

Henchards



Are you the owner of a creative or technical business?

If you are looking to build a bigger, better business and improve your business leadership this paper provides key steps to help you on the way.

Introduction

Where are you going, and how will you get there?

We get to own and run our businesses through many different routes. Sometimes it's the result of a redundancy, or taking over the family firm, or an idea conjured up with some friends, or perhaps a long-held ambition that has become a reality. For owners of creative and technical businesses, the company often spins out of the owner's unique skills and experiences, combined with wanting to have more control over what is done for clients and the market being targeted.

Whatever the route, there comes a point where many business owners ask themselves some pretty big questions about their company, where it's going, and how best to get there.



You may recognise the following symptoms and questions from your own business.



Why am I running this business?

**How do I get the team I need to make this business a success?
I want to take the business to the next level, but how?**

**I am committing so much time and money to the business,
when will I get some back?**

Everyone has the occasional moment of doubt or reflection about what they are doing owning and running a business. Sometimes it feels as though we are not cut out for the role it has now become and yearn for a return to spending more time on creative or technical matters. It can become an existential question and potentially lead to a conscious or accidental end of the road for your business.



**'We have a track record of helping owners
of creative and technical businesses
crystallise their business vision and chart
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If what energises you is the creative process, the application of new technology or working directly with clients, spending time on resetting your vision for the business and putting in place the plans to get you there can be off-putting – even when you know it needs to be done. We have a track record of helping owners of creative and technical businesses crystallise their business vision and chart a clear path forward. We can get you back on track and excited about the future of your business.

We do this by re-creating or articulating for the first time the reasons why you are running a business and what you want for yourself from the business in the future. This perspective can be relatively short term or span your entire working life. Out of this 'vision' comes a series of key strategies to get you there which in turn form the plan for your business.

Within the plan will also be a clear path for your own role in the business. Our view is that it is your business and if you want to spend time with clients or engaged in the creative or technical processes then the business should be designed to serve your preference. If getting out of the day-to-day operational activity is better suited to your ability and you enjoy the leadership and strategy aspects then that is what you should do.

How do I get the team I need to make this business a success?

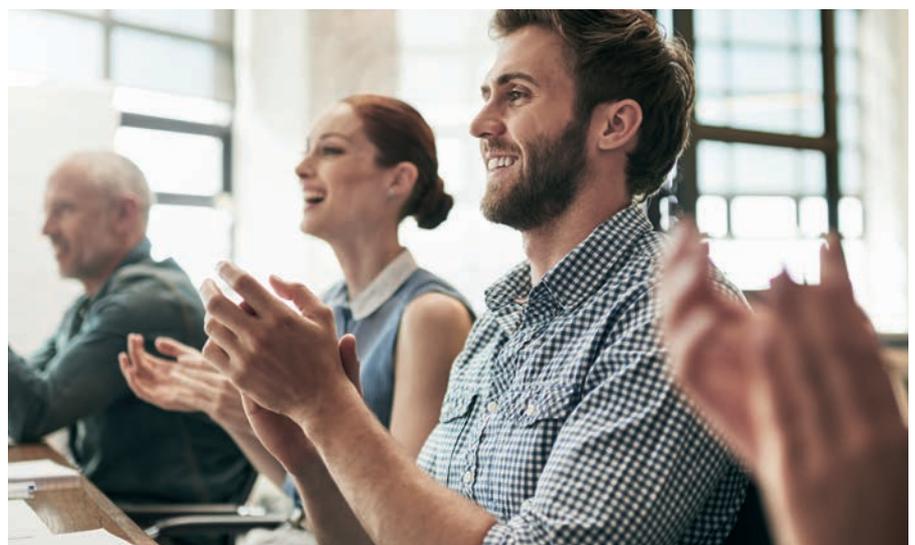
Even with a clear vision and plan, you may still find that running the business is less than straightforward. You may understand where you're going, but does your team? Have you been able to attract the talent the business needs? Does your team develop and grow so that the burden on your shoulders is eased? Have you been able to instil in them the purpose and values of your business?



'Creative and technical businesses need people who are keen to learn, develop and utilise new skills'.

Building and leading teams is one of the most challenging aspects of running a creative or technical business. You want talented designers, client managers and problem solvers, but finding these capabilities when you yourself may lack business and management experience seems an impossible balance. If you haven't had the training and support you need to lead your business, Henchards can help. We have worked with creative and technical business owners since 2003, helping them design, build and lead highly effective teams that positively contribute to the growth of the business. And, by reducing the dependency on you, you'll have more time to do the things you need and like to do.

Finding, retaining and developing a talented team in dynamic industries is challenging whatever size of business you are running and however long you have been operating. Creative and technical businesses need people who are keen to learn, develop and utilise new skills, tools and processes. They are often restless and wanting to spend time on the next big thing. As a business you want that energy but focused to meet the current demands of your clients. This takes a skilful combination of good people development skills, leadership and a recognition that investment in training and experiential learning is essential to ensure you are an attractive place for talented people to work.



I want to take the business to the next level, but how?

Not everyone wants to expand their business, but growth can come in many forms – not simply doing more of the same. A challenge for creative and technical businesses is the reliance on one-off projects. Managing client projects to deliver value whilst achieving a good margin can be problematic without good management controls and commercial acumen. Furthermore, the business becomes reliant on winning new projects and so business development, which may not be your strongest suit, becomes critical to your success.



‘For many business owners the natural way to grow is to step-up your own business development activity’.

Over the years we have worked with many clients to enhance their profitability and growth prospects by helping improve their management of projects, win new business and identify sources of sustainable, recurring revenues. Whether that is from new developments, subscription-based services or ongoing support plans, together we’ll find the right business model for you.

Once you have a business model that is profitable and sustainable you might want to look beyond organic growth to other ways of scaling your business. For many business owners the natural way to grow is to step-up your own business development activity, however acquiring another business or forming partnerships can add scale at a faster rate and take you into new markets more quickly than more sales and marketing aimed at the same market. These options are open to businesses of any size and with due consideration to your strategy, proper financial and non-financial planning and an effective process, your business could take step-changes in size.



I am committing so much time and money to the business, when will I get some back?

At some point in the future you will no longer be the owner and manager of the business. That end point might be planned or otherwise, and it could be in a couple of years or many years in the future. When the time is right, you'll most likely want to get back your fair reward for the business you have built.



Creative and technical businesses vary greatly in how attractive and valuable they are to a future owner – be that an external buyer or your management team. But there are practical steps you can take now to make your business more attractive, and provide for a more valuable exit in the future. We would be happy to share our experiences with you.

There are lots of aspects to building value in your business and as the old saying goes “your business is only worth what someone is prepared to pay”. This means that you need to build value and make the business attractive. Fortunately, these often go hand-in-hand, and what is more an increasingly valuable and attractive business is one you will want to own anyway. If you consider that ‘exit planning’ is something to look at when you are ready to sell, you will be too late to make a meaningful difference to how much and when you get money and your time back.

Also to consider is that stepping back does not have to be one-off dramatic exit. Carefully planned you can start to release more time for yourself over an extended period of exit or succession planning.



Creative and technical businesses – aren't they very different?



'Both industries are dynamic, with fast-changing trends and capabilities that challenge the business.'

Yes, and no. From one perspective, the outward-looking, expansive and imaginative dimensions of a creative business may seem at the other end of the spectrum from the intense, detailed and systematic aspects of a technical business. However, in many ways, they share similar traits.

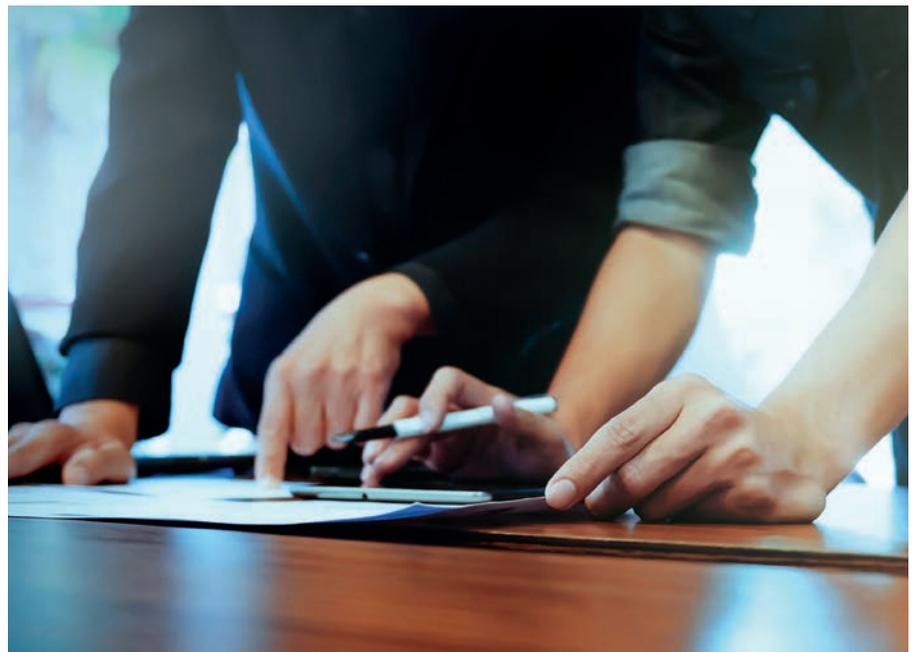
They both rely on attracting highly skilled people into the company.

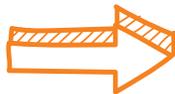
Both industries are dynamic, with fast-changing trends and capabilities that challenge the business.

Many creative and technical businesses rely on project or campaign-based revenues, where securing long-term client relationships and the need to find new client work are perpetual concerns. And many project-based businesses have cash flow issues, with costs being incurred ahead of revenues being received.

Business owners are often highly capable in a creative discipline or technical skill, and naturally prefer to spend time there than focus on business plans, sales, team building and the other key aspects of being a successful business leader.

What's more, many businesses are a combination of both creative and technical. Take a digital marketing agency as an example – a perfect match of marketing creativity with technical skill and development. Or an app development business, where the appeal and usability of the interface owes as much to creative skills as the technology driving its functionality.





Solving your business challenges

Since 2003, Henchards has supported an extensive list of owner-managed businesses, in fields such as marketing, events, photography, digital restoration, telecommunications, software development, mobile apps, and more. On top of that, we bring experience in the telecommunications, television and data industries, across sales, marketing, customer service and operations roles.

If any of the above questions or symptoms sound familiar, you're not alone. Talk to Henchards on **01276 858199** or email enquiries@henchards.com and we'll give you the practical support you need to overcome your biggest business challenges and lead your business to a successful, prosperous future.