

FOUR SIGNS YOUR BUSINESS IS GROWING

By Dr. Michael Feters and Victoria Sassine
Babson College, Olin Graduate School
Estimated reading time: 3 minutes

KEYS TAKEAWAYS

- Growing businesses often face common challenges, but the most effective solutions are those that are tailor-made to a particular business.
- Managing and controlling the growth of your business also includes a shift for you as a leader, transitioning from startup founder to small business CEO. Your growth as a leader plays an integral role in the growth of your business.
- Four of the most common growing pains, sourced from hundreds of interviews with small business owners, are bridging the transition from founder to CEO, hiring the right talent into your growing company, harnessing processes that help scale the business, and nurturing a pipeline of the right customers.

Business growth can be exhilarating and rewarding, but it can rapidly tax an already severely constrained system. Without a tactical plan to manage growth, business owners can be caught unprepared or out of control. Through our work with the Goldman Sachs *10,000 Small Businesses* Program and Babson College, we have not only identified the growth challenges scaling businesses face, but we help anticipate and proactively develop action plans to overcome these challenges at crucial phases in your business' life cycle.

Here are four of the most common hurdles we see from owners of growing businesses. Do you recognize any of these scenarios?

CARRYING IT ALL

Individuals frequently start businesses because they excel at what they do. The business grows through the sheer force and talent of this lone individual. Founders grow revenues by taking the responsibility and action on themselves, while CEOs commonly lead a team and create even more value.

HIRING TALENT

George Washington had Alexander Hamilton; Steve Jobs had Tim Cook. Who are the key right-hand people in your growing business? Does your current team include anyone who thrived in startup mode but lacks the skill set to help you get to the next level? As your business grows, hiring strong talent who can help steer your business into its next chapter is imperative. Look for leaders, not managers, and be prepared to evaluate and motivate them differently than you would your original team.

REVAMP YOUR OPERATIONS

Most founders can keep small, single-digit growth rates by just turning up the volume on process. This strategy eventually hits a bottleneck and breaks down. To scale, make your processes air tight, standardized, and repeatable, thus freeing up your people so they can get back to creating real value. This requires delegation and investments in purchasing support systems such as IT and training.

NURTURING A CUSTOMER PIPELINE

Not all customers are created equal. One of the keys to growth is to attract more of your good customers, and fewer of the challenging ones. As you grow, you need to develop customer acquisition programs that target the right customer attributes and truly help your business connect with its target audience.

If these scenarios sound familiar, your business is likely in a growth stage. In our experience interviewing and working intensely with thousands of CEOs, these four growth challenges are quite common. However, the most effective solutions are those that are tailor-made to your specific business, authored by you and your team.

These challenges are complex and interconnected. Join us at [SURGE & GROW](#) in Southern CA this Spring to create action plans that overcome these challenges. Along the way you may see your business from a different perspective, alter your mindset a bit, improve your use of networks, make data-driven decisions, and have fun on the path to growth.

*For more information email vivian@scalesmarterpartners.com
Questions? Please call 1-883-33-SCALE (1-833-337-2253)
visit www.scalesmarterpartners.com*