



Swift year-over-year growth is every entrepreneur's dream. Ideas into plans, plans into products and products into the market; you dream big every single day. But, let's be realistic here.

Most of the time, the growth of business comes with strategic challenges. Some entrepreneurs struggle with meeting the obstacles in the growth of their businesses. You may have to cut some slack, because some of these challenges are so daunting that they can push a company off the rails.

Let's look at some solutions to these challenges, because after all, the dream of building a large organization is addictive and it's the goal of every business owner.

### **1. Planning ahead**

Updating the business plan continuously is a major key to overcome the challenges. The plan that made sense for your business a year ago may not necessarily be the most effective right now. Revisit your plans according to the change in market conditions. It is vital not to think that your recent success means that you will inevitably be able to take advantage of these opportunities. Every key move needs planning in the same way as a new venture. As your business grows, your approach needs to advance to reflect the changed conditions. In the meantime, you need to leverage existing business relationships to ensure reliable cash flow and profit. Newer relationships might enhance the turnover, but their lower profit margins may not be sustainable. Note that every business needs to be attentive to fresh opportunities. There are reasonable risks in counting solely on existing customers. Also, you can rely on other options such as outsourcing or franchising that might provide better opportunities for progress.

### **2. Keeping up with the market**

Continuous market research is important for the success of your business. It is not a one-time process that you do while starting your business. Business conditions change frequently, so the risk of making business decisions based on outdated information is higher. Customers won't hesitate to find an alternative supplier, if you do not keep up with the market. A current amazing offer may be no better than average a few months later. Understanding the market and the lifecycle of your products will help you achieve a greater overall productivity. Along with this, you need to put efforts in building a stream of innovative and profitable products to market.

### **3. Cash flow and financial management**

For a growing business, a good cash flow control is crucial. Cash restraints can be the major factor limiting the growth and overtrading can be lethal for your business. You need to make the best use of your finances in order to make better business plans and assess new opportunities. With limited resources, you may need to let go of promising ventures, if pursuing them would cost you the core business of essential funding. Every element of working capital should be sensibly measured to maximise your free cash flow. You may want to work with suppliers to lessen the delivery cycles or switch to suppliers that can handle just-in-time delivery. Planning in advance will help you to foresee your financing needs and arrange appropriate funding.

### 4. Information sources

Published information, your own experiences, suppliers, business partners and your employees can be a great source of information. These can offer useful insights into market conditions and trends. As a growing business, you need to gather information from all the resources that you can get. You should be able to create an in-depth picture of customer needs and identify which of your marketing tactics work best with them. You should encourage your employees to share their understanding of market and customers. Effective IT systems can also help you to analyse information such as customers' purchasing trends and preferences.

Managing growth of your business in a perfect way is not easy, but when it works, the rewards are addictive. If you want your business to thrive and be profitable, identifying and overpowering the common pitfalls associated with growth is essential. Transformation is difficult for any organization, regardless of its size, resources or geography. In the end, it is how you manage to execute that transformation is what makes all the difference. Once you overcome the challenges, the reward you will reap.