

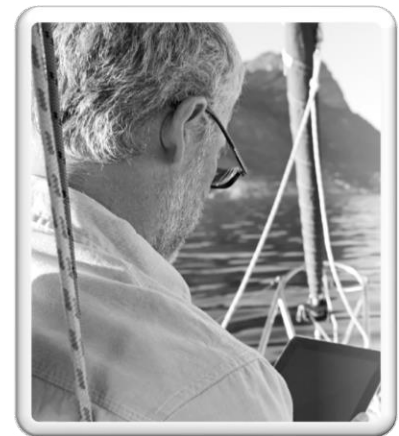
FOUNDER MYTHS & CHALLENGES – 2 OF 4

Acresis is a company of Founders, for Founders. We have earned our way through many important life and work lessons, truths that stand out as “things I wish I had known before I started.” Below are some of the most important Founder myths and challenges that we have had to work through in our own businesses and in partnership with our Founder clients. Many may seem obvious, but we also know that when everyone is in the trenches, even when you are leading the charge, it is easy to lose sight of what can really make a difference in the success or failure of your business.

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

Founders can get short-sighted about growth, believing that past growth defines future possibilities. Owners and executives sometimes mistakenly believe they need to accrue “sufficient cash” before being bolder in their growth strategy. It’s understandable, since most Founders do not have the safety liquidity net of outside capital.

Acresis uses a simple formula: if your revenue-to-time ratio is < 1.0 , then we believe there is slack growth - e.g., “We have \$5M in annual sales, yet we have been in business 7 years (0.7).” We have helped numerous Founders dispel this myth to drive double and triple-digit annual growth, which presents a different set of challenges, of course.



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

While trying the same thing over and over and expecting different results may define insanity in some cases, there’s almost always more than one way to achieve the same objective. Furthermore, we all bring pre-conceived notions and biases to any efforts towards change, sometimes working against our own real aim and interests.

Acresis 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.

“I just cannot find enough of the right people fast enough...”

Getting the best talent in place is crucial for a growing business. Often Founders feel hostage to one or more key employees deemed essential to the business. Great talent and cultures take time and focus, which Founders often cannot or will not give.

Acresis uses the term “speed to competency” with Founder clients to outline and plan the process by which a company can systematically source high-quality talent. Sometimes we fill key posts on an interim basis with one or more of our operating partners, while in other cases we help source outside help or recruit new key hires. Upgrading some portion of legacy talent is critical to business growth.

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

Often when growing, Founders suffer chicken-and-egg syndrome - e.g., “I will not hire a lead sales person until I see the opportunity develop.” In reality, that opportunity will not happen until you decide to step up and act.

Acrisis partners have stood in your shoes. We help give Founders confidence to move forward and help them hold up the mirror at the first sign of inertia.

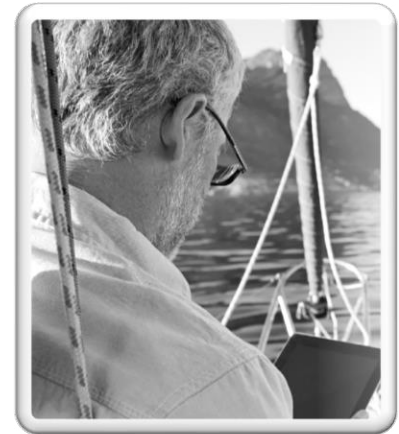
“I know I need help, but I do not know where to get it...”

Sometimes the easy thing to do is to keep pushing with the team you have got (and Founders are loyal to those who have been there from the start). At the same time, different phases of growth, different markets and changes to the business can all require more and different talents.

Acrisis gives Founders access to a hand-selected group of world-class experts and eco-system partners in a phenomenal global network of on-demand resources across a range of functions - finance, legal, executive recruiting, capital, wealth management, marketing, etc. We have worked with these proven and accomplished companies and professionals for decades.

“I have to take all the cash out of the business to reduce my tax liability...”

Tax avoidance concerns can be at odds with growth, enterprise value and liquidity. Founders can become addicted to cash distributions to the point of draining all growth capital out of the business, which starves overhead functions and leaves little for investment. Acrisis believes managing your business for tax avoidance can compromise your ability to scale. We have developed proven techniques for appropriately managing owner distributions vs. investments in the business.



To learn more, visit us at www.acresis.com.