

OPUS GUIDE: Creating your Business Growth Plan

Getting ready for positive change - Business Purpose.

When commencing work on the plan it is important to have in mind a clear understanding of what the Company stands for, its heritage, and the way it seeks to interact with customers, suppliers and employees.

This underpins everything and is often defined as the Business Purpose.

Ways of working within businesses change and evolve incrementally over the years, very often moving far away from the Purpose that the founders initiated when the company was formed. This often creates confusion sending out mixed messages to both customers and employees and has the effect of significantly diluting the company's core offering.

If everyone understands the Purpose it is so much easier for individuals, teams and entire business functions to work seamlessly together. This avoids the silo mentality effect that exists in many organisations, where entire teams can be working independently of everyone else in the business.

Before we move on into the detail it is worth making the point that no two businesses are the same and therefore there is no prescriptive plan that covers all organisations. Every situation is different.

Notwithstanding this, please find to follow the broad guidelines we follow when developing a Growth Plan with clients:

1. Market Demand

It is essential that the company's offering is consistent with the current market demand. This will need detailed research and analysis.

Many have failed to adapt in the past with their ways of working and suffered the consequences - Woolworths, Blockbuster, Jessops, House of Fraser to name but a few.

2. Positioning

Be clear where you sit in the market in terms of price, service and quality. Many organisations attempt to be all things to all people, for example seeking to compete on cost whilst supplying a premium product. This positioning is not sustainable.

Whether you are Easyjet or Etihad Airways doesn't matter, both are very effective business models, but the offering must be consistent with what the brand is saying to your customers.

3. Resources and Capabilities

Having the right level of resources to fulfil the strategy is of course fundamental to its success. The Growth team, which will very often include external expertise, need to have the necessary skill sets to both develop and implement the business Growth Plan.

Without the right team in place the plan will struggle to get off the ground. A thorough audit of the organisation's Resources and Capabilities that identifies any potential resource gaps will be of great assistance here.

4. Measure

It is important that all key data is measured on a regular basis, at the very least monthly. A successful and robust Growth Plan depends upon all functions of the business working effectively.

A financial forecast will of course be needed to support the Growth Plan, and the monthly measurement and comparison of all the underlying drivers of sustainable profit will be necessary.

Of course, these financial outcomes are simply the result of the effectiveness of the other functions of the organisation and how well they are co-ordinated.

It is therefore crucial that the other key performance indicators facilitating growth are also measured and reviewed monthly. These non-financial measures could include areas such as new product development, customer satisfaction, employee development, marketing efficiency and others as appropriate.

5. Co-ordination

We encourage the use of a bespoke Performance Measurement Dashboard tool that collects all this key data and enables the relevant personnel to view the performance of individual business functions. Most importantly it shows how effectively these individual functions are working together and illustrates how performance increases the more seamlessly this happens.

6. Flexibility

We encourage as much flexibility as possible being built into the Growth Plan. This includes operational flexibility, where both members of staff and physical assets can fulfil more than one function, and the use of outsourcing where appropriate.

Organisations should not have a mind-set that once the plan has been made that they must stick with it at all costs.

Successful businesses are constantly monitoring their offering to ensure it is appropriate for both the current business environment and customer demand.

We encourage regular high-level meetings that continue to review this on a regular basis.

7. Finance

It is of course imperative that there is enough finance available to complete the plan. This includes both debt and equity and it is vital to get this mix right. This requirement should be established very early on in the development of the plan. Both existing and any new funders should be approached to secure this funding at an early stage.

8. Momentum

Once the new plan has been implemented and everything is going in the right direction, don't sit back and relax. It is easy for organisations to slip back into their old ways of working. Review the progress made on a regular basis and keep working with the team to make sure you maintain the new-found momentum.

Growing a business can be a both exciting and challenging time. If you would like to discuss any of the points in our guide, please contact one of the team on our details below.

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About Opus Business Advisory & Turnaround

Opus Business Advisory & Turnaround is a practice that helps owner managers to:

- Improve the performance of their business
- Create strong foundations ready for growth
- Deliver significant change to address business pressures

The team at Opus Business Advisory & Turnaround has extensive experience in fulfilling these types of roles. The services can be broken down into 3 key areas - Business Growth, Company Turnaround, Business Finance. Very often our work is a combination of each of these areas. Initially working with the incumbent team to overcome any issues that are holding them back. Then, quickly moving to assist in the development of a plan to achieve profitable and sustainable growth. From the outset of our involvement we will seek to ensure that the business has access to appropriate levels of both debt and equity finance.

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