

acresis

Advising Founders on Growth, Liquidity & Wealth

# FOUNDER CHALLENGES & MYTHS





# FOUNDER CHALLENGES & MYTHS

*“I’m too busy with the day to day, with no time to focus on the future, let alone tomorrow...”*

Acrisis helps determine your real objectives to drive clarity and accountability. Monthly calls and quarterly meetings bring a new level of strategic discipline to Founder-led businesses by helping to apply laser focus to the levers of value that will help the enterprise grow in the way you want. Having a repeatable rhythm and business cadence is mandatory for driving growth.

*“I am only growing in single digits but it must be possible to grow faster...”*

Some Founders get myopic about their own growth, believing that past growth defines future possibilities. Acrisis uses a simple formula: if your revenue-to-time ratio is  $< 1.0$ , then we can help you. – e.g., “We have \$5M in annual sales yet we have been in business 7 years.” Founders sometimes mistakenly believe they need to accrue “sufficient cash” before they can be bolder in their business decisions.

*“I already have an advisor(s), formal/informal, paid/unpaid, who I am comfortable with”*

We often hear from founders they have a stable of advisors who have helped them over the years. First, the advisor who helps who launch isn’t necessarily the advisor who can help you dramatically grow enterprise value and realize a valuable exit. Second, if your revenue is greater than the number of years you have been in business, perhaps it’s time for some fresh perspectives?

*“Debt is never good for my business...”*

Most Founders abhor debt. Sometimes Acrisis sees companies acting too conservatively against their own best interest. One company had 40+ quarters of profitability but grew at only 10% annually (less than its competitors). Others spend too much time and energy raising equity versus taking on the much more ownershipfriendly debt – which can make more sense. Acrisis has lived through, and learned from, this in our own experiences as Founders.

*“We’ve already tried that (or know someone who has) and it doesn't work...”*

Acrisis helps Founders identify and assess a wide range of strategic and tactical options to grow the business, ranging from piloting alternative sales channels...to re-vamping a website...to re-formulating pricing models. We often recommend and help implement initiatives that pay for themselves, despite a Founder’s initial doubt.



# FOUNDER CHALLENGES & MYTHS

## *“That’s just overhead...”*

There are multiple functions and competencies in which Founders typically under-invest – technology, human resources, marketing, strategy, and sales – because they confuse “overhead” with key pillars of success and sustainable growth.. Acrisis helps Founders see the possibilities and measure return on internal functions, often recommending external resources (instead of making permanent hires) that have a proven track record of success.

## *“I just cannot find (enough of) the right people (fast enough)...”*

Getting the best talent in place is crucial for a growing business. Acrisis uses the term “speed to competency” with Founder clients to outline and plan the process by which the company can source good talent in a systematic fashion. Many times Founders feel hostage to one or more key employees who are crucial to the business. Great talent and cultures take time and focus, which Founders often cannot or will not give.

## *“I’m not sure what the best choice(s) are, so I will sit on it...”*

Because we have stood in your shoes, we help give Founders confidence to move forward. Often in a growth situation, Founders suffer “chicken and egg” syndrome – e.g., ‘I will not hire a lead sales person until I see the opportunity develop,’ when, in reality, that opportunity will not happen until you decide to step up and act. Acrisis provides a wise and prudent sounding board to tip the decision-making balance in your favor.

## *“If it needs to be done right, I need to do it myself.”*

Sometime Founders suffer from “hero syndrome”, believing only they are essential for their success. Taken further, some Founders perceive investors as “offering no value.” They fear that if someone else gains > 50% control of the company, they run the risk of being overrun by “greedy money guys.”

## *“I know I need help but I do not know where to get it...”*

Acrisis gives Founders access to a phenomenal global network of resources on-demand, introducing clients to the best and most accomplished professionals across a range of functions – finance, legal, executive recruiting, wealth management, etc. We have worked these individuals and companies over decades, and they have already proven they can deliver, year after year, success after success.



# FOUNDER CHALLENGES & MYTHS

*“I need to look and act bigger than I am to move up-market...”*

Founders often struggle with issues related to corporate hygiene – those factors and attributes that help position them to sell and deliver to enterprise buyers. Acrisis helps clients punch above their weight, and has developed proven processes and standards for brand, communication, account management and other key customer touch points. We’ve helped many companies move from ‘cottage’ to corporate.

*“I must take all the cash out of the business each year to reduce my tax liability...”*

Tax avoidance concerns can be at odds with growth, enterprise value and ultimate liquidity. Many Founders take owner distributions to the point of draining all growth capital out of the business, which starves overhead functions and leaves little cash for investing on a persistent and long-term basis. Acrisis counsels on proven techniques for managing owner distributions vs. investments in the business, so you can scale.

