

## Developing your business

The level of growth of any business is governed by internal and external factors, some within a company's control and others not. A core element of business development is knowing and understanding the key factors that could affect your particular industry. An analysis of the external factors is usually referred to as a PEST analysis and involves assessing how the political, economic, social and technological environment can influence your business. Once identified, these factors need to be ranked with regard to their potential impact on the short and long term goals of the company and the degree to which the company can manage that impact. Internal factors (anything from human resources to systems; overheads to cash flow) need to be audited as part of the development process to ensure that the resources needed to achieve the development plan are identified and are in place or are planned to be put into place.

Business development can be extremely risky. The chart below highlights the complexity of the development planning process and demonstrates how much detailed analysis ought to be carried out before a business development plan is adopted in order to minimise risk and to maximise chances of success.

