

GPS Business Growth Matrix

Every business owner understands that running a company is a complex affair. Popular media would suggest that the majority of company owners and directors are living millionaire lifestyles. The reality could not be more different.

Research suggests that **96%** of new businesses fail within 10 years. Of the remaining **4%** the majority of those struggle to survive and make a decent profit. If you look at the commercial printing industry it's estimated that half of the businesses that existed in 1992 are now out of business.

Those statistics would cause you to wonder why somebody would run business in the first place. I read someplace recently that entrepreneurs work 80 hours a week for themselves to avoid working 40 hours a week for somebody else.

I spend my life working with people like this, looking for ways to simplify the complexity of their companies. I've learned that it can be extremely helpful to have a structure through which to look at your business.

When you can look at your business through a particular framework, it's significantly easier to figure out what's not working and what to do next.

In this article I'm going to introduce you to the GPS Business Growth Matrix. This Matrix is the same system I use when working with my clients to help them create scalable, predictable and profitable growth.

The Customer Development Challenge

If you examine most business failures you discover that the root problem had to do with customer development.

I explain customer development as the ability to FIND, WIN, KEEP & GROW Ideal Customers at Premium Pricing. When you know how to do this effectively, everything else in your business becomes so much easier.

Unfortunately, customer development is not easy to master, which is why so few companies are good at it. It's not simply a matter of hiring a salesperson, setting up a good website or social media profile, joining a local networking group or any of the other typical tactics different companies use.

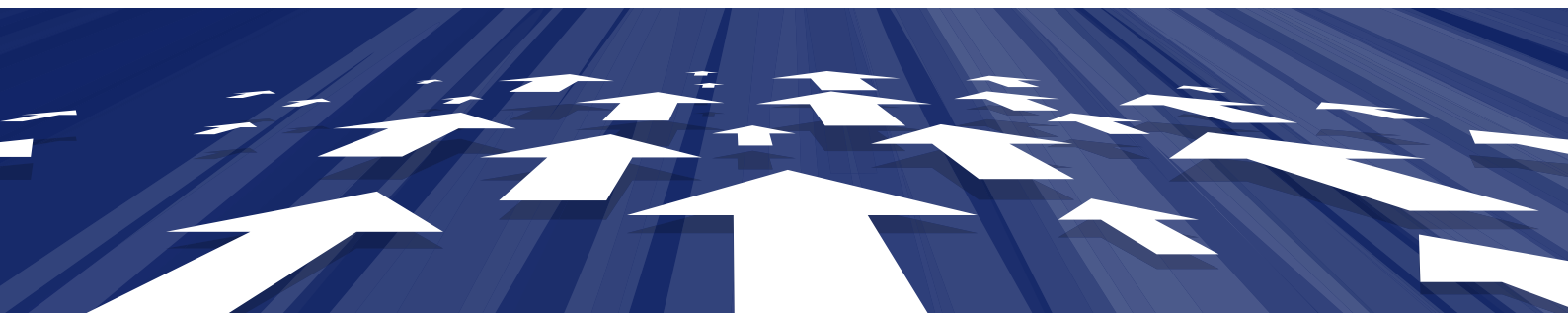
If only it were as simple as that.

However, if you structure your customer development activities using the GPS Business Growth Matrix, you will significantly increase your odds of success.

Metaphorically, you could think of the GPS Business Growth Matrix the way you think of the human body. The 5 customer development themes would represent different physical parts of the body, such as head, chest, arms, hips and legs. These are the obvious areas of the body that one sees on initial observation.

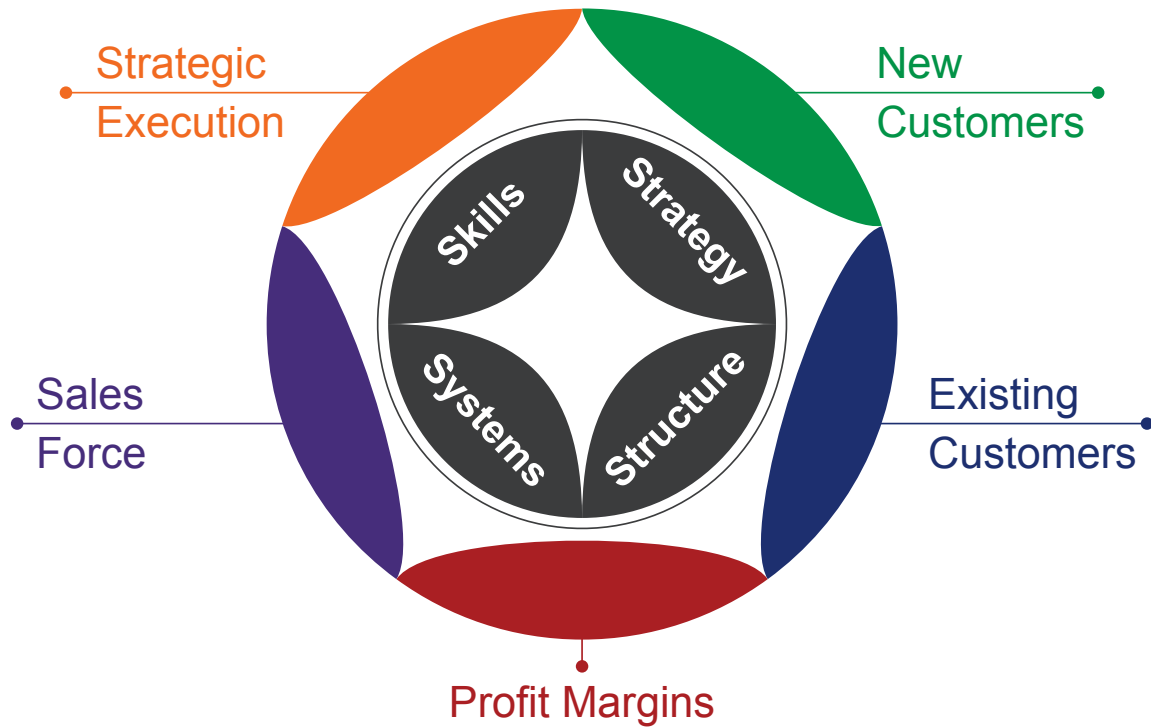
The Core 4S Model would represent systems which you don't readily see but that run across all body parts. Examples would be; bone structure, blood vessels, muscles and nervous system. These core systems are not initially visible; however, they are critical for the effective functioning of the human body.

Let's start by examining the 5 Customer Development Themes, which are the more obvious customer development issues every owner has to deal with.



GPS Business Growth Matrix

Get Consistent Sales – Boost Your Profit Margins – Manage Your Sales Team



The 5 Customer Development Themes

These are the 5 themes every business must master if they want to create scalable, predictable and profitable growth.

1 NEW CUSTOMERS:

How To Find And Win More New Ideal Clients

Everyone knows that sales is the engine that drives a business forward. New customers are the lifeblood of every business. This theme is where you answer questions such as;

- 🔗 How do we generate new business sales leads for our company
- 🔗 Do we have at least 4 - 5 proven lead generation systems so that we are not overly dependent on a single source of new customers?
- 🔗 When we generate a lead, do we have a commonly understood sales process which is based upon best practice?
- 🔗 Are we using a proven sales conversion process based on a consultative selling model?

2 EXISTING CUSTOMERS:

How To Keep And Grow Your Current Clients

There is a significant difference between account management and account development. Account management is about reactively responding to customer queries. Account development is about proactively finding opportunities to grow and develop existing accounts. This theme is where you answer questions such as;

- 🔗 Have you segmented your existing customer database and created service standards for each segment:
- 🔗 Are you creating targeted lists of existing accounts that have future growth opportunities?
- 🔗 Are your account managers and estimators trained to cross and upsell?
- 🔗 Are you producing written account plans for your growth accounts?

3 PROFIT MARGINS:

How To Boost Your Profit Margins and Still Sell Effectively

An extra 5% gross margin can be the difference between a profitable business and a company that is about to go into administration. Most people do not naturally understand the profit drivers in the businesses within which they work. As a business owner, it's your job to ensure that they do understand those profit drivers. Topics to consider would include;

- 📌 How do the 4-Profit Drivers work in your business?
- 📌 The impact different levels of discounting have on your net profits.
- 📌 How to protect your margins on existing accounts.
- 📌 Learn how to sell value and avoid the commoditization trap.

4 SALES FORCE MANAGEMENT:

How To Find, Hire, Train And Retain Salespeople, Account Managers And Customer Service Specialists

Sales force management is not just for companies who have a new business sales team. You need to understand sales force management even if you only have one customer service rep. Salesforce management is relevant to companies that have a customer service team, account managers or new business sales people. Issues you have to consider include;

- 📌 How to align your compensation system to the priorities of your business
- 📌 How to find, hire, train and retain a team of A-Players
- 📌 How to manage your new business sales pipeline, even if you are the only salesperson
- 📌 How to motivate your sales team to be more active and proactively sell

5 STRATEGIC EXECUTION:

How To Align Your Team Behind Your Most Important Goals So You Get More Done Faster

Strategic execution is a matter of combining two important factors in your business. Boosting the productivity of everybody in your business through more effective time management and personal organization. Then, you can combine that increased productivity with clarity around your top 3 company priorities. Topics to think about within this theme would include;

- 📌 Gaining clarity around your top three company priorities for 3 years, 1 year and 90 days.
- 📌 Remaining focused on and speeding up the rate at which you execute on a small number of important company goals.
- 📌 Improving your organization, self-management and time management.
- 📌 Implementing a simple project management system for tracking and driving progress on your most important company objectives.

The Core 4S Model

The 4S's run through the core of the 5 customer development themes. Referring back to the human body metaphor earlier in this article, these are the core functions which are not readily visible. However, when these core functions malfunction, the human body (i.e. your business) will start to break down.

1: STRATEGY: Winning Move

Strategy is where you make major decisions such as; defining your ideal client market sector, clarifying your value proposition (a.k.a. your difference maker) for your ideal

client, defining your product profit pyramid and creating an investment strategy based on the dynamics of your target market

2: STRUCTURE: Ideal Team Design

Structure is where you define who needs to be on your team so you can achieve your business growth goals. What is the ideal performance pay structure? Do you have the right people sitting in the right seats in your bus i.e. are you playing to people's strengths? Are you maximising the productivity pyramid i.e. removing low-paid tasks from expensive people.

3: SYSTEMS: Repeatable Best Practice

Systems is not simply a matter of setting up standard operating procedures. It's more about best practice and optimisation of your top 7 business/profit drivers. Are your most important systems i.e. customer acquisition, fully optimised and systematized? Do your team members have the required tools, scripts and examples that they can follow? Are you continually training your team to run your optimised systems so you maximise results?

4: SKILLS: Competent Team Members

The simplest way to think about skills training is to consider it within the context of your systems. Your ultimate goal will be to have highly skilled team members running fully optimised business systems. It's also important to remember that continual development is

critical if you want to attract and retain a team of A-Players. Everyone on your team should be on a training and personal development plan. When you are working with a skilled team they will have the ability to optimise and run your systems for you.

What To Do Next

Depending on your situation and experience there are two action steps you could take next.

Option 1: Grab a blank sheet of paper and create 9 boxes to represent the GPS Business Growth Matrix. Brainstorm one action point you could take to improve your results in each box. Next, select the item that is quickest and easiest to implement and start working on that now.

Option 2: If you'd like to take a shortcut you can request a FREE GPS Business Growth Matrix Strategy Session with me. I'm offering a number of free sessions to qualifying companies. *After the strategy session you will know how to apply the GPS Business Growth Matrix to help your company create predictable, scalable and profitable growth. To find out more, send an email to Nick@theprintcoach.com and put the words 'GPS Business Growth Matrix' in the subject line.*

Nick Devine is the founder of www.ThePrintCoach.com.
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