

4 steps to transforming your small business

By [Nicolene Scott](#)

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Many entrepreneurs start a business with the dream of scaling it, sustaining it and building it into an asset that has value beyond the sum of the physical things it owns. Yet business owners can all too easily find themselves getting stuck into day-to-day operations and losing sight of this longer term goal.



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They can lapse into 'auto pilot' mode, ensuring that the ship keeps moving forward, yet not charting a direction for strategic growth. To use a metaphor from Pavlo Phitidis, author of the popular book *Sweat, Scale, Sell*, they get stuck in the engine room, when they should be leading from the bridge.

Two years ago, when I stepped into the role of Finance and Operations Manager at DataCore Media, the business faced the choice between continuing to chug along nicely or scaling up for bigger things. Though growing and profitable, the business had a great deal of work to do in order to level up and embed value in its brand and operations.

This has been an exciting and challenging journey. Even though there is still work to be done, we have transformed DataCore Media into a sustainable digital media company with a pathway for strategic growth.

Here are a few of things I learnt along the way about taking the wheel at a growing company.

1. Have a plan

If your hope is to create a livelihood for yourself, you can get stuck into the day-to-day work that generates revenue and work on a shorter planning cycle. However, if you want to build your company into an asset from which you can unlock value, you need a proper business plan.

Most business owners have a plan in the back of their minds, but the details are often vague. Putting it on paper crystallises the milestones you hope to achieve and a roadmap you will follow to get there. A formal business plan helps you to see the bigger picture.

The business plan does not have to be complicated, but it needs to be clear. A good business plan should answer what your business is about: What products or services are you offering? Who is your target market? Who are your competitors? What is your sales strategy? Do you have financial targets/projects?

2. Get the right people to do the work

Once you have your plan, you need the right people to help you implement it. Rome was not built in a day and it was not built by one person, after all. Focus on the different disciplines and areas in the business and decide what you should delegate to someone else.

Once you have mapped out these focus areas, the skills you need will become apparent. Finance, HR, operations and sales are all specialist disciplines. To give each discipline the required level of focus and attention, you need to have the right person for the job.

3. Processes and procedures are key

Entrepreneurs and employees love to hate red tape, but robust administration, policies, and processes become essential as a company grows from start-up to scale-up. From financial controls to employee performance reviews, processes and procedures are the recipe for running a sustainable business.

A day-to-day operational process is key to the successful operational flow of any business. The operational team needs to know what to action, how and when. You also need a formal employee review process for your team members to grow their career path within your business.

You don't need to overcomplicate this. Start by reviewing and documenting your processes, then look at the structure you need to grow the business. Be ready to support team members who have been there from the start with the adjustment—it's not easy for young, dynamic people to unlearn their old habits.

4. Evaluate your progress

It's important to regularly review your progress towards your business plan milestones. A quarterly financial review will help you understand short-term growth and profitability. Pay attention to forecasts versus actuals, client growth and gross profit, then adjust your strategy or operations as necessary.

A full business review at least once a year will help you understand its growth or decline; highlight areas that need

more attention; and give you an opportunity to appreciate what you and your team have achieved through your hard work. This will also inform your strategy for the next fiscal year.

A foundation for growth

The points above are by no means all-encompassing, but offer a starting point for building a sustainable business that can be scaled for growth. The single biggest lesson we have learnt is that operations are important, but it's essential to keep driving a strategy from the command room.

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