

3 Strategies to Balance the Roller Coaster of Entrepreneurship

Business ownership is an emotional roller coaster of highs and lows, risk and reward, fun and challenge. By performing these 3 essential tasks, an owner can make good decisions, run an organized machine, minimize risk, and focus attention to critical areas.

1. Rely on an advisory team.

a. Build a team to ride along on this adventure. Your CPA, banker, and attorney should check-in with you regularly. Consider adding HR, Marketing, IT, and other necessary industry specialists from the start. Trusted advisors will listen well, provide insight, challenge ideas and recommend best practices. They will help identify speed-bumps and celebrate the successes. Network referrals and provider websites that share content are common ways to build this team.

2. Develop policies and procedures for key business areas from day one.

a. Making money is fun. High sales are only one trait of a successful growing business. Fundamental items like job descriptions, organizational charts, and policies and procedures guide the team, set boundaries and help minimize risk. The advisory team can be resourceful in creating personnel and employee benefit manuals, operating procedures, and the required governing documents. They will likely share tools and resources to build on.

3. Run the business as if it is for sale – even if it's not.

a. Market research shows that companies have cash, want to



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diversify, expand geographically, and desire growing businesses in various industries. The research suggests that high M&A activity will continue well into 2016. These buyers will approach businesses that aren't technically "for sale" and make intriguing offers. The business that is organized, responsive, and maintains 3-5 years of accurate financial and other data is well-positioned for these offers.

b. This mindset also improves decision-making. It encourages the management to make decisions based on data and facts, and less on emotions. Owners can balance risk and reward when they track results and KPIs. Growing companies manage data effectively.

This roller coaster ride can be exciting, suspenseful, and contagious. It's easier to

travel when the owner is joined by a trusting team that helps him/her work "on" the business rather than "in" the business.

PETER MADDALENA, CPA, advises business owners with all aspects of their growth. Clients appreciate his organizational skills, genuine interest in their organization, and honest communication style. As a partner of Cummings, Keegan & Co., P.L.L.P. (CK&CO.), Peter understands the challenges and rewards of business ownership. He values the trust clients place in him to solve their problems and achieve success. Outside work, Peter enjoys hockey, golf, outdoor activities and taking family vacations.

THE CK&CO. TEAM serves privately-held and family-owned/managed businesses. Clients appreciate our resourceful approach – tapping our traditional CPA firm services, and other business management and advisory services.

We help new businesses define a foundation for growth. Established businesses seek our benchmark and planning tools to evolve. Owners considering an exit strategy utilize our succession planning resources for an effective transition or sale. Our CPAMerica membership provides access to national and global resources for unique client needs.

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