

# The Maui Mastermind

## Limiting Factor Discovery Tool™

### What are the biggest limiting factors in your business?

Your Limiting Factor is the one ingredient in your business that the lack or shortage of that ingredient does the most to limit the growth of your business.

Another way to look at your Limiting Factor is to see it as the raw material or ingredient that if you had more of that one thing your business would automatically be growing much faster.

For example, it could be the need for new leads... or the need for a better sales process to convert the leads you already have into customers... or it could be that you need more operational capacity to produce/fulfill on your core product or service offering.

Every business has multiple limiting factors, but only ONE Limiting Factor (with capital letters!)

In your business, what (or who) is the **biggest** Limiting Factor in your business's growth and success?

One way to spot a bottleneck is to ask yourself, if I could have more of any one thing, what one thing would I want more of to expand my business?

- It could be more prospective customers walking into your store, in which case your lead generation activities are your biggest bottleneck.
- It could be more sales people to process and close all the leads you already have, in which case your lack of trained sales staff is your biggest bottleneck.
- It could be more production capacity to handle more business in a quality manner, in which case your current production capacity is your biggest bottleneck.

**Whenever you determine your biggest limiting factor, you can then focus your energies on how to push back that limiting factor so that it no longer limits your business. One way to look at growing your business is as a game of continually finding and pushing back bottlenecks.**

Now in the context of creating a true Level Three business, you need to build the systems, team, and controls to help you push back your Limiting Factor *long term*. And doing this usually exposes a new Limiting Factor you'll need to work with. Good! This is how you grow your business in a leveraged way—by focusing each quarter on pushing back your current Limiting Factor.

## Discovery List of Potential Limiting Factors

Use this list to examine your business and pick your **Limiting Factor**.

- Is it on finding new prospective clients? (Sales/Marketing--**Lead generation**)
- Is it on processing those leads and converting them into paying clients? (Sales/Marketing--**Lead conversion**)
- Is it on fulfilling promised product or service you just sold? (Operations—**production and fulfillment**) Are *you* the bottleneck here? Is your limited amount of inventory or manufacturing capacity? Your fulfillment systems? Your technicians, consultants, or “doers”? Etc.
- Is it on handling the general administration of the business? (Operations—**admin**)
- Is it the lack of talent or team members? (**Team**) You are in desperate need in staffing up with talented people but lack the pool of talent to select from? You lack the systems to sort and effectively hire the right people? You lack the systems and resources to effectively handle a larger team? Etc.
- Is it on effectively managing the financial part of your business? (**Financial**) Are you managing you effectively tracking your financial performance? Are you efficiently and effectively managing your cash flow? Are you effectively managing your use of debt?
- Is it that you don't have a clear and unified vision and big picture strategy for your company? Is it that you have internal conflicts and competing priorities on from the top down? Is it that you lack a coherent strategy and clear goals you are working towards as a business? (**Leadership**)
- Is it your time as the business owner? (**Time Mastery**) Are you pulled in so many directions that you can't focus on the highest and best activities? (If you choose this item as your Limiting Factor, make sure you also identify what specifically does your lack of time keep you from doing that would create so much more value and breakthrough results for your business. Freeing up your time only helps if you reinvest this “saved” time in the right areas of your business.)

**My Company's Single Biggest Limiting Factor Is:** \_\_\_\_\_

**Now use the Sweet Spot Analysis™ Tool to determine the best ways to push back your Limiting Factor.**