

BUSINESS

Businesses go through cycles — here's how to weather the storms

BY DAVE HOPSON

Special to Florida Weekly

Every business goes through cycles. They get started. They expand — sometimes rapidly. They decline. They consolidate.

But if they're not careful navigating the storms that the market and fate throw at them, they could cycle right out of existence, says Dave Hopson, managing partner at the information-technology consulting firm Triumphus and author of "Surviving the Business Storm Cycle: How to Weather Your Business's Ups and Downs" (www.davehopson.com).



In fact, about half of all new businesses don't make it to their fifth birthday, according to the Small Business Administration. Essentially, those startups stalled out.

Maybe the reason was too little capital. Maybe it was a faulty marketing plan. Sometimes the reason may be that the technology crucial to any business' success simply couldn't meet the always-evolving challenges the business faced.

"Transitioning from startup to successful enterprise is always going to be a difficult undertaking," Mr. Hopson says. "But that's going to be even more so if your company hits an exciting growth phase and your back office fails to keep up."

As they try to make sure their businesses survive, Mr. Hopson says it's critical that company leaders keep these key points in mind:

- Professionalize the back office and IT. That will keep your systems predictable and your IT ready to expand and adapt to the next phase the business faces. "And I don't care what business you're in," Mr. Hopson says. "Information technology is your company's backbone."

- Technology alone isn't the answer, though. Successful ongoing transforma-

SEE CYCLES, A32 ►

The skill of giving

Donating to charity takes expertise, says Expos founder and philanthropist Charles Bronfman

BY MARY THURWACHTER
mthurwachter@floridaweekly.com

PALM BEACH IS RICH WITH HIGH NET-WORTH FOLKS who share their wealth with those less fortunate. Seagram heir Charles Bronfman is one of them — one who took up the pledge initiated by Bill Gates, Melinda Gates and Warren Buffett to give more than half his wealth to charity.

He took that pledge, he said, because he noticed there weren't any other Canadians on the list.

"I think there are a few more now," said Mr. Bronfman, who spends most of his time in Palm Beach, but also has homes in Montreal and New York.

"I've been a philanthropist all my life," Mr. Bronfman, 85, said. "When I was 17, I raised money for the Combined Jewish Appeal by collecting 50-cent pieces from my peers."

He was talking about his book, "Distilled: A

SEE GIVING, A32 ►

PHOTO OF CHARLES BRONFMAN FROM "DISTILLED: A MEMOIR OF FAMILY, SEAGRAM, BASEBALL AND PHILANTHROPY" (HARPERCOLLINS)

Create Function & Storage with Style!

CUSTOM CLOSET | WALL UNITS | LAUNDRY AREAS | GARAGES | HOME OFFICES AND MORE!

Call for a Professional Design Consultation!

All About Closets is all about innovative design, impeccable craftsmanship and flawless service. Our installations reflect your dreams and your personality, while enhancing your home. We will maximize the storage of your closets, home office, wall units, pantry, and garage or anywhere in your home that requires storage solutions. Our team works from Port Charlotte to Marco Island.



NIKI WHALEY
Designer

nwhaley@allaboutclosets.com
 239.303.5829

www.allaboutclosets.com



GIVING

From page 1

Memoir of Family, Seagram, Baseball and Philanthropy” (HarperCollins), which will be published May 2 in the U.S. (The book is already out in Canada).

“People think philanthropy is easy,” Mr. Bronfman said. “It’s not, at least to do it well and effectively. One of the big problems with getting involved with philanthropic work is that there’s generally been no career-development process for philanthropists. A lot of people jump into philanthropy figuring the combination of their fat bank account and their know-how from accumulating their fortune are the only ingredients they need to make it work. Not so.”

Partnerships, management skills, risk assessment, an ability to spot the right projects and accountability from recipients is needed, as well, he said.

After Seagram was sold to Vivendi in

2000, Mr. Bronfman doubled down on his philanthropic efforts.

“Those investments have perhaps been my best, paying dividends to my soul, and I hope they continue to do so for many years after I’m gone,” he said.

His charitable endeavors tapped into both his Canadian and Jewish heritage.

Mr. Bronfman and his late wife, Andy, (his current wife, Rita, was Andy’s good friend) started “Heritage Minutes,” 60-second TV commercials that taught young Canadians about their history and culture.

In Israel, the Bronfmans founded an informal education program to teach children photography and about the environment and projects that bridge the gap between Jews and Arabs.

Mr. Bronfman said one of the most fulfilling efforts of his life was Birthright Israel, which sponsored trips to Israel for young people.

“You go to Israel and see if you like it,” he said. “If you don’t, you go a different way.”

Since the Israel trips started in 1999,

“Those investments have perhaps been my best, paying dividends to my soul, and I hope they continue to do so for many years after I’m gone.”

— **Charles Bronfman**, philanthropist and Expos founder

more than 500,000 teens have participated.

A lifelong baseball fan, Mr. Bronfman brought professional baseball to Canada, launching the Expos in 1968. He sold the team in 1989 for \$110 million.

“But that was just the economic return, not the personal return,” he said. “I had also had a success that was all my own, with nothing inherited about it.”

Mr. Bronfman remains a devoted baseball fan, but his team is the Mets now, as it was before he founded the Expos. “I used to go to 66 games a year, now I

watch on TV.”

Besides philanthropy and baseball, his book reflects on his tumultuous personal and professional life.

“I had a good collaborator (Canadian author and broadcaster Howard Green),” Mr. Bronfman said.

“We met during an interview and the chemistry was good,” he said of Mr. Green. They spent two years working on the book.

“I wrote the book not to enhance my ego, but to indicate to others the possibilities that we all have, whether entrepreneur, inheritor or whatever,” he said. “It was time to reflect on all these and other conditions and influences that have shaped, and will continue to shape, my life.”

Books sales have done well in Canada and he hopes for a similar reception in the U.S.

Writing his memoirs wasn’t painful, Mr. Bronfman said.

“My sister said ‘you got rid of all your devils (in writing the book),’” he said. “It was therapeutic.” ■

CYCLES

From page 1

tion of a business depends on not just technology, but people and processes as well. Each must be fully integrated with the other two. When you leave out one, Mr. Hopson says, your business’s functions are no longer healthy, effective, and productive — and you may not be able to survive the transition points on the business cycle. He developed an “IT survival quiz” to help business leaders assess how well they’re doing on this score.

- Keep employees informed and engaged. It’s part of a leader’s role to let people know where the company is in the business cycle, and to educate, encourage and inspire them to use each phase as productively as possible, from startup, to rapid growth, to deceleration and back again.

- Don’t stand still. The “business storm cycle” will drive you to constantly reinvent yourself as a company. If you fail to recognize that the status quo won’t last forever, the market will leave you behind.

- Be prepared for a “tornado.” Periods of high growth — which Hopson calls “tornados” — are caused by a new product, a new market, a new merger or

a technology breakthrough. “Companies that understand the characteristics of all the phases a business will go through are less likely to be caught unawares by these hyper-growth phases,” he says. “They know how to make one of these growth phases last as long as possible so they can get all the profits they can out of it.”

Although it can sound like he’s sounding a dire warning, Mr. Hopson says with the right planning businesses can survive those “tornados” and thrive.

When you do, take a deep breath and relax, he says — but not for too long.

“Eventually, a new tornado will come along,” Mr. Hopson says, “and you will go

through the entire cycle all over again.” ■

— *Dave Hopson is the managing partner at Triumphus, which offers IT consulting services to companies from startup through exponential growth to IPO. He has a bachelor’s degree in political science from Sam Houston University and a master’s in international relations from Claremont Graduate School. He also has a doctorate in international relations and econometrics from the Peter F. Drucker and Masatoshi Ito Graduate School of Management and School of Social Science, Policy & Evaluation at the Claremont Graduate School. Hopson also served in the Marine Corps.*

Protect your most valuable resource.

At BB&T Insurance Services, we know how important it is to be able to attract and retain the best talent. We also know that every business we work with is as unique as its employees. That’s why we design your Employee Benefits plan with you – for you. From competitive employee benefits coverages to retirement, we’ll provide a plan that will not only accommodate your needs, but also grow with you. Insurance.BBT.com



BB&T - OSWALD TRIPPE AND COMPANY

FORT MYERS

13515 Bell Tower Drive
Fort Myers, FL 33907
(239) 433-4535

NAPLES

889 111th Ave N, Suite 201
Naples, FL 34108
(239) 261-0428

CAPE CORAL

4707 SE 9th Place, Suite 102
Cape Coral, FL 33904
(239) 772-5400