



RESEARCH REPORT:

# LATEST STATS FROM THE AUSTRALIAN BUREAU OF STATISTICS

WHAT THIS MEANS FOR YOUR BUSINESS  
AND HOW TO USE IT TO YOUR ADVANTAGE





## About Business Success Systems

Business Success Systems was launched to address the main issues in SMEs, the mistakes that keep business owners trapped in their businesses and the smash the barriers that prevent profitable, sustainable growth. We have the methodology and the people to make it happen.

There is so much confusion about how to achieve business success that it's not your fault that you struggle to get ahead. It seems that no one is out there helping you with what you really need to do to change your situation to achieve the goals you want.

### UNTIL NOW

Business Success Systems is here to revolutionise the state of business, to breathe hope back into the back bone of the Australian economy and the lives of Australian business owners (that's YOU!) and to give you the freedom and prosperity you deserve.

### **Glenn Adams & Troy Eadie**

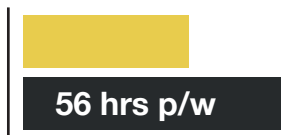
Director & CEO, Business Success Systems



# The Latest Stats from the ABS

Below are the latest stats from the Australian Bureau of Statistics, highlighting that it is becoming harder than ever to grow a successful business in Australia.

Through our research of this data we have identified 5 critical mistakes that create a fatal flaw that business owners make that lead to these outcomes.



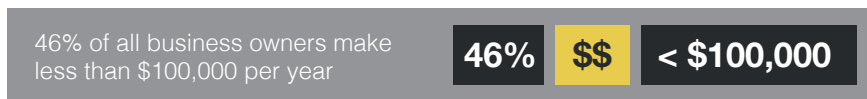
The average working hours for a business owner in Australia is 56 hours per week



88% of all businesses have less than 5 employees



Less than 2% have more than 20 employees





## Critical Mistake 1 of 5:

**88% of businesses struggle to grow beyond 5 employees because owners are more focused on short-term survival than long-term success.**

Typically, short-term cash requirements become the driver for most things that happen in the business. Business owners operate reactively instead of proactively.

The needs of the future development of the business are often neglected leading to owners spending too much time putting out fires and not addressing the most important business needs.

## The Solution:

Be very clear on the vision for the business and what the business needs to look like to achieve that end outcome. Then create a plan to work proactively on what it takes to get there.

How can you and your team know what to focus on if there is no clear end outcome in mind?

It is essential that you answer these questions and ensure the whole team is united around making them happen:

- What's the vision for your business?
- What's your end outcome? (Sell or to generate passive income?)
- What's your strategic objective for the next 5 years?







## Critical Mistake 2 of 5:

**46% of businesses make less than \$100k profit because most advertising decisions in SMEs are often determined reactively, depending on how busy things are.**

Businesses are caught in a competitive battle, with pressure to sell at the lowest price.

There is no defined marketing plan. Advertising is initiated when sales slow and stopped when sales pick up. Advertising is usually tactical rather than strategic. This endless reactive cycle tends to keep the business operating at the same level of sales — survival level.

## The Solution:

You have a choice. Gamble thousands of dollars chasing the latest marketing fad (Facebook, Google or LinkedIn) and keep guessing.

Or

You can create your own strategic business model that matches your clients' buying strategy, which accelerates referrals and makes most marketing redundant.

Basic questions to start to create a unique strategic business model:

- Who is your ideal client?
- What is their buying strategy?
- Does your marketing strategy match their buying strategy?
- Is your business model similar to your competitors or unique?





## Critical Mistake 3 of 5:

**Less than 2% of Australian businesses grow beyond 20 employees because most business owners lack effective leadership skills.**

Often the business owner has little to no experience on how to be an effective leader.

As a result expectations of employees are not communicated clearly, creating a barrier to get the desired results. The outcome is frustration leading to the conclusion that “you can’t get good people these days.”

## The Solution:

When your business grows to more than 5 employees your mindset must change from being a high performer to one of a leader to others.

As long as you outperform the rest of your team you will not be able to scale and achieve greater success.

To make the transition your mindset needs to change from:

“I might as well do it myself.”

To

“I am exceptional at developing others.”

- Do you spend a lot of time talking and giving direction? Or do you take the time to create the systems so you can delegate effectively?
- Do you complain about the lack of work done? Or do you lead effectively with clear targets and communication?





## Critical Mistake 4 of 5:

**60 to 80% of businesses cease to operate due to poor control.**

Running a business without performance indicators is like flying blind. Some business operators we've seen don't even know what their financial position is from month to month.

That's like guessing how much fuel you have left, then being surprised when the engine stops.

## The Solution:

Develop effective control systems through monitoring key performance indicators to keep track of where they are.

This extends from the basic financial statements that keep you in touch financially, to non-financial measures that keep track of productivity and efficiency in many areas of the business.

- What KPI's should you measure?

Marketing, sales, operations and admin. Then review them often with the team and use them to make strategic decisions.





## Critical Mistake 5 of 5:

**Business owners have a tendency to go it alone and try to do everything themselves without seeking help.**

Becoming a top business leader requires significant personal growth and development of critical skills.

Success in business requires effort and leverage and is usually not achieved without a significant amount of mentoring and guidance from people with the right experience and expertise.

## The Solution:

Continuous learning and personal development.

Top business leaders look for people who can help them lead a business through the various growth phases and who can coach and guide them through the challenges they need to confront.

- Do you have someone to hold you accountable to achieving your goals?
- Do you have someone that is showing you a systemised and structured approach to developing a business?





# The Fatal Flaw

When business owners make these mistakes, the business is fatally flawed. The data shows us that the fatal flaw is the result of the mindset of the majority of business owners.

Most business owners are not clear when it comes to the end outcome of their business activities. Most are focused on trying to generate a good income instead of building a valuable, saleable asset.

This mindset is the result of limited beliefs which come from the way we grow up learning that we need to work hard to get a good job and work hard for our money. When we decide to go into business we naturally want to work hard for our business to make it work.



# Change the way you think

In contrast to the fatal flaw, successful business owners start, run and manage their businesses with the main outcome being to grow a business that either runs without them or to be able to sell it for maximum value.

This approach comes from having an investor mindset. Investors focus on making their money work hard for them. When it comes to business their approach is not to work hard in the business but to create a business that works hard for them, providing them with prosperity and freedom.

It's your choice. Continue working hard for your business, or decide to create a business that works hard for you.



## An Introduction to Business Success Systems

Business Success Systems is a team of business growth specialists who work with business owners to assist them in creating extraordinary businesses.

We use a unique methodology to help business owners struggling to meet the challenges of business growth to see new possibilities in their business and to realise the potential that previously lay dormant.

Visit our website [www.BusinessSuccessSystems.com.au](http://www.BusinessSuccessSystems.com.au) to discover how to change your business from one that is dependent on you to one that works for you — on autopilot!



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SUCCESS SYSTEMS

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