



Check the Blind Spots with Mark Pallo

Managing Business Growth: Scaling Operations and Processes for Mid-size Companies

Every business wants to grow. Increased revenue and hiring more employees are great accomplishments. But what often gets overlooked with growth is scaling. In a way, scaling your business is even more important, and will contribute to more successful growth. Let's talk about some ways businesses—specifically mid-size companies—can scale their operations to support more forward momentum.

Grow vs. Scale

First, it's important to note the difference between growing and scaling, as they're not the same thing. Business growth is about increasing top-line revenues. It's much more linear in that as resources are added, revenue increases. Scaling is about increasing revenues while minimizing costs, which increases your bottom line and profit margin. The most important distinction between growth and scale comes when a business is no longer a startup but isn't a large corporation either. Determining how, what, and where to do so within your business will help you achieve greater growth and more success in the long run.

Signs You're Ready to Scale

If you're contemplating whether you should be scaling your business, here are three signs it's time to do so:

- › You meet, and exceed, your sales targets. If you're setting higher, attainable goals and still meeting or exceeding those goals, it's a sign your business is ready to scale.
- › Your long-term goals are challenging. If you are meeting your revenue targets, achieving your long-term business objective to increase profits should also be met. If you are having difficulty in this area because you're lacking people and resources, this is a sign your business is growing quicker than you anticipated and scaling is a good idea.
- › Your supply is not meeting your demand. Increased demand for your product or service is what you want. However, you'll lose this demand if you don't have the people and resources to keep up with it. If your business is experiencing this issue, it may be time to look at your systems and processes and determine what can be scaled.

Steps for Scaling Operations and Processes

STRATEGIZE AND PLAN

One of the first items you'll want to tackle is strategizing and creating a plan for your business. More specifically, you'll want to look for ways to increase sales. Some best practices to increase sales while scaling is honing in on your target market and understanding their behaviors, addressing customer feedback, developing an effective marketing plan, and building the skills of your sales team.

INVEST IN TECHNOLOGY AND AUTOMATION

An effective way to scale is to automate any processes that can be automated. The average worker spends about 40% of their day on manual administrative tasks, time that can be freed up by investing in the right technology. Automating tasks helps companies because it allows you to improve operations among the team members you already have. To do this you can invest in software and platforms that automate [employee onboarding](#), accounting and payroll, customer relationship management (CRM), project management, and scheduling.

EXPAND YOUR TEAM EFFICIENTLY

The purpose of scaling is to increase revenue without significantly increasing resources. Now, this doesn't mean overworking your staff to avoid adding new hires, but it does mean hiring strategically. You can start by determining what skills you'll need to meet your goals and where there are gaps within your current team. Next, determine which skill gaps can be developed among your staff and where you need to hire to create the most cohesive, efficient team. A valuable method for accomplishing this is to analyze your [people metrics](#) to investigate your revenue per employee, turnover rate, retention rate, and other factors that affect your bottom line.

OUTSOURCE WHERE NEEDED

Oftentimes businesses struggle to determine if they should outsource certain functions, or whether they should create a team in-house. When scaling, outsourcing might be the better option for certain operations, such as human resources, payroll, and benefits. These are time-consuming tasks that are necessary and will need to expand as your business scales. Hiring external vendors to assume these tasks is a great way to save money.

FOCUS YOUR BUSINESS'S OFFERINGS

Organizations that are successful with scaling understand the importance of focusing on their products and services and target market. Doing so will better position your company to meet the needs of your customers, differentiate you from your competition, and become a leader in your industry. A few ways to accomplish this include carving out a niche for your products or services, understanding your company's strengths and weaknesses, identifying your target audience's main challenges, and creating solutions to address those challenges.

If you are a mid-size business ready to scale your operations, [VensureHR](#) has the solutions to help you do it. We offer [payroll](#), [human resources](#), [benefits](#), and [technology solutions](#)—among many others—that will help automate your processes and relieve growing pains, and all solutions can be customized to your company's needs.



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