

Spotlight on Growth: **The Three Stages Of Growth... and How Growth Changes The Leader's Roles and Responsibilities**

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A leader of a growth company has very different roles at the different stages of growth. If you don't evolve as your company grows, you may find yourself being one of the biggest obstacles to growth that your company faces!

At Start-Up, you may be the one person capable of doing the tasks at hand, and the only person available to do the work! At this stage, you are both a **Doer** – very hands-on and task-driven – and a **Decision Maker** – managing every critical decision and calling all of the shots. Shouldering the entire burden leaves precious little time for pursuing growth, though.

Initial Growth

Once you set the stage for your company at Start-Up, your sights are on the Initial Growth stage. This stage of growth is very sales-driven, and it can be as fast-paced and chaotic as the Stage-Up phase itself. During the Initial Growth stage, your primary goals are:

- Launching new products
- Capturing market share
- Growing revenue

You will face a number of challenges during this transition into Initial Growth. When you attempt to do everything yourself, you risk personal overload. Constantly fighting fires can be tiring! Financially, you are confronted with more complicated decisions, and tougher questions from lenders and investors. Your growth may slow or stagnate when your time is completely consumed by existing customers and opportunities. You need to pursue new customers and new opportunities, but when your workload is overwhelming, you can't set the stage for new development.

As a leader making the shift from Start-Up to Initial Growth, you must focus on those primary goals. Be more proactive and less reactive. Allot time every day to work on the big picture: strategy, developing the market, and building an organization that supports growth. That's easier said than done, considering the burden of work for which you are responsible. So, stop making all the decisions! It's time to trust others in your organization and hold them accountable.



UNLOCKING GROWTH POTENTIAL

In the Initial Growth stage, you have two major roles that will help you to emerge as a true leader, and free you to focus on leadership.

- **Delegator:** Begin shifting important duties to your team, especially in day-to-day operations.
- **Direction Setter:** Clearly set the vision and initial strategy for your company, and build a culture that reflects your values.

Rapid Growth

If you enter Initial Growth with a strong focus, you will soon spring into the Rapid Growth stage. Hang on tight, though. It's a turbulent ride. During this stage, you will see a rapid expansion in hiring and a greater investment in infrastructure. You will also need to reign in some of the chaos of your growth to date. It's now time for integration and alignment of your systems and processes. Your goals during the Rapid Growth stage are:

- Widespread use of products
- Become a market leader
- Ward off competitors

Naturally, there are growing pains shifting from Initial to Rapid Growth. Growth may be overwhelming you personally, making you feel behind the curve. While you know you need to be proactive, you have no time to do so. As your head count grows, your culture is being diluted, and your original team can't keep up with the pace of growth. If that wasn't enough, your financial situation is cloudy because cash flow is tight and your expenses are mounting. You may feel like you are losing control. However, growth is your goal, not your enemy.

You might be surprised at some of the personal shifts needed to enter the Rapid Growth stage. First of all, admit you don't have all the answers. You are focused on the future, so you should no longer attempt to solve every current problem. You should be "doing" less and spending more time on managing, coaching, and the big picture. Involve your team in decision-making and help them streamline and coordinate their functions. Be a champion of effective, efficient processes, and play tough. Get rid of people who aren't contributing.

You have four Leadership Roles during Rapid Growth.

- **Team Builder:** Your first job is to get your people working together.
- **Coach:** Because you will be handing operational tasks to your team, you need to transfer your expertise before and after the hand-off.
- **Planner:** Freed from tactical obligations, you should focus on strategic and financial plans that position your company towards future growth.
- **Communicator:** Share those plans... and your vision and goals regularly. Keep your people informed and motivated.

Continuous Growth

As you emerge from the Rapid Growth phase, you have a larger, complex company. You have broader expansion plans than ever, and your growth plan now includes alliances and acquisitions as well as increasing sales. Your goals in the Continuous Growth stage include:

- Developing new markets
- Expanding product line
- Market dominance

As you shift from Rapid to Continuous Growth, you face some of the same concerns, and a batch of new challenges. You still feel you don't have time for vital strategic tasks, and your old problem-solving methods aren't working. Despite your efforts of delegation and involving your team in decision-making, you constantly worry about your team's ability to handle things without you. However, when you attempt to get involved, you face accusations of micromanaging. Because you are looking to the future more than anyone else, you are facing a lack of understanding of your growth strategy. And some of your best people are leaving, just as you need them the most.

Shifting from Rapid to Continuous Growth requires you to go full-time on the big picture. Step out of operations completely. Enlist your top team to share in the strategic leadership of the company. Don't be afraid to drive change in your organization: push for continual reinvention and use reorganization as a way to be better poised for growth. Make sure your vision and values are clear to all, and redefine your culture to attract and retain the best performers.

In the Continuous Growth stage, you have four new roles as a leader.

- **Change Catalyst:** You must embrace change and make it work for you – instead of reacting to it.
- **Organization Builder:** You are building more than teams... you are also building better infrastructure and systems.
- **Strategic Innovator:** Now that you are freed from operational tasks, you can become a true idea leader and visionary
- **Chief of Culture:** In order to get and retain the best people, you need to create the ideal environment that reflects your values and vision.



UNLOCKING GROWTH POTENTIAL

What's Next?

As your company grows and your roles change, you face a personal decision. Should you stay onboard as the leader of the company? If so, stay focused on the big picture: strategy, innovation, culture, and leadership. However, you are an entrepreneur, a visionary, a creator. Is it time to move on? You may find that you are ready to start your journey anew with a new idea and a new company.

One To Grow On...

Your company will change, as will your team, your customers, and your markets. You must change as well, to compete, to survive, and to grow. Change may or may not be good, but it is inevitable. Stay ahead of the curve and grow!



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.janamattewsgroup.com.