

Business Success is Built on Five Pillars

Let's Talk Tax & Business

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Every day, it crosses the minds of millions of people to start their own business. And, why not they think? Here's a chance, they believe, to become independent, do work they love, control their own income -- possibly even become wealthy.

For most it is just a dream, as they go back to their real jobs on Monday! But, of these millions, thousands choose to pursue their dream, invest everything they have -- and then some -- to start their own business.

True too, unfortunately, is the fact that most of those, well over half, who go into business will go out of business, and in fairly short order. Of those whose businesses survive, most will struggle financially and put in more hours than they did working for someone else.

Yet a small minority will persevere and make theirs into a successful business. What do these successful entrepreneurs do differently? They understand that there are ***Five Pillars of Business Success!*** © that form a firm foundation for starting, maintaining, and growing their businesses and they put them into practice every business day.

So, where do you begin if your dream is to start or grow your business? Let's start this discussion by defining what is meant by business success.

Business Success: Here, at HBS we have coined a definition that has helped our business clients understand what it means to become successful. **We define a successful business as:**

- 1) An Organization that
- 2) Consistently makes current customers happy, and
- 3) Gets new customers, while
- 4) Earning a profit.

It's that simple, and yet that complex!

The Five Pillars:

While the definition of success is simple, achieving it is another matter. However, our experience over the years has taught us that businesses that practice *The Five Pillars* become successful. *The Five Pillars* form a foundation for achieving business success. It's not a matter of luck or genetics. *The Five Pillars* are teachable skills - principles that can be applied to every business decision.

So whether yours is a **Start-Up Business**, a **Survivor** hanging on and still pursuing success, or a **Successful Business** strategizing for your future, *The Five Pillars of Business Success*© can ensure that your business becomes or continues to be a success! Here's what it takes to start, grow, and maintain your business:

Pillar 1: The Customer Experience

One of the most common errors business owners make is thinking customers merely buy the product or service their business sells. A quality product or service is vital, but it merely gets your foot in the market-place door.

What customers really buy: Customers have a myriad of choices to meet the need your product satisfies. To discover what your customers really buy, **ask the following question:**

- **Why do my customers choose to buy from my business?**

What you will discover is that your customers don't really buy just your product or service.

They also buy the EXPERIENCE of obtaining that product or service from your business. This is what sets your business apart. It is why they choose your business over all other alternatives.

Focus your attention on maintaining and maximizing what makes your business special: The Customer Experience.

Pillar 2: Earn a Profit

To remain in business and achieve success, a business must bring in more money (cash) than it spends after paying all its expenses, including paying the owner. It's that simple.

Yet, failed business after failed business will attest to the fact that were operating in the red long before they formally went out of business. The concept of profit may seem obvious, but the failure to consistently generate more cash than a business spends is a Pillar absent from nearly

every failed business. **To be successful your business must create, retain and reinvest its profit.** If you are operating in the red or struggling to pay your personal bills, analyze the problem, determine the causes, and implement solutions – TODAY!

Pillar 3: Own a Business (not a job)

If your business is entirely dependent upon your physical presence to serve its customers, you do not own a business; you own a job.

1. Owning a job means your business cannot grow beyond you!
2. It also means you are one prolonged illness away from disaster. Even if you own a professional practice, make sure you have a backup plan for the likelihood that, at some point, you will not be able to serve your clients for a prolonged period. Your business must be able to function even if you're absent for a time.

Pillar 4: Manage Systems (lead people)

All businesses have systems. Simply stated, systems are the way your business gets things done, everything! –

- From answering the phone,
- to delivering your product or service,
- to collecting receivables.

All of these and more represent systems you have put into place to get things done. Successful businesses formalize their systems into policies and procedures that efficiently and effectively maximize the customer experience.

Systems are the engine that makes your business grow! By creating and managing systems that employees operate, owners can become coaches that lead their business & employees to success.

Pillar 5: Make Time for the Business of Business

The Greatest Challenge

To achieve Business Success, owners must overcome one of their greatest challenges – a lack of time. Time is a business owner’s most valuable asset. Achieving success takes time and commitment.

Start investing time in yourself by learning and applying the Five Pillars. If you do, you will find you have more and more time – time to work on your business, not just in it. You will have time to think, plan and act strategically about your business and where you want to take it.

Upcoming Workshop: For hands-on practice on developing *The Five Pillars of Business Success*© for your own business, please join me at my upcoming workshop on Nov. 4th, on how to start, grow, and maintain a business. The “*Starting & Growing a Profitable Business*” Workshop is offered in conjunction with **Blue Ridge Community and Technical College**. This cost-effective workshop can help you help yourself start, grow, and solve problems of your business. Call 304-260-4380 Ext 2411 to register.

In today’s article I have touched on the three stages of business development, and discussed *The Five Pillars of Business Success*©. If you are interested in achieving business success or have

questions regarding your business or personal taxes, please feel free to contact our office at (304) 267-2594.

Brett Hersh is the owner of HBS TAX and an Enrolled Agent with the IRS and licensed to prepare all tax returns and represent taxpayers before the IRS. He is also a trainer for Lorman Education, presenter of tax and business development issues, and Dave Ramsey's Endorsed Provider for accounting and tax services. He can be reached at (304) 267-2594 or through www.hbsbusiness.com