

## **My Business Makeover- Where do I start?**

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You have decided that you don't want things to continue as they are in your business. While lots of owners say that, you are ready to act, but just don't know where to begin. When you started your business, you had a great plan. (You may have even written it down, and reviewed it regularly, but you would be unusual if you did!) However, things have not worked out as expected. Or maybe the plan worked, and you just don't know how to take your business to the next level. But before you act, stop and take a hard look at your business.

The first thing you must do is step outside your business, either by your self, or even better, with the help of an objective and experienced observer. Ask the following question: What is my biggest challenge? There are four problems faced by all businesses to some degree. Their success is measured by how well they address all of these challenges.

The greatest problems faced in any business are almost always one of the following:

- You are not making enough money
- You have people problems
- You don't run a business, your business runs you
- Your business has reached a plateau and you can't get it to the next level

Some 'experts' might suggest a standard solution/process to address these problems together. But in most businesses one of these issues will be far more dominant than any other, and should be the area of initial focus. A program which claims to solve all problems together, generally solves none due to lack of focus. Empower Business Solutions approach is to determine the key issue and address it first.

### 1. Making More Money

If you are not making enough money, you have one of two problems. Either you can't compete with others on price, or you need more customers. Trying to compete on price takes your product or service to the commodity end of the marketplace, where ultimately only volume will save you. This is not a great place to be for small business, as it is almost impossible to win that game, unless you have some new technology. If your business is inefficient for a company your size- business systems improvement will help. Alternatively, you can seek to find ways to add value to your product that your customers will appreciate. This will allow you to take a higher margin.

If you need more customers, you can either increase the number of new customers, or increase the number of times a customer buys from you. There are only four basic ways to increase the number of new customer enquiries:

- Advertising
- Public Relations (this is more about credibility than selling)
- Word of Mouth
- Cold Calling

There are many ways you can do each of these, but they must be built around your marketing strategy. Having increased the number of enquiries, the next step is to increase the conversion rate to sales. Increasing the number of times an existing customer buys from you requires back-end/follow-up strategies.

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## 2. Getting the Most from Your People

People problems in business are usually caused by inadequate People Systems. While many business owners blame their employees, or bemoan the fact that they can't hire good staff, they need to recognise that at times of high employment, any potential employee will be very selective when choosing a future workplace. If a business appears run-down, the owner has no compelling vision of the future, doesn't offer employee development opportunities or doesn't provide a structured People System, they will find it difficult to find and keep good staff. Most staff don't leave because of pay.

## 3. Making Your Business Run Without You

When an owner finds themselves unable to leave their business without income falling, or stopping altogether, it is a sign that there are inadequate business systems. Even a sole practitioner can change the structure of their business to leverage their time. However, without a business system, you will never have a business that will operate without you, and will not have a saleable asset when you want to exit your business. Business systems allow the owner to focus on what is really important to their business- so they are working on the business, not in it. And ultimately, enable their business to run without them.

## 4. Transforming Your Business

In taking your business to the next level, you are no longer in business as usual mode. A step upwards usually requires changes in almost all areas of a business. This is best addressed with a business plan where you review your strengths and weaknesses, and opportunities and threats. And identify a strategy for your future business development. While all businesses should have a business plan, it is never more important than when you are about to make significant changes. Too many businesses fail when they don't consider the impact that a change in one area of their business might have on other areas. For example, if you decide to increase your marketing effort, can your operations department keep up with demand? Do you need to increase staffing? Do you need different skills? How will you manage short term impacts on your cashflow? And what is the risk that this marketing effort might be unsuccessful? If you fail to plan, you plan to fail!

If you have problems in multiple areas, a business plan is also the best way of addressing the gaps in your business to ensure that as you fix one area, you don't aggravate another. And while you might focus initially on one area that is an obvious cause of pain in your business, as this is repaired a review of all other areas is essential. This process never stops in a successful business, because changes outside your business never stop.

When starting your business makeover, determine the area of greatest need, and go for the low hanging fruit first.

To find out more about where to start Your Business Makeover, visit:

<http://www.empowersolutions.com.au>

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