



# SECRETS OF SUCCESSFUL BUSINESSES

By Jacob Ansel

## TOLSTOY FAMOUSLY WROTE IN ANNA

*Karenina* that all happy families are alike, but every unhappy family is unhappy in its own way. The same logic could be applied to business. All successful businesses are alike, but a failed business fails in its own way. Why do some businesses succeed while others fail? Is there a secret to success, specific rules to follow? Turns out, pretty much yes.

First, hire the right people. Having good employees shouldn't be good enough; having excellent employees is key to ensuring your business runs well. Acknowledge your weaknesses and hire employees who fill those voids. The best managers and business owners delegate responsibilities to employees making them responsible for the company's fortunes. Whatever your weakness is, identify it and hire it out as soon as possible. Your primary role as the boss should be to focus on the core growth of your company. Don't try to do everything yourself. Trust your team as experts in their field and leverage their unique talents to move your business forward.

Some businesses fail because they lack capital or reserves to see them through slow times. Get credit before you actually need it, so it will be available when the time comes. Be sure to use your credit and manage your debt appropriately. Every business should have a line of credit as a fail-safe. Along with this, know your numbers (sales, margins, profitability.) It's absolutely essential that you become an expert on your numbers;

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***Some companies are just better than others; it could be name recognition, innovation, or any number of other attributes that makes a good company stand out. The key secret to success may be the owner's discipline in managing personal finances and business cash flow, which for many businesses are closely intertwined.***

this is what drives the sustainability of your business. As a business owner, you don't want to be a financial burden to your business, but that doesn't mean you shouldn't place yourself on payroll. In the early stages of growth, figure out what you can realistically live on and pay yourself that amount. This decision should make financial sense for you and your business. Take an active role in the company's financials and react immediately. Don't be passive when it comes to the company's financials health.

Adapting to change is key in an ever-changing environment. Your business needs to keep up with changes in technology, sales, expenses, employees, anything related to your company. It's not the smartest entrepreneurs who survive or the ones with the most money. Entrepreneurs who make it are those able to adapt to the most unexpected, difficult, and seemingly impossible changes that happen daily. Knowing how to keep moving ahead in an unpredictable world and working with others who can change in an instant is a great skill to have.

A lot of folks waste a lot of time trying to predict all possible negative

outcomes. This is just about impossible and while it's useful and important when dealing with life-and-death situations, in business it's not. At the end of the day, it's about moving forward, making mistakes and correcting them quickly. Fear and inaction prohibits speedy progress and keeps you away from your goals. If you're in a fearful and anxious state, you'll always be able to come up with a reason to not do the thing you might need to do the most

Beware of growing too fast; marginal gains are instrumental successes. Backlogs, quality issues, and manpower are problems that can arise from growing too fast. Aim for consistent gains over time in order to avoid these types of hang-ups.

Ask for referrals for bankers, accountants, and lawyers. Choosing the right partners is key and you should assess bankers, accountants, and lawyers with the same analysis you give prospective employees. Interview support staffs to get a feel for whether they're a fit for you and your business.

Be organized. Entrepreneurs who keep records of income and expenses fare better than those who simply rely on saving piles of receipts. Among this latter group, most have cash flow problems. This goes hand in hand with time management. Focus on things that are important rather than what's urgent. You must have specific goals with specific outcomes and rewards to incentivize.

No doubt there are many facets that go into small business success, but clearly one overriding ingredient is success is discipline and financial prudence. And having a little fun in the day-to-day doesn't hurt either. □