



## Benefits of Business Process Management for Fast Growth Businesses

Although 75 percent of venture-backed startups fail, others grow at a rapid rate, defying the odds. Termed fast- or high-growth companies, these businesses generate earnings at a rate noticeably higher than the overall economy. Many are led by entrepreneurs, backed by significant investment, and invest a majority of their profits back into the growing business instead of disbursing dividends to stockholders.

There are a large number of fast-growth businesses across various industries. [What a lot of these companies](#) have in common is that they take calculated risks, conduct proper planning, sell products or services with high profit ratios, and pay careful attention to the marketplace in which they do business. They also revise their strategy and innovate accordingly when market changes dictate.



### Unique Challenges

Even with the success fast-growth businesses enjoy, they face some unique challenges. For example, their focus on growing the business and managing operations takes priority over support functions, including accounting, human resources, and administration. This, in turn, can negatively affect frontline processes such as delivery, decision-making, and compliance, which will most likely eventually impact scalability and reputation.

Keeping the company culture as a business expands so rapidly can also be challenging. New hires must be evaluated not only for job skills but also to see if they fit into the current culture. This can be especially difficult if employees are being brought onto the team at a faster rate to keep up with demand. It's also important to focus on retaining employees who bring a lot of value to the business.

Having employees with the right skillsets for support functions is equally beneficial. If those resources aren't in place, a company might not be able to efficiently manage the ebbs and flows of their business.

Another issue with which fast-growth businesses have to deal is cash flow. Running out of cash is one of the most common reasons businesses fail. Operating a successful enterprise costs more the bigger it gets, and decisions on how to spend those funds should be made carefully and strategically.



### Unfortunate Consequences

Though the challenges might not seem insurmountable, not addressing them properly and in a timely manner can result in a host of problems. If accounting functions aren't handled correctly, it can mean delayed payments, double payments on invoices or untracked advances to suppliers on the cost side. If this doesn't sound like a big deal, consider that [an average midsize business](#) processes 450 invoices in a busy month with a duplication rate of 1.29 percent or about six invoices. If the average value of each duplicate is USD 2,034, that's USD12,000 in overpayments per month.

On the revenue side, raised invoices can be missed, leading to accounts that don't reconcile with customers' and suppliers' accounts. Therefore, management accounts aren't completed on time, creating a situation where stakeholders aren't able to accurately measure the health of the business on a monthly basis.

Without appropriate controls and governance, businesses are most likely not equipped to provide real-time visibility of analytical data to their management. This information is essential for strategic planning and continued business growth.



## A Strategic Solution

Fast-growth businesses can address these challenges by utilizing business process management (BPM). The [Association for Intelligent Information Management \(AIIA\)](#) defines BPM as “a way of looking at and then controlling the processes that are present in an organization” through the following steps: analyze, redesign and model, implement, monitor, manage, and automate.

In addition to improved productivity, consistency and agility, reduced risk, and enhanced sustainability, BPM refines processes like finance, accounting, and contract management, thereby saving time and money. It can be utilized to standardize processes in new foreign offices or recently acquired businesses and ensure continuity of service to maintain relationships with clients. Similarly, BPM may be implemented to properly scale finance and accounting with expert staff, allowing for a focus on business growth without obstacles.

By utilizing a delivery partner to manage your non-core yet critical business’ processes, you can focus on the primary drivers of your company. A smart and cost-effective way to integrate BPM into any growing organization, especially fast-growth businesses, is by employing the services of an outsourced BPM expert.

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## About Nexdigm (SKP)

Nexdigm (SKP) is a multidisciplinary group that helps global organizations meet the needs of a dynamic business environment. Our focus on problem-solving, supported by our multifunctional expertise enables us to provide customized solutions for our clients.

Our cross-functional teams serve a wide range of industries, with a specific focus on healthcare, food processing, and banking and financial services. Over the last decade, We have built and leveraged capabilities across key global markets to provide transnational support to numerous clients.

We provide an array of solutions encompassing Consulting, Business Services, and Professional Services. Our solutions help businesses navigate challenges across all stages of their life-cycle. Through our direct operations in USA, India, and UAE, we serve a diverse range of clients, spanning multinationals, listed companies, privately owned companies, and family-owned businesses from over 50 countries.

Our team provides you with solutions for tomorrow; we help you *think next*.



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