



# The Dangers of "Winging It" in Business

Research conducted by Plusnet has revealed that 85% of small businesses surveyed identified as their biggest struggle the feeling that they were "**Winging It**".

[See their page here and download the book:](#)

They teamed up with [Startups.co.uk](#) to conduct the research and have produced a book of their findings with some very useful guidance on how to avoid that 'winging it' feeling.

The book covers the main concerns uncovered by the research of **marketing**, **funding** and **talent** and provides some solutions.

## Not Just a Problem For Startups

The issue of 'winging it' is as common for established businesses and is a symptom of a business that is not following a defined plan and consequently lacks direction.

Many established businesses continue to struggle with marketing and talent especially. Both can be very complicated and costly when they fail to deliver the right results.

**In addition, every business should be concerned with:**

- Their **sales capability**, as this is ultimately how they land their income.
- **Customer loyalty**, as a repeat customer can be far more valuable over the long-term than lots of one-off business transactions.
- **Profitability** of the business. Revenue counts for very little when the business doesn't deliver enough profit to support the owners.
- Ensuring that they have identified and adequately pre-empted the **risks** that their businesses face.

**Whether you're a business owner or an employee, it is vital to know if you are 'winging it'. But how can you tell?**

These questions should help.

- Is it clear what you should be doing next?
- Do you have a clearly defined goal (or set of goals) that your business is working towards achieving?
- Has your business investigated how many potential customers exist, how many you need in order to be successful and exactly what you'll need to do to win them as paying customers?
- Is there a clear plan that **everyone** is working to realise?
- Does the business foresee and proactively deal with potential issues, so that it doesn't experience unexpected 'surprises'?
- Does the business feel predictable and under control?

How many questions did you answer No to? (please post your answer in the comments below)



***What would you do now if you knew that turning those 'no's' into 'yes's' wouldn't take very long or cost a lot of money, with results that pay for themselves?***

### **How Big is This Issue?**

What this research highlights is that almost all SMEs (85%, if the survey results are truly representative) fail to adequately plan their business before they start to try to operate it.

Let's look at the scale of this issue. There are around 5.5 million businesses currently registered in the UK. 99% of these are classed as SMEs, so if 85% of all of these businesses are winging it, that is over **4.6million UK businesses** that are struggling with a lack of direction.

This represents a huge part of our economy in terms of taxation, employment and delivery of goods and services. Many of these will be offering specialist or niche services which will be difficult to satisfy elsewhere.

We simply can't afford for this volume of businesses to underperform or even fail. They are huge contributors to taxation and employment. They also typically account for valuable sections of our supply chains.

## What Would Happen if We Did Everything Like This?

This is the equivalent to starting a journey:

- Without a destination in mind.
- An unclear idea of how to operate your vehicle.
- Without a clear reason for your journey.
- Without knowing exactly what you're getting yourself into.
- Without knowing what the journey will cost you to start.
- Without any contingencies, in case you get lost on the way.
- Without know how long any part will take, or what is involved.
- Without researching the tools, knowledge and facilities that you'll need to make your journey a success.

You wouldn't leave your home without being very clear on WHY, WHEN, HOW, WHAT you are going to do or WHO's help you are going to need. **So why do people give up their jobs, spend their savings and even take out loans to start businesses without answering these crucial questions?**

We obviously make our journeys very differently to the way that we typically run businesses, otherwise, our roads, train stations, pavements, bus stops and airports would be full of people who don't know why they are there, where they're going, what to do next, or how to get anywhere. That would make rush hour much more challenging!

The feeling of being lost would be a daily reality for anyone who set out to try to travel anywhere, and that is exactly how thousands of business owners and employees feel every day.

## The Cost of Getting Lost – The Statistics

It's no surprise that so many businesses fold within the first 2 years of operation and around only 4 out of 10 businesses last 5 years. Changing conditions can catch so many more-established businesses by surprise, leading to around 96% of all businesses failing within 10 years.

As of end of July 2017 UK government reports suggested that there were over 300,000 businesses on the brink of failure. A similar volume of businesses failed in the UK during 2016.

So, on top of getting lost, these businesses are not asking for directions from people that can help them to find their way. Or they are asking when it is much too late and they are already very lost.

## What's the answer to such a common problem?

It is simple.

- The plan **is** the beginning of the business. It is the foundation that the business will be built on. Treat the process of planning with the respect that it deserves.
- The issues of **marketing**, **funding** and **talent** should be addressed in the plan, along with every other issue that the business will need to be clear on before it launches.
- Plan your business journey to the level of detail that will **guarantee** it's success. Leave nothing to chance. After all, getting lost in the middle of your journey can be very expensive.
- Test your plan thoroughly. It is better and far less costly to make mistakes while the business is still on the drawing board than while it is in operation.
- Identify **everything** that you will need to know in order to be properly equipped for the journey ahead.
- Decide how long you would ideally like the business to last. That should give you an idea of how much effort should be put into planning such a crucial and complicated venture. Are you planning a short-term business or a long-term venture?
- Be clear on why you are in business and why you deserve your customers.
- Don't leave any part of your proposed business to chance otherwise, while you are 'winging it' you may have skipped over the bit that requires that you first figure out how to fly!
- Don't fall into the trap of short-changing the planning stage of the business or believing that 1-page business plans can provide the level of clarity that your business will need.
- Revisit your business plan regularly and ensure that it won't leave you feeling lost.
- Update your plan to keep it current and relevant. This will help to ensure that you always have the guide that you need to always know what to do next.
- **Ask for help** in planning and executing your business to ensure it's success. The strongest and most successful businesses are not afraid to ask for directions!

Check out SALT's guide to successful business planning.

### Effective Business Planning - How To Create An Effective Business and Keep It Going

SALT Business Growth offer free guidance for businesses who would like to achieve their best possible results.

Email us to get the ball rolling:

[info@salt-businessgrowth.co.uk](mailto:info@salt-businessgrowth.co.uk) or

Call us on 020 8873 0073

