

# maximising the value of your business

**Purpose of document:** This document shows the various ways that the value of the business can be maximised – a continual process of change built into your culture is the starting point.

**Who should use document:** Owners, Directors & Senior management. Although some companies might choose to share some of these points with all employees so they understand how different parts of the business can alter the value of the business. (I used to have this copy laminated and carried in my bag so that I constantly referred to the all round area of the business for which I was responsible.)

## Monetary ways

1. **Grow profit:** Maintained profit growth through a combination of:
  - a. Sales
  - b. Cost control
  - c. Business efficiencies
  - d. Open ideas flow that could provide unique propositions
2. Healthy **cash flow**
3. **Order book:** Guaranteed order book ( i.e. Contracted sales % of top SPECIFIC NUMBER OF ACCOUNTS)
4. Key Performance Indicators with a rewards system that links directly to strong performance of each individual against clearly defined goals

## Reputation/image

1. **Image of the company:** ( i.e. the external & internal image people have of the company)
  - Marketing the culture of 'Customer First' attitude from every part of the business
  - "Better and different" ideas and continual improvement from all
  - Unusual parts of promotional activity cleverly focused on what works ROI
  - Internally a culture that is open, positive collaborative and helpful – visitors go away feeling good
2. **Reputation:** Integrity, confidentiality, reputation – rigorous family attitude with big company commercial professionalism feedback / approval challenge
3. **Product quality** and longevity
  - Brands if you have them that maintain their reputation?
  - Contracts: Longer and quality of contracts (protection against competition adds value)
  - Sales product awareness that is world-class in knowledge about own and competing products so that the business maintains a momentum of always having the right product for the strategic approach selected
  - New Product Development excellence ensure pick of the opportunities offered to the market in a timely fashion (you can have cheapest quality or most expensive quality but the value of your proposition must be fit for your strategic purpose.)

## Data, analysis

1. Data [How you Compile and analyse data and use key data / if you can't measure it you can't manage it.]
  - Peaks and troughs Sales and Production
  - Margin analysis 80/20
  - Trends
  - Stock analysis 80/20
  - Competitor analysis
  - Strengths and weaknesses focusing always on what we do well and resourcing accordingly

\*\* see Finance section for reporting summary requirements



2. **Competitor analysis/benchmarking:** Competition placement and competitive edge analysis against competitors  
Continual comparison / review and ahead of the game strategy intents better, faster, clearer more innovative.  
Additionally competition price monitoring and recording of prices from competition that you are aware of can be priceless

## Knowledge

1. **One vision and mission clearly defined, advertised, understood and collaboratively agreed will ensure decisions made are according to the direction of shareholders intentions.**
2. Business Plan Updates ongoing
  - Quality information for Bank awareness needs to be shared ongoing for funding support
  - Clarity around WOT of your own company should be a constant concern

## People

1. **Skills & knowledge:** Employees skilled and knowledgeable BUT ALSO shared skills
2. **Cohesive management team** with regular progressive meeting record and focus action plans
3. **KPI aligned Roles:** Clarity and completeness of all Business functions Accounts / People care / Sales / Purchasing / IT etc.
4. CSR Policy in place and delivering additional value and benefit to company as a whole? Shared with team / celebrated by team

## Product Development Process

1. **Systems and process for product creativity can often be a drain – measure constantly – time to market can be a massive advantage**
2. The organisational impact and cost of new product launch should be a well defined, clearly outlined process as should be the costs implications when considering product launch and target expectations

## Other assets

5. **Physical Assets** – assessment of added value (office refurbishment / factory ownership / land ownership?)  
Cultural business image support? The way you structure ownership of these assets can be impactful take professional advice.  
**The asset register of the business should be constantly maintained**
6. **Market Penetration & Location**
  - Current focus on market sector growth phase now and next?
  - New some – 1<sup>st</sup> in some cases (what markets where you first into)
7. **Website** modernity and momentum should be maintained at all times  
**Use of this sales channel > and any other emerging new sales channels?**
8. IP / Partnerships / Licenses all being under control, stable and in positive state?

*\*\* It is worthwhile cross referencing your business constantly to a check list which ensures the leadership constantly have their eye on improvement.*

