

Expand business capacity without breaking the bank

By Laurel Douglas, CEO
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When your business reaches a point where you have to expand your capacity to meet market demand you can celebrate! You've just achieved an important milestone in moving your dream from "survival" to "growth". But now you're faced with a whole new set of questions.

Is the demand permanent or temporary? If you need to improve your capacity, what does that mean to your role as owner? Have you started your transition from 'do-er' to manager to strategist? Do you have the processes and operation manuals in place that will direct the people you hire or recruit to do things the way you've decided they should be done?

Many entrepreneurs are so busy "doing" they hardly ever take the time to plan for their success. Even if you aren't at the stage where expanding capacity is necessary, having an idea of how you will do it when the time comes is an important ingredient to your business planning. Take time to consider your resources in advance and it will boost your confidence because you'll feel more in charge of your business destiny.

Tara Valk, owner of Ruins Board Shop in Terrace and Prince George, noticed the frustration amongst local youth about the lack of boarding equipment available in the northwest. When she found a supplier that carried what she was looking for, he offered her a line of snowboard gear to sell. She accepted and found a huge demand just waiting to be serviced. After bringing in more product lines to keep up with customer demands, Valk realized it was time to open a store.

Ten years later, with two stores and a growing customer base, Valk has successfully built-up 2 businesses, marketed the Ruins logo and created a brand that is not only well-known in her industry but has influenced the skate, snowboard and street fashion scene.

Overall, Valk looks to customer needs to determine the direction of her company. She reacts and responds to changes in trends and demands. For her, the best way to keep up with her ever-changing industry is to have great relationships with all the companies that now supply Ruins Board Shops.

As a woman business owner you may have your first tool for expansion capacity waiting in your personal support group. Consider asking for a "little" temporary assistance from them, your friends or family as you ease through business growing pains. Offer a formal payback plan and stick to your schedule to make your expansion permanent.

There are other ways to plan for expanding capacity in advance.

If you run your business from home, think about the space and equipment you'll need to grow. Consider sourcing space you can rent or lease before you need it. Look for flexible or short-term alternatives to hiring staff as well with options like:

- *Temporary help.* Temp agencies can provide staff and they will handle staff paperwork and payroll. That way you can keep your hiring practices flexible. Check government sponsored hiring programs in your community. You may be able to hire business-students and offer them practical training at the same time.
- *Contract positions.* Other women in business may provide the services you need under a seasonal or specialized contract basis. Always be sure the job you offer would be considered contract work by BC Employment Standards and be sure the person you hire has a clear understanding of deliverables.
- *Intentional part-timers.* The help you need to expand capacity may be waiting among women looking for challenging part-time work. The same goes for students. Being able to work with their schedules could give you access to high-quality help.

Outsourcing some functions of your business can be a viable alternative too. Perhaps you can contract out parts of your production or delivery processes. Are there business support services you can use for duties like marketing and sales?

Technology can also provide you with the efficiency you need to improve your capacity and you don't need to be an expert. Look for technical solutions that provide support so you can avoid putting someone on the payroll for that purpose. Software template solutions that fit with your business model can save you the expense of custom work and specialized software platforms are available that can often be customized for your needs.

Finally, if you already have staff hired, consider their job functions and yours. Have you let go of enough control of tasks that your seasoned staff can handle effectively? Perhaps you can realign duties and add entry-level staff to give your existing employees more time to take on new challenges.

In the process of planning for your capacity expansion, think about the training requirements you'll need to be efficient when the demands increase on your business. Maintaining a regular performance review schedule will often highlight exactly where staff skills can be improved with training.

Women's Enterprise Centre serves women across the province from its offices in Kelowna, Vancouver and Victoria. For more information call 1-800-643-7014 or visit online at www.womensenterprise.ca.