

Five Key Business Traits

By

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The odds facing business owners are not anecdotal -- the stats are true and overwhelming. If you start a business today you have a 50% chance of surviving three years and only a 30% chance of surviving ten. Even if you beat these odds you are not necessarily lucky. The average owner of a business that survives earns 18% less than they would doing the same job for someone else.

In addition to facing such daunting odds, business owners have something else in common. Each starts their business with a dream. A dream of what their business will become – what it will achieve for their community and their family. Unfortunately, many of these dreams slowly unravel to form a string of stress-filled days and sleep deprived nights. A few years ago I created Growth Strategies, LLC to help business owners beat these odds and achieve their dreams. Growth Strategies' core premise is that real, lasting success hinges on the business owner (or leader) developing five key characteristics (or traits). Today I will introduce these traits. Learn them to revive your “business dream.” Practice and polish each trait to transform that dream into a hard-earned, well-deserved reality.

Successful business owners share these five common characteristics: 1) They live to serve, 2) They make a profit, 3) They own a business (not a job), 4) They make time for the “business of business”, and 5) They manage systems, not people. How does each characteristic apply to your business? Let's take a quick look.

- 1. Live to serve:** Each customer has a specific need and numerous options available to meet that need. Why should they choose your business over all these options? Thoroughly analyze and answer this question and you will uncover the meaning of “customer experience.” It is this “experience” that customers buy; an experience rooted in thoughtful service, not just the “stuff” you sell.
- 2. Make a profit:** To continue serving customers you must remain in business. To remain in business you **MUST** generate a consistent profit. This requires a functional understanding of the relationship between price, cost, and sales volume. If you lack this understanding your business is a leaking vessel. Both sail and rudder are lost. You are adrift. You are sinking.
- 3. Own a business (and not a job):** If your business requires your continual direct involvement to operate, you own a job, not a business. Owning a job and not a business creates two immediate threats to your livelihood: First, your business cannot grow beyond you. Second, if you get sick or are absent for more than a few weeks (which is highly likely at some point) the likelihood of your business surviving is greatly diminished. Counter this threat by owning a business and not just a job. A “business” has ability to make customers happy even when you are absent.
- 4. Make time for the business of business.** If you own a “job” (instead of a business) you, the owner, spend most of your time delivering your product or service. The upside: the work gets done. The downside: You have little time for the “business of business.” The result: no foundation on which to build a growing business. To become the owner of a business (and not a job) you must have time to think seriously and objectively about your business. You must have time to make critical decisions that enhance growth and profitability. How do successful business owners make time for the “business of business”? They create and utilize systems.

5. Manage systems, not people: Systems are steps and procedures that achieve a goal. Whether you realize it or not, your business (or “job”) is a series of three interlocking systems. The steps taken to generate new customers are a system. The manner in which your product or service is delivered is a system. And finally, the procedures used to retain (and, hopefully, grow) your customer base are a system. Unfortunately, for most businesses, these systems are little more than subconscious, informal reflections of the leader’s strengths and weaknesses. Businesses that achieve profitable, long-term success, however, share one common denominator – systems that are intentional, coordinated processes working together to create a single outcome: profitably serving happy customers.

Today, I have shared five key traits that successful business owners share. Take time to develop these traits and beat the odds. Your “business dream” will unfold and form your future.

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