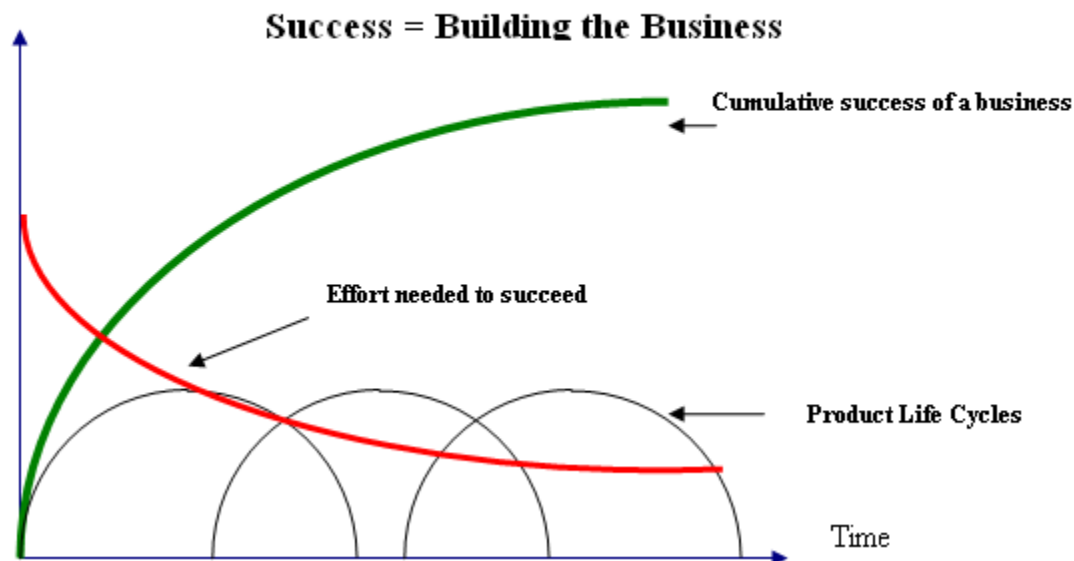


## Are You Building A Business Or Just Building Products?

By **Bob Thilmont**  
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In the last few years I have had the opportunity to meet with several start-up companies. During these initial meetings the management teams of these companies have been very passionate about their products. They will tell you how their product will revolutionize the industry or how it is much more superior than the well entrenched competition. Yet these same companies fail to talk passionately about their business or their long term vision for the company. They are so focused on developing the product that they fail to develop the business. This not only includes the business brand but the structure need for the long term success of the business.

Successful companies have focused on developing the business properly while developing products. These companies build the business structure to allow for continuous growth and long term success.



◁Figure1. Building a successful business

The above figure illustrates the need for a company to look beyond an initial product or service. The effort to launch a single product in a start-up can be greater than the potential sales and profit of the initial product. Just when the company sees the success of the product the life cycle is on the decline and there is nothing in the pipeline to replace it. Since the company was a one product company it too starts to decline.

The cumulative success of the business is a summation of all of the products and services successfully launched and marketed. This cannot happen without developing an internal business structure.

***What goes into building a Business Structure?***

There are two basic elements needed to build a business structure. The first is the understanding and knowledge of what resources your company needs to succeed in the launch or growth phase. The second is a business implementation plan that details what steps need to be taken at each critical step along the way.

### *Doesn't a Strategic Plan or Business Plan do this?*

A Strategic Plan is just that. It charts out the strategies the executive team will implement in order to move the company forward. Likewise the Business Plan is usually a fiscal operating plan based on financial expectations. Both help identify the company needs and are critical to an organization. Likewise, both provide the framework for developing a business structure but neither provides the detailed steps needed to build the structure. It is the business implementation plan that details the actions to be taken when certain benchmarks are achieved or a certain crisis arises.

### *So what goes into a Business Implementation Plan?*

A good implementation plan should reflect both the vision of the strategic plan and the details of the business plan. An implementation plan might include:

- When to add product support people once a product is launched.
- When to seek additional funding.
- When to move resources away from a declining product or finished project.
- What impact does a new product launch have on existing products and market channel support.
- What resources are needed to enter a new market.
- What impact does a new product launch have on company cash flow.

These are some of the elements one would need to include in a successful business implementation plan.

In summary, a business implementation plan is much like a project plan. However, instead of focusing on just one product or project, the business implementation plan helps the executive team to focus on building a long term successful business.

We hope you found this topic of interest. Mountain Global has developed tools to help businesses develop an implementation plan. Feel free to contact us at [bthilmont@mountainglobal.biz](mailto:bthilmont@mountainglobal.biz) for more information.

Until next time.

Bob

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