



Patchwork

A definition of patchwork is the piecing together of multiple parts for betterment of the whole. A question all financial professionals should ask of themselves is; “am I patching problems with various solutions, or getting deep to the foundation?”

Using a patchwork process is common to most business owners, financial professionals not excluded. We examine a problem and often come up with quick solutions to mend the hole in the business.

A great example of this is staffing models. Staff are human. Humans require constant rebalancing to ensure maximum output. When one staff person has a rough go at life, others in the organization adjust to overcompensate for the poor attitude. When an associate complains about income and threatens to quit, business owners stop, review, and if they are keepers adjust income input to meet demands.

Both examples are patchwork. Designed to hold the business together. But, are we doing more damage than good over time?

Financial professionals who own their businesses have three mandates. First, to recruit new assets. Second, retain households and manage assets appropriately. And lastly, they are to create the most efficient business models whereby the business runs itself and is rarely interrupted.

In striving for the third mandate, business owners who take the necessary time to reexamine the foundation regularly will cut out the need for constant patchwork. Those that choose to handle business matters just-in-time will find themselves paralyzed long-term, and consistently finding themselves with stunted growth. Almost like a game of Chutes and Ladders, always falling back down the board never to reach 100.

In order to disassociate with a patchwork mentality; first the business owner must realize patchwork is a mindset. In other words, if a business owner is using patchwork modeling, it is likely throughout the business. It is the onboarding process pieced together per client, it is the employee compensation and bonus model, it is informality in client meetings and reviews, and it is a lack of discipline in prospecting new households and assets.

There is optimal systemization for all major functions of a business. Corporations are masters at this. As a small business owner, you must take the time to knock down the disfunction of patchwork and create a programmatic model for all parts of your business. By doing so you will see assets enter, assets stay, and a business that gives you, the owner, the ability to enjoy the workflow versus constantly dodging problems.

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