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Agency of Agriculture, Food & Markets
Department of Forests, Parks & Recreation
Agency of Commerce & Community Development

(from Vermont Sustainable Jobs Fund)

Stages of the Business Development

Pre-Venture Stage

Planning and research are the primary activities involved in the pre-venture stage of business development.

Seed Stage

The seed stage of a business lifecycle is when your business is just a thought or an idea. Most seed stage companies will have to overcome the challenge of market acceptance. At this stage of the business the focus is on matching the business opportunity with your skills, experience, and passions. Other focal points include deciding on a business ownership structure, finding professional advisors, and business planning. Early in the business life cycle, with no proven market or customers, the business will rely on cash from owners, friends, and family. Other potential sources include suppliers, customers, and government grants.

Start-up Stage

The start-up stage of a business is a company that is in the initial stages of its operations. Often initially funded by entrepreneurial founders, as they attempt to capitalize on developing a product or services for which they believe there is demand.

Early Stage

Achieving break-even sales targets, building a customer base, and establishing your brand and track record are at the core of the early stage of the business life cycle. To do so, however, also requires close attention to operational financing, cash flow management, accounting and record keeping, as well as updates to the business and marketing plans. Legal services, human resources, and risk management are also key areas requiring attention. In this stage the push is to get essentials in place so that the business is viable and can sustain itself.

Growth Stage

Growth stage businesses seek to take off from their base level of sales and operations, becoming profitable and, in time, achieving a higher base. Expanding your business requires more than increased sales and employment. Growth often requires assessing and adjusting the organizational structure, delegating management control, and developing longer-term strategies for human resources, access to capital, and expansion through a strategic planning process. Some firms grow in spurts as a result of focused programs and others expand continuously.

Maturity

Mature companies have achieved a solid business that, because of either market conditions or the preferences of owners, appear sustainable but which, without dramatic change, are unlikely to expand significantly. Even though they have achieved strong recognition, branding, goodwill, and a solid repeat customer base, mature businesses often face many challenges. Sustaining business in a rapidly changing and competitive market place or in the face of declining sales can be a major challenge. A focus on problem solving, leadership, and quality improvement can often be necessary for a mature business to maintain its position in the marketplace. Often, planning for the succession of leadership, or an exit strategy for the business is the most appropriate strategy.

Revitalization

Implementing action items coming out of planning efforts in the maturity stage can send an organization in new directions. Innovation and diversification can lead to new products and new markets. Companies can be reorganized to provide the flexibility needed to meet the new challenges associated with new directions, markets and products.