1

An introduction to scaling your business

When and why you should scale

Scaling a business means increasing how much you're able to do. It aims to increase your revenue without proportionally increasing your costs. You'll need to know when your business is ready for this growth. Look out for some of the signs below.

Consistent revenue growth

Look for sustained increases in sales over many months or quarters. If your revenue growth is more than your operational capacity, it's a clear sign that you could scale your business.

Demand exceeds capacity

If you're regularly turning away customers or struggling to meet demand, it's time to scale.

Profitability

Having a stable profit and positive cash flow is a strong sign that your business is ready to take the next step.

Solid operational processes

If your team can do the same things well, over and over, it means that your operations are running well. This means you could be ready to take it to the next level.

What's the difference between growth and scaling?

Growth

Often involves increasing resources like employees, office space or production capacity at the same rate as your revenue.

The costs rise along with sales.

For example, if you want to serve more cups of coffee, you need more people to make and serve them.

Scaling

Focuses on growing revenue exponentially while controlling your costs.

Scaling prioritises efficiency, automation and using existing resources more effectively.

For example, a tech company could serve additional customers, without increasing server costs significantly, by using cloud services.