



## Spotlight on Growth: **Key Questions For CEOs Making The Transition To Rapid Growth**

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At the moment, I am working with a very diverse set of companies and CEOs. Although every CEO thinks his or her problems are unique, they aren't. Companies, and CEOs transitioning from one stage of growth to the next, have similar problems. When I explain this, the CEOs are generally relieved. As one said, "I've been so depressed about the turmoil we're experiencing. It's a relief to know it's pretty common for companies like us going through this growth spurt."

Although it is a relief to know that peer companies have faced (and overcome) these problems, it's important to recognize that the CEO is often the biggest impediment to growth. A leader's inability to transition to new roles or change his or her behavior can actually send a company right to the edge.

By the time a company is ready to transition from Initial Growth to Rapid Growth, the CEO should have established the company's direction (with a mission, values, and vision) and should have learned to delegate. In order to make the successful transition to Rapid Growth, the company needs to have a well-functioning Executive Team, a well-defined infrastructure with clear systems, processes and procedures, and a CEO who knows that he or she must now function as coach and team leader, planner and communicator.

Based on my work with scores of CEOs and their Executive Teams over the past ten years, here are three big questions you need to ask yourself as you transition from the choppy waters of Initial Growth to the turbulence of Rapid Growth.

### **The Executive Team:**

*Do I Have The Right People On My Executive Team, Or Do I Need To Make Some Changes?* Start with a look at your own strengths and weaknesses and ask:

- What are my strengths? Have I hired people who compensate for my weaknesses?
- What do I do well? What do I do poorly? What should I stop doing and delegate to others?
- What is my role at the next Stage of Growth? What should the Executive Team be doing at the next Stage of Growth?
- Do I have people to whom I can delegate or do I need to find new people?
- Am I the best person to lead the company through Rapid Growth, or is there someone on my Executive Team who would make a better CEO or COO?

If you feel you have the right people on your Executive Team, ask yourself:

- Do they understand their roles and responsibilities in Rapid Growth?
- What do I need to do to prepare them for these roles (e.g., coaching, redefining their jobs, clarifying their accountability and responsibility)?

If you do not have the right people on your Executive Team, then ask yourself:

- What's my plan for weeding out the people who don't fit? How quickly should I act? How do I minimize the impact of someone's departure?
- What knowledge, values, experience, skills, and attitudes should I look for when recruiting new people to the team?
- Where will I find those people? What's my recruiting strategy?

Be very thoughtful when planning personnel transitions. When and how you "weed the garden" will impact other employees, their productivity, your credibility as a leader, and ultimately, the company's bottom line.

## Your Infrastructure:

*Do We Have The Infrastructure In Place To Support Growth?* There are several sets of questions you need to answer:

- **Communication Systems And Processes:** Are we communicating with our customers effectively? Does our website and marketing materials clearly communicate who we are, what we offer, how we do business, and why customers should buy from us? Do we have an internal system (e-mail, shared data, documents, and schedules) that enables us to communicate clearly, effectively, and quickly with our employees? Do we have effective meetings where issues are discussed and problems resolved (or scheduled for resolution?)
- **People Systems:** Have we developed the people systems needed for recruiting and hiring new people, managing and developing employees, providing appropriate feedback and compensation, and promoting or firing employees?
- **Plan:** Do we have a company plan and do departments have their own plans that tie to the company's plan? Do we provide regular feedback to employees on their individual performance and achievement of company goals?
- **Financial Systems:** Do we have accurate budgeting and financial reporting systems that enable us to track expenditures, cash flow, and project revenue growth?
- **Environment And Tools:** Do we have a clean, positive work environment that enables our employees to work efficiently and productively? Are our technology systems providing the information we need, when we need it?

## Myself:

*What Changes Do I Need To Make In Order To Make The Transition To The Next Stage Of Growth?* Here are a few changes you will need to make in order to transition smoothly from Initial to Rapid Growth:

- **Delegate; Don't Abdicate:** Take your employees through the Five Levels of Delegation, then give them the authority and the responsibility to do the job or project you assign to them. Don't second-guess them, micromanage them, or do the work you have assigned to them.
- **Stop Giving All the Answers:** When employees come to you for the answers, push back and ask, "What do you think?" Ask them to do more than identify problems. Ask them for solutions and coach them if their solutions are not as good as they need to be.



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- **Learn From Mistakes:** When something goes wrong, don't get angry or take back the task. Instead, ask, "What happened? Why didn't this turn out as we expected? What have we learned from this experience?" Then work with your Executive Team to apply those insights and minimize mistakes.
- **Define Projects and Set Deadlines Together:** Rather than defining projects and setting deadlines for people, define projects and set deadlines with them. Indicate the urgency, identify any non-negotiable dates, agree on a deadline that works for everyone, and then hold him or her accountable for quality work and on-time delivery.
- **Start Using Your Team:** Although there will always be some leadership tasks that "only you can do" empower your Executive Team to help you lead. Let them know you expect them to help you think through strategy; maintain a culture of high performance, plan and communicate; select, manage and lead great people; and develop the next generation of leaders.
- **It's "Our Company":** Instead of talking about "my company," be inclusive and talk about "our company." If you want your employees to begin to think like you do, you need to share psychological ownership of the company with them. You'll be amazed at the esprit de corps when you do.

### **Final Thoughts:**

Answering these questions and making these changes in your behavior will facilitate your transition from Initial Growth to Rapid Growth. And making that transition easier is just one way The Jana Matthews Group can help you unlock your growth potential!



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### **About Jana Matthews**

Dr. Jana Matthews, founder and CEO of The Jana Matthews Group, is an international expert on entrepreneurial leadership and business growth. Based in Boulder, Colorado, she works with corporate executives all over the country to unlock the growth potential of their companies. The founder of three companies, Jana is the co-author of *Leading at the Speed of Growth*, *Building the Awesome Organization*, and *Lessons From The Edge*.

### **About The Jana Matthews Group**

The Jana Matthews Group provides consulting services and programs for growing companies. Their work with CEOs and Executive Teams focuses on building flexible, innovative companies; developing high performance employees; and achieving and sustaining long-term growth and continued profitability. For more information, visit [www.janamatthewsgroup.com](http://www.janamatthewsgroup.com).