

# 5

## Stages of Business Growth



year 1-2



### Start up

#### DO'S

- Sell
- Deliver well
- Hire admin support

#### DON'TS

- Worry about cost
- Hire full time sales or delivery
- Give shares away

year 2-3



### First growth spurt Big clients - acquisitions

#### DO'S

- Hire delivery staff
- Improve delivery
- Check delivery quality with clients
- Get a business mentor

#### DON'TS

- Hire full time sales
- Stop selling yourself

year 3-4



### Second growth spurt Delivery consolidation - reliable employees

#### DO'S

- Set up finance and cost spreadsheets
- Consolidate delivery
- Consolidate operations

#### DON'TS

- Ignore costs
- Launch new services
- Hire full time sales

year 4-5



### Market consolidation Reliable clients

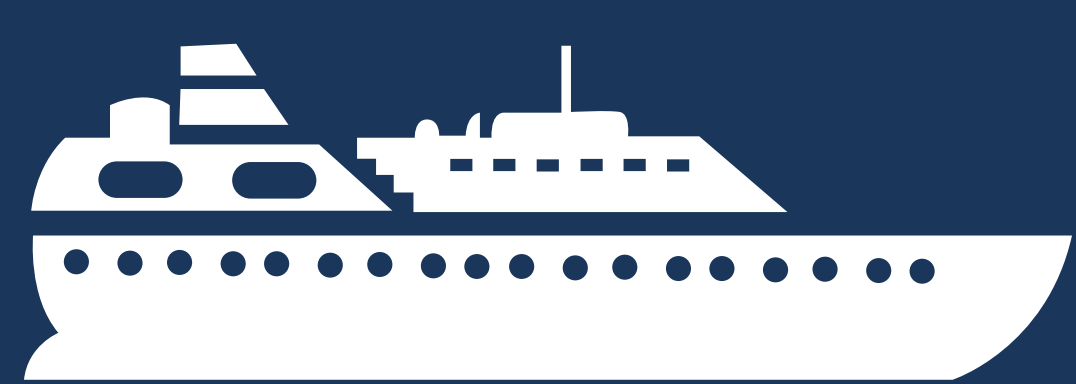
#### DO'S

- Financial projections
- Hire major accounts to service clients

#### DON'TS

- Assume growth will continue at same pace
- Increase fixed cost base based on a too optimistic projection

year 5-6



### Brand consolidation Business no longer dependant on owner

#### DO'S

- Budgeting cycles and financial KPIs
- Profitability of categories of services
- Clarify services offered
- Say good-bye to old clients who demand year 1 prices

#### DON'TS

- Lose sight of big and profitable clients
- Ignore employees and continue to deliver yourself



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