

6 Signs of a Healthy Business

Many of us have spent this year concerned over the health of our businesses or those in the community. Ultimately, a healthy business has a good balance sheet. It has more coming in than it does going out. But that is not the only indicator of business health.

In today's world, where a quick decision from a politician can radically affect your business overnight, it's important to know the early indicators of business peril. Think of these things as your business' "canary in the coal mine."



6 Signs Your Business Is Healthy (before you see it on the books)

Before you see any issues in the balance sheet, you can spot a healthy business in these areas:

1. **Referrals.** While it's never easy to get people to refer you even when they love you, a healthy business harnesses the power of the referral and makes it easy for happy customers to bring in more happy customers.
2. **Reviews.** Just like referrals, reviews are the signature of a healthy, well-loved business. But they don't happen automatically. A healthy business asks for them, makes it easy to give them, and repurposes them in their marketing collateral.
3. **Promotes from within and trains accordingly.** A healthy business promotes from within with clear pathways to additional challenges even when the business is small enough not to have additional levels to climb. It recognizes employees who are committed to the business, doing a great job, and those that require additional challenges or training.

4. **Looks for needs.** If your business moves in another direction, opens a new market, or branches out, you may not be able to promote from within. A healthy business is clear about what each employee's strengths are and what they may need to obtain from outside whether that be from an additional hire, vendor, or partner.
5. **Builds loyalty outside of sales.** Loyalty is not owned by the sales department. Loyalty is built by customer service and marketing. A healthy company looks for ways to keep customers engaged and feeling like they are part of the brand. It creates enjoyable experiences for customers at each touchpoint whether they are calling to complain, buy, or simply spend time on social media.
6. **Remains agile.** This one is certainly a lesson learned in 2020. A healthy business must be ready to align its offerings and services with those of their loyal customers and the larger market. Small businesses may not have had a lot of operating capital when the pandemic hit but they did retain the ability to move quickly and that helped a lot of them stay in the black.

Is your business healthy outside of the balance sheet? Go through this list and ask yourself how many of these qualities your business meets. If you're missing a few, you may want to see how quickly you can add them. After all, they are a good indicator of business health long before you begin to see signs of trouble in the balance sheets or books.

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