmarked what the companies that are providing extraordinary service are doing?
24. How well do we know our customers’ businesses and their future needs?
25. How are customers who are early adopters and ahead of the curve making buying decisions?

- Reprinted from “Street Smart Disciplines of Successful People: 7 Indispensable Disciplines For Breakout Business Success,” written by John A. Kuhn and Mark K. Mullins

ow, more than ever, it is important to understand the financials within your business. That starts with cash flow and a simple budget. Believe it or not, most businesses don’t have a budget.

The budget is a management tool, plain and simple. Without one, owners are left to guess about pending expenses and the company’s bottom-line profit. Every business needs a budget. Think of your budget as your plan. Each year your business needs a budget, with line items under income, COGS and expenses.

The budget acts as a set of guardrails to keep you, your team and your business on the right path. If the assumptions and predictions used to create the budget are reasonable, it’s a tool for helping you achieve the projected results.

Make sure that your expense budgets are realistic in light of your revenue targets. Many budgets are created using averages — average revenues and average costs. This approach completely ignores the seasonality that every business experiences.

It can also be helpful to compare your budget numbers and overall income statement to other businesses in your industry.

Why should a business owner compare his or her business to others in the industry?

Beware of the following common misconceptions. When delving into your company’s budget, don’t fall into these traps.

Misconception No. 1: Budgets are essential in all well-run businesses. Reality: If your budget isn’t done properly, it’s a waste of time and a potentially valuable resource. Poor budgeting is a terrible waste of a powerful tool.

Misconception No. 2: Budgets are an effective way to control costs. Reality: Budgets can tie managers’ hands so that they can’t adapt to changing market conditions. They can’t make investments they need to make because ‘it isn’t in the budget,’ or they spend money to avoid ‘losing their budget’. Indeed, most budget processes are not set up to reward managers who find ways to bring costs in under budget.

Misconception No. 3: Budgeting is a waste of time in the fast-paced world in which we live. Reality: Because businesses operate in such a fast-paced world, business owners who periodically review can adapt more quickly than their competitors. Companies that do budgeting will have a solid game plan with well-thought-out rationale for the actions they’re taking. As changes occur, it’s easier for them to identify what changes they need to make in their operations and what the financial impact of those changes will be.

1. Get ready by printing your income statements for the last two or three years. If you’re doing this late in the year in preparation for next year, print the current year’s profit and loss (P&L) statement and then estimate where every line item will finish for the year.

2. Fire up a spreadsheet, and name rows to match those on your P&L.

3. Start with sales. What will this year’s sales be? What were the sales results last year and the year before? What has the sales trend been? What’s going on with your market, customers, products and services? Based on your best information, project next year’s sales. Optimism is great, but be sure to forecast what you can do and what you genuinely think you will do, not just what you want to do.

4. Now turn your attention to cost of sales. Chances are this can be projected as a percent of sales. Confirm this by examining your last few years’ results. Once your cost of sales is plugged in, gross profit falls into place.

5. You’ll have many overhead expense line items to deal with:
   - Some, such as rent, may be the same dollar amounts as this year. If so, plug them in first.
   - Know what line items you will be changing. Employee raises? Hiring?
   - What changes will be imposed on you by your suppliers, such as health insurance price increases?
   - What are your sales and marketing plans, and what will they cost?
   - Some may be predictable as a percent of sales. Again, review your statements to see which they are and insert them next.
   - Continue filling in all your expense line items, of course with an eye on reducing costs.

- Bill Collier, St. Louis-area coach for The Great Game of Business and author of "How to Succeed as a Small Business Owner ... and Still Have a Life."

"Do not panic - Stay the course. Sometimes you have to fight a little harder to achieve your goals. Protect your employees and ensure their well-being because they are the lifeblood of your company."

In summary, This too shall pass.
—David Owen, Geissler Roofing Co., Inc.

Tell your story. Customers don’t hear facts, and they don’t understand features. Everybody has a problem to solve — Show them how your product or service solves it for them. Tell them about someone else’s problem, and show how you solved it and made their life easier.

—Patrick Dorsey, Mightier Than The Sword Consulting"