

Questions That Will Change your Finishing Business and Life

You should be asking yourself these questions every year in order to grow your finishing operation.

Some finishing businesses are stagnate, their owners and managers are engaging in the same strategies and tactics this year that they did last year. Many do not have a plan or idea of their business purpose. Perhaps it's easier not to think about such things. For this reason, I have been asking our consulting clients to actively think about and answer a number of questions every year.

Consider where you are spending your time while working. Are you working in the business as another employee performing a set of tasks, or are you actively working on the business, setting strategy and directing execution? Another way of asking this question—are you “at cause” and actively making change or are you “at effect,” waiting for something external to happen and then reacting?

Have you reviewed employee-compensation levels in the past year in comparison to market data? In today's supply friendly labor environment, we may find too late that we were undercompensating our people, or paying some of our team members too much and others too little. As compensation is just one element (number five on a typical employee's priorities), is your business a great place to work? Would you want your children to work for a company like yours?

Work should be about more than money. Are you following your personal mission statement? While you're at it, review your company's mission and vision statements along with its core values. Don't have these? Now is the time to make them.

How have your competitors changed in the last year? Have they introduced new products or services? What tactics have they engaged to attack you? What is your business doing in response, and do you have a proactive market strategy to stay ahead?

Considering your supply base, is it world class? Are your suppliers continuously improving quality, delivery and value? Are they innovating new technologies and processes, and are you leveraging their innovations? Now is also the time to consider whether other finishing processes introduced to the market propose a competitive threat to yours and, if so, is now the time to make a change? Suppliers aren't just those who provide chemistry, materials or capital equipment. Make sure you consider your entire supply base, including banking relationships, insurance providers, legal and financial advisors, and others.

What is your operation doing to continuously improve quality, delivery, value and profit margin? Is your business actively engaging in continuous improvement activities, and are they paying dividends that benefit both your business performance and that of your customers?

While we're on the topic of customers, have you met face-to-face with your top 10-20 customers in the past 12 months? Do

you understand their continuous improvement strategies, and are you actively supporting their achievements? Ensure that your customers are still a fit for you. Consider the three Ms—magnitude (or annual revenue), margin you derive from each and maintenance required to support them. It's okay to part ways with a customer who no longer aligns with your business strategy.

If you passed away today, what is your business continuation plan and succession plan? Who will run your company, and how will you transfer ownership in a way that protects your customers, employees and family? Does your business employ the right capital structure and are you engaging in sound tax strategy? On a business trip in the Southeast last month, I met a woman who had to sell her family's business to pay the estate taxes following the passing of her father. You need to think ahead a little further than that.

How will technology change your business in the next 12 months? With the advent of Industry 4.0 technologies in the finishing market—such as smart sensors and devices, artificial intelligence, machine learning, additive manufacturing and wireless communications—your business will be fundamentally transformed. Are you educating yourself on these technologies, considering how they will affect your business, and do you have a plan for implementing them?

How has the political climate changed your environment? The last election cycle demonstrated how polarized we are as a country, with politicians ranging from far-right conservatives to avowed socialists being elected to Congress. Will the political climate in your region affect fiscal, environmental or social policy in a manner that necessitates a change in your strategy?

Another great big picture question that enables our clients to see their businesses in a new light is this: if you were going to start all over in this business, what would you do differently? If the answer isn't consistent with your current business model, perhaps change is in order.

There are personal questions you need to ask as well. How have you grown personally and professionally in the last 12 months? If you have trouble coming up with an answer, that's a pretty good indication that you need to spend more time developing your own habits, aptitudes and skills. Finally, do you love your job? If the answer isn't a resounding yes, then you have some work to do there too. Life is too short (and most business leaders devote such a disproportional amount of their lives to their businesses) not to love going to work. ■■



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