

Business Transition *In Focus*

2 Self-Made Problems That Can Harm Your Planning

Planning for your business' future success is a long-term effort in problem solving. Usually, the problems you'll try to solve result from the natural evolution of the business. For example, as your business has grown, you may have hired more employees or managers to keep pace. Problems like these are good problems to have.

But as many owners create road maps for future success, they can create problems for themselves. Self-made problems are much more difficult for owners to solve, mostly because they don't see the problems as problems at all. Like a quietly growing mold, unidentified self-made problems can eat at the foundation of your plans for future success. Let's look at two of the more common self-made problems and what the consequences of those problems can be.

Pride

As a successful business owner, you likely take pride in the business you've built. You've created the business from scratch or taken it to new levels. You've been the primary decision maker and driver of success. Your business supports families, employees, and maybe even communities. There's a lot for you to be proud of, but that pride can also create problems when you begin planning.

For example, one of the most important factors of planning for future success includes having a next-level management team. These are the people who will eventually run the business in your stead. Many business owners understand this concept, but when it comes to delegating responsibilities to others, reluctance starts to set in.

Think about the last time you delegated an important task to someone else, something that had a noticeable impact on the business. Did you give up full

control of the task, or did you still play a role in completing the task? Did someone have to get the OK from you before they finalized it? When things went differently than you expected, did you let the person in charge solve the problem, or did you swoop in to solve it? In short, can the business continue to hum if you ever wanted to take an extended vacation?

Many business owners can't do that because they don't have the confidence that others can do what they do. This usually means they can't ever truly be away from the business. This can create cascading consequences: If you can't ever take time to be away from the business, then the business relies on you. If the business relies on you, it's much harder to build its value for future success. If you can't adequately build business value, it becomes nearly impossible for you to ever leave it without jeopardizing your family's lifestyle and the business' existence.

There's nothing wrong with being the expert. But planning for future success often means letting other people take on the kinds of big problems you're used to solving. It's easy to fall into the trap of thinking, "No one can do this as well as I can," because to this point, that's been true. However, carrying this mind-set indefinitely makes the business more and more reliant on you.

Resources

Sometimes, owners think that they don't have the resources—specifically, time and money—to create road maps for future success. They might figure that if what they've been doing has worked to this point, why should they dedicate time and resources to fix what they don't see as broken?

However, planning for future success isn't necessarily a matter of fixing. It's a matter of enhancing. If your business provides for you and your family today, it might not seem like you need to do much else to improve it. But one day, you might want to leave the business and never have to work again. Or you may want to grow it so that you're a bigger player in your market. You know that growing your business from startup to success took time and resources. The same is true of turning a successful business into something that can support you even after you leave it.

If you don't dedicate time and resources to do things like install next-level management; document your operating systems; and create a proven growth strategy; you may find that potential buyers, whether outside parties or insiders, won't offer you the funds you'll need to eventually leave your business on your terms. This can also lead to problems for your family and employees if you were to be suddenly forced from ownership—such as because of an unexpected

death, illness, or divorce—especially if you rely on the business to maintain your lifestyle.

When planning for future success, a modicum of modesty—along with time and resources—can help you avoid these negative consequences. Please contact us today to find out how you can start the process of avoiding these self-made roadblocks in planning for future success.

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