

7 Steps to Grow A Successful Business And Achieve Happiness

HEIGHTEN



How to achieve Happiness

A Business Owner's Guide to become profitable, cash rich and Happily Successful Business



A wise man once said “if you are not enjoying it, how can it be called success”
Are you really enjoying your business as much as you would like to?

Over the years, we've developed a business owner's guide to boosting energy, and productivity and bringing more happiness into business. This is Business Owner's success road map to achieve gratification by working smarter and not harder.

Account and grow rich. Business success mainly depends on two factors, accounting and accountability. To achieve happiness in your business, set your accounting right from the beginning; learn key numbers, prioritize goals, delegate, and make your team accountable for each key number. Your road map to happiness and success begins with numbers.



Running your own business is tough, no doubt about it. There are so many demands on time and energy and as a small business owner, you feel like they never end. But this should not be in this way. So, what can you do to achieve ultimate success and happiness in your business?

This booklet contains 7 steps guide to help you overcome the most common financial and business challenges facing business owners. If you have ever felt that you do not have enough cash in your business to run day-to-day operations, that you are not left with sufficient take-home dividends, that you don't have enough hours in the day, that you are unhappy with business performance, or tax bills this is for you!

The secret to a successful business isn't to work harder – it's to work smarter. This booklet will help you do just that.



Step 1: Gain Clarity on Business and Personal Goals

While building a happily successful and profitable business, the first and right question to ask yourself is, 'What do I want? because it all depends on your financial aspiration that determines your destination and end goals.

Business is a means to an end. And the ultimate purpose of any business is to help its owners to achieve their goals. For a business to deliver that result for its owners, those goals must first be identified, articulated, and understood.

So, the essential starting point is to ensure that there is complete clarity over exactly what it is you want to achieve in your business and in your life.



Once your business and personal financial goals are determined, then you need a strong and robust accounting system to support your goals and execute your happy business strategy. You need a team of right 'Who's' who know 'How' to run your successful and profitable accounting function. You should:

- Keep a track record of 'Personal Balance Sheet'. This helps you to know your personal wealth and financial worthiness.
- Engage your accountants to work with you on Research & Development, Inheritance, and other tax planning.
- Bring Wealth managers and financial advisors to your success strategy meetings and get help with numbers from your accountants.
- Ensure each member of your leadership team should create their personal life plan.
- Define the mission of your business so everyone is aligned around the same vision.

You will require a strong, efficient, and functional accounting system to provide the required financial data in real-time to your financial success partners to run a cash-rich, profitable and happy business.



Step 2: Build a robust accounting system



Running a business becomes actually quite simple when you have the right frameworks and processes in place. Once installed, these dependable processes ease anxiety and reduce the amount of mental effort you expend trying to figure it all out. They help you ensure our business works like a money-making machine.

Business accounting system is fundamental to your happily successful business. Without a definitive system in place, your business cannot keep track of what it owns, to whom it owes money and any outstanding accounts from its customers. A healthy cash flow ensures business is not spending needlessly and used as a gauge for its pricing.

Quality of data and Information from your accounting system influences business decisions. To get the most out of your financial statements, prepare them regularly and base them on information which is up to date, thorough and current thus enabling you to plan, anticipate and make right decision to avoid cash flow crunches.



The most successful businesses produce their accounts quickly, have them independently checked, share them with their team, and make them freely available to suppliers, customers, investors, and all other interested parties.

As a leader you and your revenue and finance director should be engaged with your accountants to make decisions around:

- Finding and implementing the right cloud-based accounting system, such as Xero/QuickBooks & Dext, and keeping it refined.
- Conducting regular data quality health checks such as Bookkeeping, VAT & Payroll.
- Providing your accounts team with continuous support and training on your chosen accounting operating system.
- Investing time in understanding your accounting team and their roles in your business so they can help you accelerate your financial success.
- Setting up a digital KPI dashboard (One Page Plan) for the management team.



If overhead starts to creep and cash flow gets thin, you should know immediately what you can do to fix it and stay on track to hit your business goals.

Without systemization and checklists telling you how each piece of your accounting function should work, you set yourselves up to be surprised when something goes wrong. Or even worse — you're shocked when you run out of cash and have to close the doors.

So, to be more successful, you should systematically identify and measure Key Success Drivers/KPIs for every key area of your finance function.

Your robust accounting system should provide you with instant information to identify and analyze the underlying trends in your business over any period of time.



Step 3: Understand & improve your numbers

How is your business doing? Is it thriving or just getting by and how would you even know?

As an entrepreneur, you love your business and invest a lot of money and time to make sure that you are up to date on the latest information. It does not matter how many courses you attend or how many membership programs you enroll in, these are not going to bring in more sales, growth, success, and happiness unless you implement a system to have a real way of measuring how your business is doing. And this is only possible when you:

- Understand, measure, and improve your key performing numbers.
- Adopt Management accounting providing you periodic financial reports.
- Conduct Monthly/Quarterly review meetings to discuss results and what to do about them.
- Get clarity on what your balance sheet and other financial numbers and ratios mean and understand how they affect your business.
- Know what you are aiming for i.e. 1M, 10M, or 100M in profit.
- Equip your team with cloud Book-keeping, accounting systems support, software installation, and respective training so they feed Real-time data to give you desired output.
- Make time investment with your Accountants and be ready for accountability on your key numbers.



Your Business must have a 'One Page Plan' which measures everything that matters in the business, and reports back to management on a simple single piece of paper or a digital dashboard.

The five KPIs your digital dashboard must include:

- Revenue
- Cash
- Profit
- Profit per team member
- Leads

Identify the numbers that really matter to you and measure them periodically, discuss them at the Board level and create a monthly action plan.

Remember, knowing your number is not sufficient, it's understanding them that matters the most. And understanding comes only when you conduct regular meetings with the numerate experts.



Step 4: Automate & Delegate compliance accounting

As a business owner, you are responsible not only to grow your business but also to keep it compliant with ever-changing regulatory requirements.

Some of the regular accounting responsibilities include:

- Submitting your Accounts and Tax reports to HMRC and other regulatory bodies, on time.
- Seeking help in deciding on the right structure for your business.
- Ensuring VAT returns are submitted and liabilities are paid on time.
- And your employees are paid the right amount and taxes are efficiently calculated and auto-enrolment duties are delegated.
- Your business needs periodic health checks for data quality, payroll, and VAT, Making Tax Digital makes sure you are fully compliant.

This is the only part of the accounting system which you must fully delegate. You should not spend a single second of your valuable time on Bookkeeping, Payroll or VAT returns. Let it be done by other people/AI. The saved time can be invested to get assistance from your accountants to understand, interpret and use the information in your accounts to increase the profitability of your business.



Step 5: Develop performance measurement Culture

Having identified your goals, they must then be converted into a clear and understandable business plan which describes the key elements of what your business is going to do over the next few years in pursuit of your goals. Your business plan must then be further converted into a set of forecasts and budgets, setting out exactly what you aim to earn, spend, invest and achieve.

And the implications of it all for your cash flow must be carefully analyzed to ensure that it can all be afforded and funded.

Once budgets and forecasts have been created, you need to systematically measure your actual performance, and compare it to your targets. Traditional management accounts do not give enough information to really drive your businesses forward.

Most successful businesses measure Key Success Drivers so that they can really understand what is happening:



- You should measure your performance compares to previous periods based on trends and ratio analysis. This helps to see whether the business is going in the right direction.
- Benchmarking is a tool where you compare the performance of your business to your competitors. Request your accountant a detailed benchmark report for your business.
- Creating a more valuable business with the right systems and processes.
- Business planning so you know where you want to go & getting business restructuring advice so you know how to get there.
- Management Accounts, cash flow and profit forecasts, business valuation & a financial performance review.

It is almost impossible to evaluate how well you are doing in a vacuum.
Performance is always relative

How 'good', for example, is a profit of £100,000? It could be really good for a business with a target of £20,000. But it would be bad for a business that achieved £500,000 last year. And it would be appalling for a business where everyone else in its industry achieved £5 million.



In other words, you can only really judge performance by comparing it to; Targets, Previous months and years, and Others in your industry

For most business owners, one of the main reasons they own a business is to create value for themselves. In other words, you should build a business that is actually worth something when you want to sell it or retire. You should know how much is your business worth and Business valuation is used to know the worth of your business. Business Valuation is a part of developing culture so you can make sure:

- The business is focused on the things that create rather than destroy value.
- The business is on track to be worth the amount you want it to be worth when you come to 'cash in your chips', and that.
- Where necessary, you take corrective action to make sure that the value of the business lives up to your hopes and expectations.

Develop a culture of 'Performance, Measurement & Implementation' in your business, as it is a key to achieving your success and cash-rich business.



Step 6: Focus on Profit

Adopt a 'Profit First' mindset. You should focus on profit and as soon as cash comes to your business immediately send portions of it out to different pots namely; profit, tax, wages, other expenses, disaster fund, owner's personal account, and investment pot. Your business should be run in a way that it always pays you first not at the end.

Profit first implementation will lead you towards Heighten's 'Business Owner First' notion. Heighten Accountants believe in 'Work-Life Balance' and this can be possible only if businesses demonstrate a healthy cash flow and high-profit distribution. The excessive profit can be invested to build a dream team to free up your time to do things that excite you the most.

You should always protect your cash and keep your finances organized and make sure you never run out of cash.



Other areas to review include booking meetings with your Accountants to have:

- “Key Improvement Possibilities’ Report
- Profit improvement consultancy
- Business development consultancy

There are five key areas that can help drive profitability. These are right pricing, reducing costs, increasing turnover, increasing productivity, and increasing efficiency. Always aim to grow your business without increasing overhead. You can also expand into new market sectors, or develop new products or services. Addition of premium service or product in your line of business usually helps increase profitability

Having gathered all the best available information and analysis on how your business and its competitors are really doing, the next step is to use that information to work out how much better you could be doing. In other words, to estimate your improvement potential. And then use ‘sensitivity analysis to see how sensitive your results are to changes in the key factors driving your profitability



Step 7: Hire the right talent

Talent can make or break an organization. Hiring the right or wrong person for your business can cost a company millions. Your talent management process should incorporate the selection of the right accounting team to support your aspirations.

Appointing a Revenue Director should be your first step to split the responsibility of income generation between the CEO and a revenue director. This person is likely your sales and marketing director. You and your revenue director should monitor the numbers closely. Your business accounting system relies on two main elements; People and technology:

People - The accounting team comprises internal and external team members. All accounting teams can be outsourced for efficiency. Your accounting team members, depending on your business size may have some or all of these roles; Chief Financial Officer (CFO), Financial or Revenue Director (FD), Finance Manager, Bookkeeper, Accountants, Auditors, Tax Specialist, Wealth Manager, and Financial advisors.



Technology - Adoption of technological advancements such as Artificial Intelligence, Cloud Accounting, and Data Science has been proven very advantageous for the business's growth and success.

Two quick tips:

- Have a simple compensation package for each team member to reward and motivate them.
- Surround yourself with the right professionals.

We all have different definitions of success and happiness, but there is one thing for sure. Everyone, who has achieved their definition of success has not done it alone.

To achieve financial success in your business you need a trusted 'Numerate Outsider' an accountant and growth advisor to hold you accountable. Even the most self-driven, action-taking people have done so with the help of an 'external being', in one form or another - a coach, mentor, consultant, advisor, or growth accountant to hold them accountable and keep them on track.



Achieving ultimate goal - Happily successful in your business



Nothing changes unless something changes. The first step you need to take to achieve happiness and success in your business is to develop and implement an action plan.

The action plan must be based on everything that you have learned in this booklet. It will therefore include actions inspired by:

- **Your goals, objectives, targets, business plan, and forecasts and how well the business is achieving those targets.**
- **You have a strong accounting system and support team to provide you with Key Success Drivers' information on time.**
- **The trends in your performance are measured, and your strengths and weaknesses compared to your competitors are recorded.**
- **How effectively wealth and value are being created and with priorities influenced by the likely payback.**
- **Time is King and financial freedom is the end goal. How well your self-managing business operates to achieve your dreams.**



Effective action planning requires you to combine analysis with creativity. It requires you to resist knee-jerk reactions. To study the facts. And to explore all the possibilities. Effective action planning also requires discipline. The discipline to make sure that there is crystal clarity over who is going to do what, and by which date. And the discipline to make people accountable for actually taking the actions they are responsible for.

And having done all of that, you should then start again on the 7-step process... setting new targets, monitoring your actual performance against those targets... and starting again with everything else set out in steps 1-7 of this booklet. Because, of course, performance measurement and improvement is a never-ending cycle.

When you start a business, you start it with a dream. And it is often dream about achieving financial freedom and eventually having more time to spend with your family and friends – having a happily successful business.

The evolution of Heighten Accountants has been guided by the simple fact that, as proactive accountants, we have the knowledge, skills, and financial tools to make a positive impact on the lives of our clients and make this dream true.



We do not want to be mere data processors and have geared our services away from this aspect of accounting. Instead, we are driven to work closely with our clients to develop a robust accounting system for them that can communicate accurate and timely financial data, in a way that allows them to make clear, informed, precise, and impactful business decisions.

Data-driven decisions that move you and your business ever closer to your goals and dreams.

We chose the name Heighten to represent our commitment to doing everything possible to help our clients to develop their businesses, so they can afford the life and the lifestyle they really want.



Want to Become a Happy Business Owner?

Schedule a Call Now

