

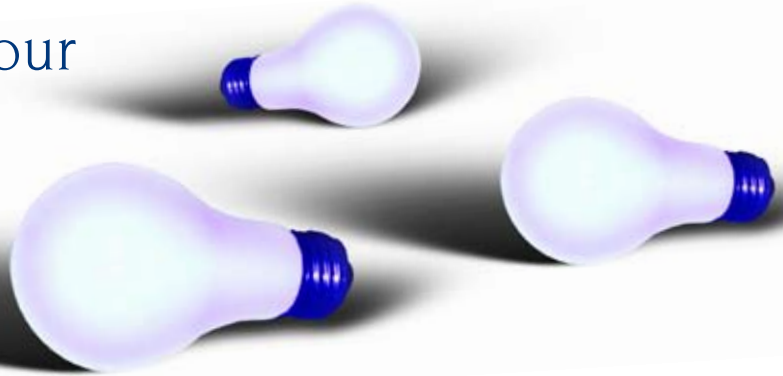


BDO Kendalls

101 ideas for business growth



“Think of a business as being built on four cornerstones.”



Inspiration at your fingertips

The 101 Ideas for Business Growth has been compiled to help your thinking around the four cornerstones of your growing business. These are: aspirational goals; organisational requirements; marketing ideas; and financial strategies.

For more information on the four cornerstones or to find out how BDO can help you to grow your business, contact us on **1300 138 991** or visit our website at www.bdo.com.au.

Aspirational

In order to grow, you've got to want to grow. Accidental growth is unstructured, suffers from poor leadership and is ultimately unsustainable. So a key element is ambition—the spirit of enterprise. Any business with ambitions to grow is dominated by individuals—many with their own competing agendas. Ambitions need communicating, interpreting, reconciling and converting into organised action plans if differing sets of aspirations are to be realised.

Organisational

Businesses have to change as they grow. These changes can be anticipated and planned for, using purpose-designed systems, including the way you recruit, manage and reward people. They involve control systems that tell you what's going on (but don't squeeze the life out of the business). They're vital to the development of the business because they ensure that top management pays attention to the right things at the right time.

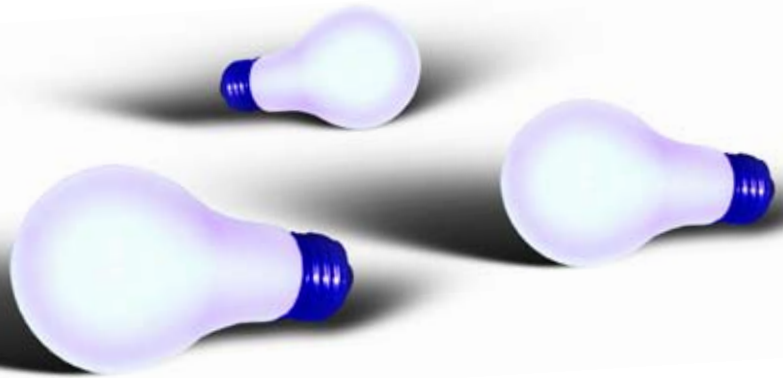
Marketing

All businesses have a tendency to look inwards rather than outwards—troubled more by indigestion than starvation. Changing market forces can present challenges to growth. Your chances of survival rest strongly on how well you understand your current market situation, the impact of your products and services and the benefits they deliver to customers. Your ability to predict how your presence in the marketplace will change as the business grows and how this impacts strategy and tactics also determines successful growth.

Financial

Financial strength for sustainable business growth is driven by cashflow. To initiate and sustain growth you need to know how much cash you need and when. Understanding how your business consumes and generates cash, the precise mechanics of your working capital and its relationship (via the maximum rate of growth you can finance from internal resources) to external funding requirements is critical. Knowing your relative financial strength compared to that of your main competitors is also important.

“How do you want to grow?”



Aspirational

1. Plan for the business of today, tomorrow, and the day after tomorrow.
2. Think strategically and operationally at the same time.
3. Don't be afraid of change.
4. Understand your strategy. Break it into bit sized chunks that you can deliver on and measure.
5. Know your critical numbers (the Top 5), the impact they have on your business, and measure and monitor them regularly.
6. Set an ambitious BHAG (Big Hairy Audacious Goal).
7. Make sure your staff understand your aspirations.
8. Set goals to deliver on your aspirations.
9. Lower expectations and over deliver.
10. Your focus creates your destiny – if you think you can achieve it you probably will!
11. Plan for the worst and expect the best.
12. Work on the business, not in it!
13. Never stop reading.
14. Don't be afraid to ask questions.
15. Pay yourself at least the market rate for your type of position in your industry.
16. Implement sound succession planning – you may not want to work forever!

Organisational

17. Give Gen Y the latest technology.
18. Connect with your people through a powerful intranet that delivers your strategic intent.
19. Collect, understand, respect and make your data work for you.
20. Match the systems you use to your capability to use them.
21. Have appropriate process controls in place, monitor them and manage the outcomes.
22. Never enter data twice! Eliminate manual re-entry of data across multiple systems.
23. Always buy the newest and greatest technology—old technology is a distraction with hidden costs.
24. If you feel constrained by your IT do something about it—because no-one else will.
25. Don't be distracted by IT. Outsource what is not core to your business, including outsourcing your IT for the standard stuff.
26. Avoid distraction by turning off your email and setting aside time each day to deal with emails.
27. Understand the power of the Internet - develop a dynamic web site that reflects your brand and is well optimised.
28. Match your system and software needs to your growth plan and business size.

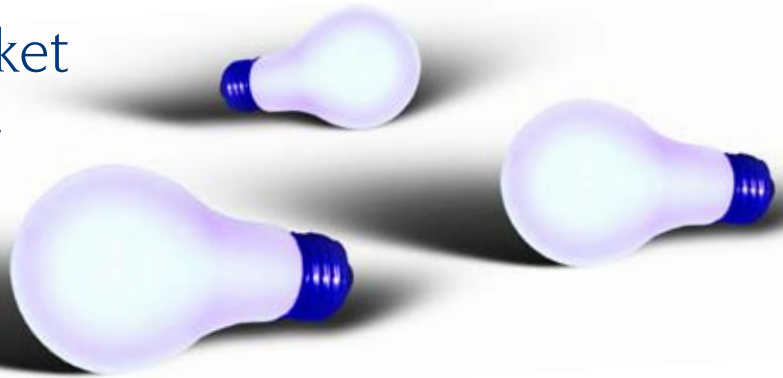
Do you have the skills & structure to grow?



Organisational continued

29. Always challenge the way you do things and look for a better way.
30. Well-disseminated and understood policies remove a lot of risk from the people side of the business.
31. Establish ownership of core processes to ensure effective control and accountability is maintained.
32. Let the experts manage your compliance obligations – it's not worth the risk.
33. Know what you do and how you do it. Understand your processes – from procure to pay and quote to cash.
34. Understand project management and quality assurance – and implement relevant procedures.
35. Communication blockage is often the number one problem in business – institute daily, weekly and quarterly meetings to stay in touch and keep focused.
36. Having discipline around your meetings is the key to business success – practise good meeting habits.
37. Assume that leaders aren't born and need to be trained – it takes the pressure off them to be naturally brilliant leaders!
38. Have a process to collect all of those great ideas your staff have.
39. Broaden the managerial span of control to speed the process of staff empowerment.
40. Ensure that all employees have a clear "line of sight" so they can clearly see how their role contributes to the organisation's goals.
41. Role clarity for staff, including clear reporting lines is a must to achieve focus and avoid confusion.
42. Staff turnover should be measured as functional (the deadwood's on the way out) or dysfunctional (we're losing our stars).
43. If you do find someone great, find or create a role for him or her in your business. Great people are rare!
44. Understand the risk of reliance on contract staff for key operational roles.
45. Always be learning and willing to gain from others.
46. Implement a reward and recognition program for your staff – and make sure you deliver on your promises.
47. Ask your people how they are feeling and what they want – and listen to them
48. Think innovatively about your recruitment processes – test applicants on the way in.
49. Invest in the development of your staff – even if you think they are going to leave.
50. Understand staff retention issues and apply golden handcuffs to your stars
51. Eliminate key person dependency.
52. Employ people who are smarter than you.

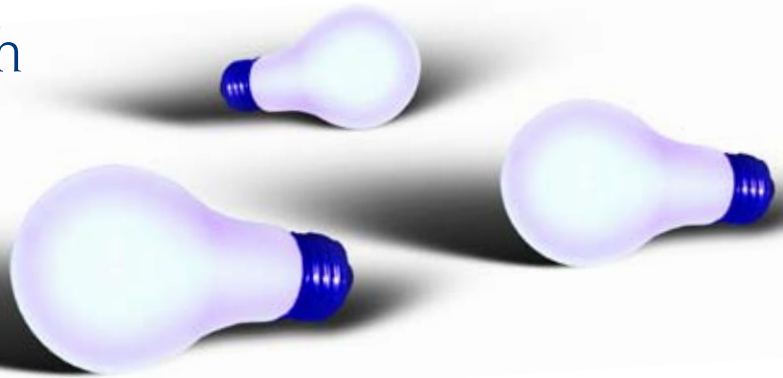
“How are you placed to respond to market opportunities & threats?”



Marketing

53. Use technology to connect to your customers, suppliers and staff.
54. Develop, believe in, and understand your elevator speech!
55. Create belief in your products and services.
56. Create a brand that your people and your customers want to be a part of.
57. Understand your market segments and use the right (or relevant) ways to get to them (for example SMS or blogs!).
58. Stay ahead of your competitors.
59. Understand and stay in touch with your external environment.
60. Align your consumer brand with your employee brand.
61. Create brand presence, understand the value of your brand – and leverage it!
62. Create a process that manages your marketing requirements.
63. Make marketing part of everything you do.
64. Create a marketing touch point in every customer interaction.
65. Understand the power of connection - measure the number of times you connect with your customers and potential customers.
66. Don't assume the salesman closes the deal – it's about connection and influence, the customer makes the final decision!
67. Identify ways to disrupt your competitors by offering 'less for less'.
68. Understand your competitor's strategy and their movement in yours and alternative markets – you might learn something!
69. Never be afraid to challenge the incumbent.
70. Look for the white space – it may be the next great opportunity for your business!
71. Know your marketing strategy – and always look at your competitors to challenge the validity of it.
72. Look at suppliers as key business partners.
73. Expand in a shrinking market.
74. Know your market. Know your competition. Know your space.
75. Understand key customer and supplier risk.
76. Make sure everyone in your business is 'singing the same song' when it comes to your value proposition.
77. Look for alternative applications of your product or service in new, emerging or parallel markets.
78. Never assume the relevance of your products or services.
79. Continually ask your customers what they want - and what they think of your business, your service, and your products.
80. Know your IP. Protect it and leverage (commercialise) it.
81. Obtain customer feedback at every opportunity – do something with it and let the customer know what you did.

“Do you have the financial strength to grow?”



Financial

82. Get a bank manager who will give you their direct phone number.
83. Understand your pricing model, and how to maximise it.
84. Know your cost of sales, and leverage ways to improve through improved production, delivery and time management practices.
85. Keep your data relevant – know your critical numbers and the influence they have on the success of your business. Always challenge the scenarios!
86. Have your data at your fingertips – make sure your decisions are informed when it comes to the numbers.
87. Continuously look for opportunities to optimise your cash flow – ask an expert. It could mean the leverage you need to make the next step.
88. If you have multiple profit centres or systems implement formal expense and revenue reconciliation procedures.
89. If you run multiple profit or expense centres, decentralise your vendor / supplier management for optimisation.
90. Manage your creditors and eliminate cheque payments.
91. Negotiate vendor / supplier payment terms based on performance criteria.
92. Manage your debtor days and formalise collection procedures.
93. Implement segregation of duties to eliminate fraud risk.
94. Get the most from your assets, understand strategies to optimise asset efficiency through improved asset return and inventory management.
95. Think strategically about financial management – define and communicate your financial management processes.
96. Share the figures – use open book management to influence staff behaviour and ownership of business issues.
97. Ensure your financial management processes include responsibility, accountability, control points and interface points (across both people, process and systems).
98. Measure the success of your business.
99. Ensure the resource capability of your business matches your business requirements.
100. Talk to an expert about tax efficiency – the right structuring could mean a world of difference in terms of what ends up in your own pocket instead of the tax mans!
101. If you are planning an exit strategy – maximising value is complex but can be made easier through transparent data.

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