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Growth Gauntlet: 2022 Survey

Introduction

PeopleCap and SSM are excited to share the results of our first Organizational Growth Survey!
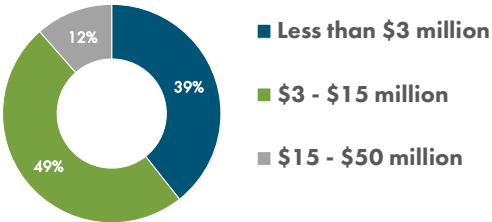
We launched the survey to the CEOs of a select group of high growth, early-stage, SaaS and tech-enabled businesses in June 2022 to better understand the stages of organizational development these companies move through as they scale and what factors contribute to their success.

We received 63 responses to the survey. To the right, you can see a snapshot of their demographics.
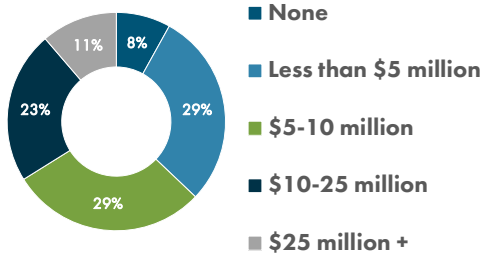
Please note this survey is only one snapshot in time – and these are interesting times! We plan to issue this survey again in 2023 to see what trends have changed and what remains constant.

It is a pleasure to share our findings with you in this report. The report contains summary data across all of those who responded. We hope the data and insights herein will be helpful to you and your team on your own growth journey. If you have any questions or would like to learn more about how we help companies scale, please reach out to any of the authors directly or to us at connect@peoplecap.com.
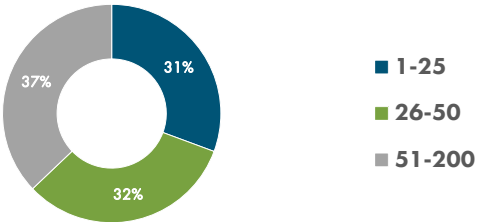
REVENUE RANGE

- 39% Less than $3 million
- 49% $3 - $15 million
- 12% $15 - $50 million

CAPITAL RAISED

- 8% None
- 29% Less than $5 million
- 29% $5-10 million
- 23% $10-25 million
- 11% $25 million +

EMPLOYEES

- 31% 1-25
- 32% 26-50
- 37% 51-200

INSTITUTIONAL CAPITAL RAISED

- 62% Yes
- 38% No

GROWTH RATE

- 1% 0-10%
- 16% 10-30%
- 24% 30-50%
- 59% 50%+

FOUNDER-LED

- 71% Yes
- 29% No
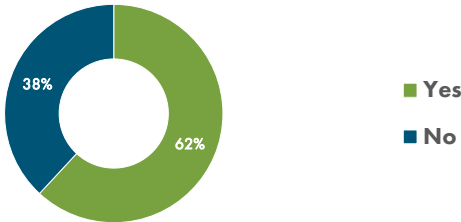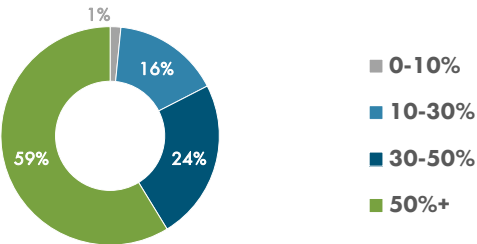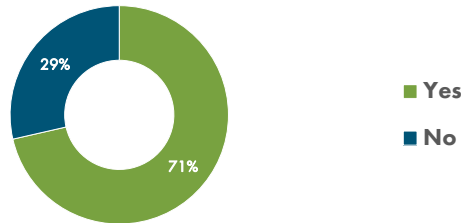
Introduction to the Growth Gauntlet

Growth provides both opportunities and challenges. Based on our work with organizations over the years, we identified the six definitive people-related elements that have the greatest impact on a company's ability to achieve and sustain high performance. We call these elements The Six Imperatives:

Sharpen Focus	Calibrate Culture	Strengthen Leadership	Elevate Talent	Align Structure	Amplify Communication

Like humans, organizations evolve and move through stages of growth and development as they mature. At each stage, the organization develops new infrastructure, achieves new milestones, builds new competencies, and becomes more complex. Our Growth Gauntlet charts the 6 Imperatives across the following 4 Stages of Growth:

Emerge
Informal, Ad Hoc, Undefined, Reactive

Operationalize
Defined, Data-informed, Focused, Proactive

Grow
Accountable, Data-driven, Predictable

Explore & Expand
Strategic, Agile, Innovative, Opportunistic

Charting an organization's growth in each imperative across these 4 stages allows leaders to see where they are on the growth journey and, critically, what comes next, and what to do to reach the next level!

The following page illustrates the attributes of an organization in each of the Six Imperatives as they mature across each of the 4 Stages of Growth. As you read through this report, we will highlight the extent to which organizations mature or regress across any of these Six Imperatives as they encounter milestones on their growth journey (scaling hiring and revenue, raising capital, managing a remote workforce, etc.).

The Growth Gauntlet

STAGES OF GROWTH

| THE SIX IMPERATIVES		Emerge Informal, Ad Hoc, Undefined, Reactive	Operationalize Defined, Data-informed, Focused, Proactive	Grow Accountable, Data-driven, Predictable	Explore & Expand Strategic, Agile, Innovative, Opportunistic
	Sharpen Focus	Focus is on proving out product, market, or business model.	Product, market or business model is proven. Stated corporate purpose/vision exists. The focus is mostly on achieving revenue goals. A goal setting framework is introduced.	Detailed Strategic Plan exists with budgets, forecasts, and data-driven metrics. Focus is on growing market share. Corporate and individual goals in place.	Business is regularly meeting financial targets. With operations running smoothly, the focus shifts from internal operations to exploring external opportunities. Dual innovation occurs.
	Calibrate Culture	Culture is organic, emerging, and is largely a reflection of the personality and priorities of the founder(s).	Culture moves beyond the founder. It is defined in the form of core values and used in some decision-making.	Culture is reinforced through processes like hiring, talent development, performance management, and compensation.	Culture is a driver and used as a lens through which to evaluate strategic opportunities. Culture is defended.
	Strengthen Leadership	Organization is Founder-led. Leaders wear many hats. Roles are not explicitly defined.	CEO is player/coach with heavy operational responsibilities. Leadership Team is loose confederation of functional leaders. Key experienced hires are added to round out team.	Highly competent, cohesive, aligned Leadership Team is in place. Each LT member owns a key strategy or function critical to success. CEO's time increasingly externally focused on growth.	CEO is mostly focused on strategic opportunities. Leadership Team has full ownership of day-to-day operations and wears both functional and strategic hats.
	Elevate Talent	Talent is convenient, largely hired and managed by Founder. Loyalty is valued over accountability. People know who poor performers are, but there is no process or accountability in place to address them.	More experienced and specialized skills are added. Performance and accountability are increasingly important. individual contributors are elevated to Managers. HR exists and is mostly transactional	Organization is building core competencies in recruiting, hiring, developing, and liberating talent. Middle managers are consistently trained and accountable for their team's performance. HR adds strategic talent management function.	Strong leadership and talent pipelines exist. Middle managers are key to driving growth innovation, and engagement. CHRO is elevated to the leadership team.
	Align Structure	Organization is structured as one undefined team largely all reporting to the Founder. Manual processes emerge.	Functional structure is defined. Departments emerge. Processes are being formalized, defined, documented.	Structure is aligned with strategy. Repeatable processes in place driven by systems, tools, and automation.	Structure is agile and evolves with strategy. Processes are mined for efficiencies, continuous improvement.
	Amplify Communication	Communication is informal, often direct from Founder. Everyone is in-the-know because of proximity, small team. Customer communication is direct, tight loop.	Communication becomes more intentional though still largely top down. Employee and customer feedback are solicited episodically.	Communications protocols, channels, and systems emerge. Employee & customer feedback is regularly solicited and valued.	Comprehensive and strategic internal communications function exists for larger and more distributed customer base and workforce. Multi-directional feedback loops provides data that drives change.

In-Office v. Remote Workforce Snapshot

Companies report remote work is the norm

Of those we surveyed, a full two-thirds of organizations (68%) reported that they did not require that employees work in the office any days each week.

We asked respondents to tell us what percentage of their employees were 100% remote or worked from home most of the time. Two-thirds of companies reported more than half of their workforce is completely remote (67%) – with 33% of all organizations reporting that 100% of their employees work remotely.

We found that slicing the data by region, revenue, and headcount did not seem to impact these remote work trends.

Days Per Week Required In-Office

- 0
- 1-2
- 3+

13%
19%
68%
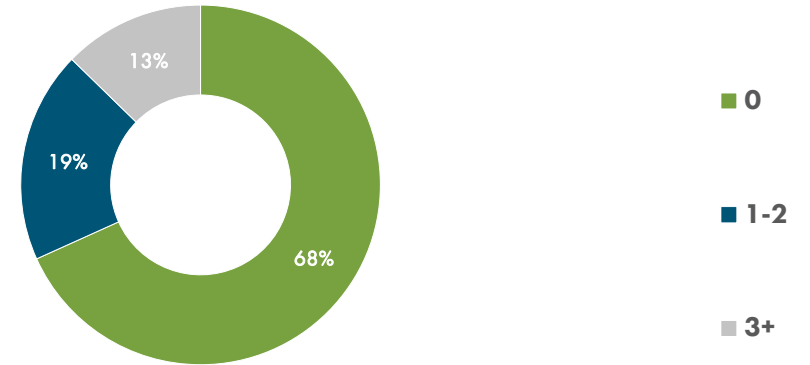
Share of Workforce that is Fully Remote

- <50%
- 50%+
- 100%

32%
33%
35%

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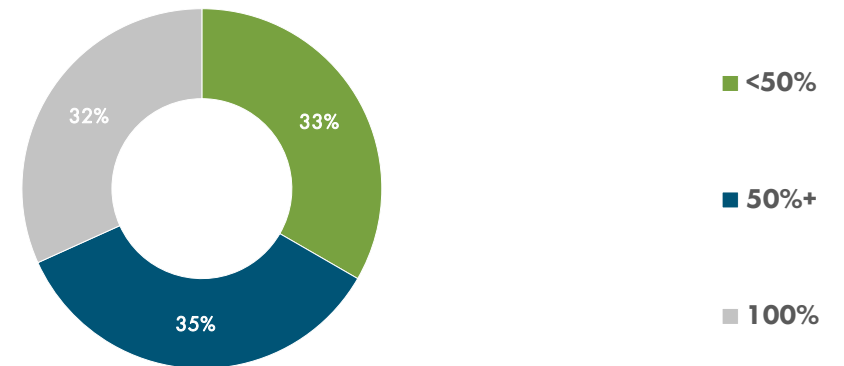
Pain Points: Snapshot in Time

Hiring is the top concern today

We asked each CEO an open-ended question to evaluate their top pain points with regard to people and culture. Understanding how a CEO's role evolves as a company grows, we were curious whether there were different pain points at different stages of a CEO's journey through the Growth Gauntlet.
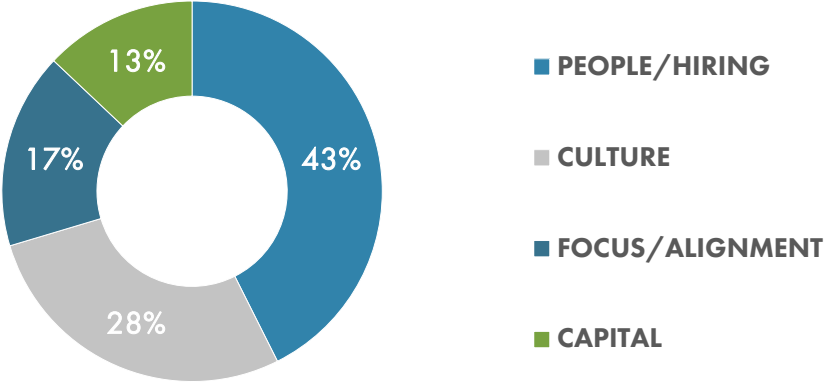
Interestingly, while hiring and recruiting remained the most prevalent pain points across all growth stages, there were differences in the challenges reported as companies advanced through the 4 Stages of Growth. Companies in the Emerge stage, where they are still generally founder-led, identified 1) struggling to scale with limited resources and 2) maintaining culture with remote teams as their most significant pain points. As CEOs move into the the Operationalize and Grow stages, the reported pain points changed to include struggles with team focus and accountability. When CEOs shifted to focusing most of their time on external growth in the Explore & Expand stage, they reported challenges with leadership alignment and the development of a learning culture.

WHAT IS YOUR GREATEST PAIN POINT?

"Restarting an effective and productive office culture post-pandemic that also values flexibility."

"Hiring and retaining software engineers!"

"Building culture when many people are remote"

"Making the most of limited resources - balancing core business with development activities."

MOST COMMON PAIN POINTS

13%
17%
43%
28%

- PEOPLE/HIRING
- CULTURE
- FOCUS/ALIGNMENT
- CAPITAL

Emerge
Informal, Ad Hoc, Undefined, Reactive

Operationalize
Defined, Data-informed, Focused, Proactive

Grow
Accountable, Data-driven, Predictable

Explore & Expand
Strategic, Agile, Innovative, Opportunistic

Impact of Raising Capital

Raising growth capital indicates greater organizational maturity

IMPACT OF RAISING $10+ MILLION vs. BOOTSTRAPPING

The data indicated a correlation between capital raised and organizational maturity as defined by the progression across the Growth Gauntlet framework for each of the Six Imperatives. Survey respondents that have raised institutional capital reported that they are further along in their organizational development across all Six Growth Imperatives than those who had not raised institutional capital.
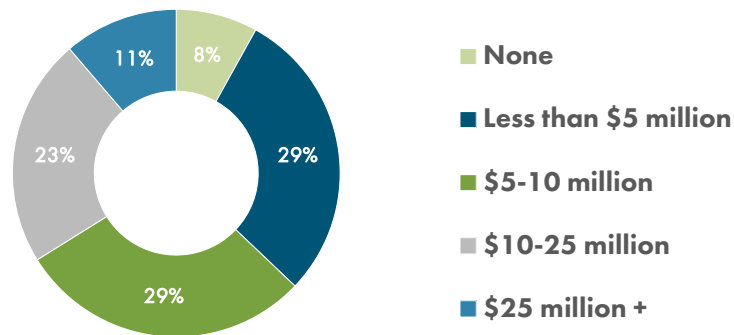
Companies that raised $10+ million reported greater maturity over bootstrapped businesses across all imperatives, especially in Calibrate Culture and Elevate Talent. Companies that raised $10+ million reported having an institutionalized culture – one that is intentionally reinforced through processes and programs – significantly more often than those who had raised less capital. Similarly, they reported a more systematized approach to talent development, with the organization building core competencies in recruiting, hiring and developing employees.

Within the parameters of this survey, we are unable to say whether raising capital leads to the institution of these processes and competencies, or whether the maturation in these imperatives attracts capital or is an indicator of readiness to raise capital. Nonetheless, the correlation between capital raised and organizational maturity became especially evident as revenue increases. Companies with revenue over $3+ million that raised $10+ million of capital reported more organizational maturity than the bootstrapped companies in the same revenue range by at least 20 points in each imperative.

Imperative	Impact
Sharpen Focus	+10%
Calibrate Culture	+33%
Strengthen Leadership	+12%
Elevate Talent	+24%
Align Structure	+11%
Amplify Communication	+19%

CAPITAL RAISED

- None: 8%
- Less than $5 million: 29%
- $5-10 million: 29%
- $10-25 million: 23%
- $25 million +: 11%

Institutional Capital

- Yes: 62%
- No: 38%

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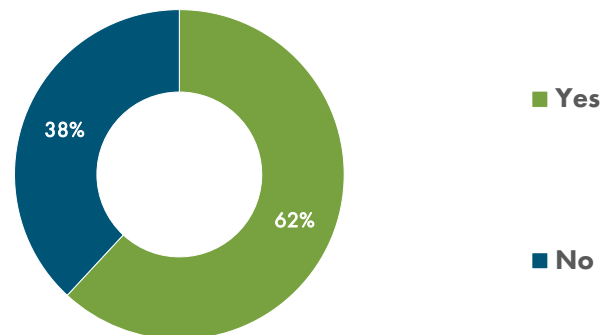
Moderate Growth is Sustainable Growth

Companies with Moderate (30-50%) growth score +19% higher on Align Structure than High (50%+) growth companies

If you go too slow, you'll rust out; if you go too fast, you'll burnout

Companies with a moderate rate of revenue growth (30-50%) reported the greatest organizational maturity across the Six Imperatives, while those companies with less than 30% or greater than 50% growth rate reported lower maturity across the Six Imperatives.

Organizational maturity dipped for those companies growing revenue at the highest rates (50%+). This drop in organizational maturity was evident regardless of the revenue range.

We believe that the highest growth companies (50%+) tend to focus – by necessity – almost exclusively on revenue and servicing clients at the expense of developing organizational infrastructure. The pace of high growth often causes burnout and turnover. When this happens, we find organizations often return to an earlier stage in the Gauntlet and invest in the appropriate infrastructure (ex., recruiting, training, and hiring leaders) in order to move forward in a more sustainable way.

	IMPACT OF MODERATE (30-50%) vs. LOW (<30%) GROWTH	IMPACT OF MODERATE (30-50%) vs. HIGH (>50%) GROWTH
Sharpen Focus	+5%	+11%
Calibrate Culture	+6%	+14%
Strengthen Leadership	+15%	+17%
Elevate Talent	-3%	+19%
Align Structure	+2%	+19%
Amplify Communication	+14%	+17%

Maturing with Scale

More People = More Complexity

As companies grow both in terms of revenue and people, they reported more mature processes and infrastructure across all Six Growth Imperatives. Survey respondents reported a higher correlation of maturity to growth in FTEs versus growth in revenue.

Companies with 50+ employees reported greater maturity across all Six Imperatives at a rate of at least 10 points over companies with less than 26 employees. The most significant jumps were found in the Strengthen Leadership and Elevate Talent imperatives where companies reported that strong distributed leadership allowed the CEO to focus mostly on strategic opportunities, as opposed to heavy operational responsibilities. Further, talent management systems and practices supported recruiting, hiring, training, and developing talent.

This finding supports our experience. Adding more team members creates additional complexity, which, in turn, necessitates greater investment and development in all the Imperatives.

	50+ EMPLOYEES vs. <26 EMPLOYEES	$15M+ REVENUE vs. <$3M REVENUE
Sharpen Focus	+25%	+27%
Calibrate Culture	+19%	-1%
Strengthen Leadership	+45%	+41%
Elevate Talent	+32%	+12%
Align Structure	+16%	+5%
Amplify Communication	+11%	+1%

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Leadership Matures Most with Scale

The role of the CEO moves beyond day-to-day operations with increased headcount and revenue

Overall, respondents reported the Strengthen Leadership imperative matures to a greater degree than the other five Imperatives as companies reach scale. Companies with less than $3 million of revenue and less than 26 employees report Strengthen Leadership is the least mature of their Growth Imperatives, while companies north of $15+ million revenue and 50+ employees report Strengthen Leadership is the most mature of their Six Imperatives. We believe this indicates how companies that achieve scale invest in leadership infrastructure, even ahead of other Imperatives.

The results highlight how the role of the CEO, especially, changes in correlation to increased revenue. As revenue increases, CEOs are reportedly less involved in the daily operations of the organization, leaving those responsibilities to a leadership team that owns day-to-day operations. The survey showed significant shifts in the role of CEO at each of the $3, $1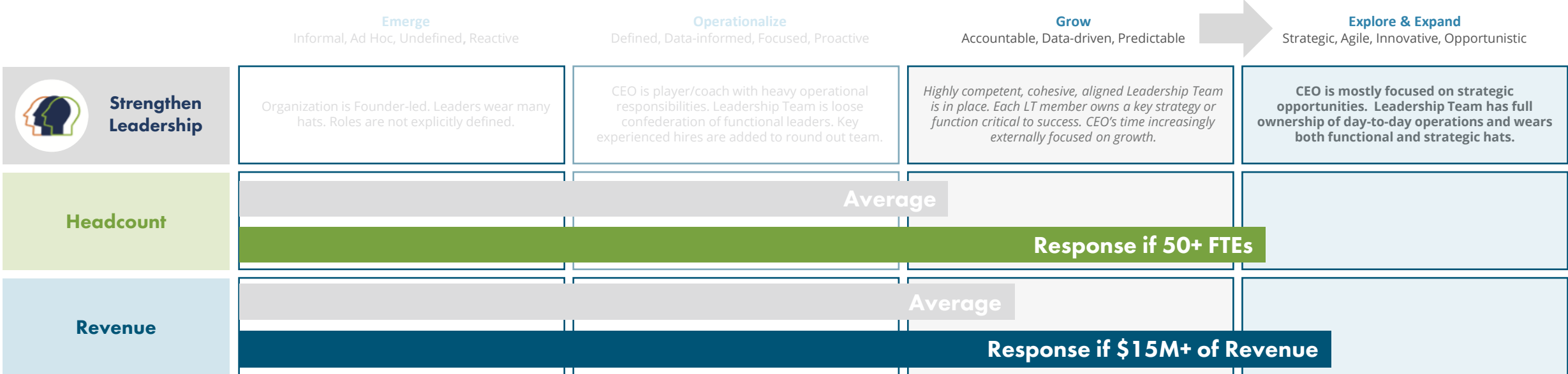5, and $50 million revenue thresholds. At each revenue inflection point, the role of the CEO moved further beyond day-to-day operations to strategic and external responsibilities.

In our experience, a well-developed leadership infrastructure plays a pivotal role in building the organizational scaffolding. In addition, we believe the trajectory of a CEO is to elevate from a focus on day-to-day operations to a strategic and external focus. Our experience has taught us a distributed leadership team needs to be in place to achieve this shift in a CEO's role.

	Emerge Informal, Ad Hoc, Undefined, Reactive	**Operationalize** Defined, Data-informed, Focused, Proactive	**Grow** Accountable, Data-driven, Predictable	**Explore & Expand** Strategic, Agile, Innovative, Opportunistic
Strengthen Leadership	Organization is Founder-led. Leaders wear many hats. Roles are not explicitly defined.	CEO is player/coach with heavy operational responsibilities. Leadership Team is loose confederation of functional leaders. Key experienced hires are added to round out team.	*Highly competent, cohesive, aligned Leadership Team is in place. Each LT member owns a key strategy or function critical to success. CEO's time increasingly externally focused on growth.*	**CEO is mostly focused on strategic opportunities. Leadership Team has full ownership of day-to-day operations and wears both functional and strategic hats.**
Headcount	Average			
	Response if 50+ FTEs			
Revenue	Average			
	Response if $15M+ of Revenue			

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HR's Impact

Companies reported greater maturity with 2+ HR FTEs

IMPACT OF 2+ HR Team Members vs. 0-1

Companies with 30%+ growth or 51+ employees were more likely to have 2 or more dedicated HR employees.

Companies with a team of 2+ HR employees reported higher scores across all Six Growth Imperatives than organizations with zero or one HR employee.

In our experience, the first dedicated HR employee in an organization is usually transactional, hired under the CFO to manage payroll, benefits, and other HR administrative tasks. The next few HR hires tend to be more strategic in nature and focused on talent – recruiting, training, performance management, and culture development. Those organizations with more than one HR person are generally dedicating some resources to elevating talent and likely investing more in their people and the infrastructure to support them. The increased investment may help drive the organization's increased maturity across the Six Growth Imperatives.

Imperative	Impact
Sharpen Focus	+15%
Calibrate Culture	+13%
Strengthen Leadership	+19%
Elevate Talent	+15%
Align Structure	+2%
Amplify Communication	+2%

Number of HR employees by Growth Rate

(bar chart showing 30%+ and 10-30% growth rates with 0%, 20%, 40%, 60%, 80%, 100% axis)
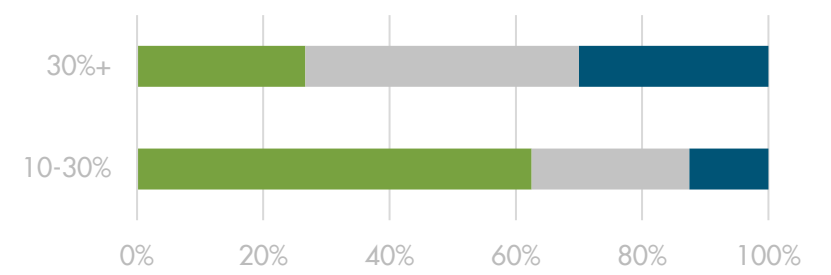
Number of HR employees by FTE Count

(bar chart showing 51+ and <50 FTE counts with 0%, 20%, 40%, 60%, 80%, 100% axis)
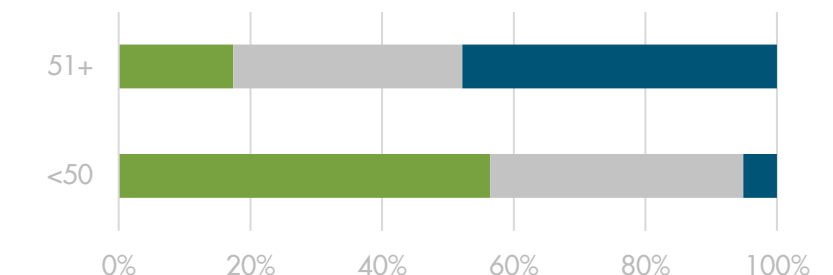
0 HR employees   **1 HR employee**   **2+ HR employees**

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Leveraging the Growth Gauntlet

We developed The Growth Gauntlet framework to provide a shorthand to talk about the stages of organizational growth and maturity. Here are 3 ways to leverage the framework on your growth journey:

Leadership Team Alignment

We encourage you to share The Gauntlet with your leadership team and then facilitate a discussion to align around where you believe your organization is on its growth journey.

Strategic Planning

The Gauntlet provides important context for strategic planning. Once you have self-diagnosed where your organization is, you can then ask: "What will it take for us to move to the next level for each of the Six Imperatives?"

Deeper Dive

It's important to note that each box on the Gauntlet represents a deeper body of knowledge and strategy. While a self assessment can be instructive, to realize the full value of the framework and reach your growth goals, a deeper dive is necessary. We take your team through a five-step process to co-create a comprehensive growth-focused people strategy to chart sustainable growth.

DISCOVERY
Data-driven discovery designed to gain an objective, vetted, in-depth view of the organization

INSIGHTS
We sort through the noise and use our experience to identify the key insights that will move the company forward

CO-CREATION
We partner with leaders to determine the most effective path forward based on their challenges and capacity

GROWTH ROADMAP
Using the Six Imperatives framework, we develop a customized roadmap for successful growth

GUIDE
We coach our clients during implementation with strategic advice, metric-driven accountability, and adjustments when needed

About The Authors

Meg Crosby
PEOPLECAP - PRINCIPAL & CO-FOUNDER

Meg co-founded PeopleCap Advisors in 2012 to help organizations unleash their full potential through their people. She is a strategic advisor to CEOs, Boards and Investors, a recognized thought leader in People Strategy, and enjoys asking tough questions. She is also an Operating Partner with SSM Partners, a growth equity investment firm focused on software, services and healthcare. Prior to PeopleCap, Meg's 20-year career in human resources established her as an expert in organizational culture, people strategy and organizational growth. She has worked for companies of all shapes and sizes including for a small tech startup in Los Angeles as a sole HR practitioner and at Google leading acquisition integration.

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Howard Cleveland
PEOPLECAP - PRINCIPAL & CO-FOUNDER

Howard is a trusted advisor and leadership coach to CEOs, Executive Teams, and Senior Leaders seeking to be more effective. In his roles as a Labor & Employment attorney, growth advisor, and leadership coach, he has partnered with leaders for over 25 years to help them lead more effectively. Using research-based assessments and structured, performance-focused coaching, he serves as a coach, strategic partner, and strategic advisor – providing space and a framework for leaders to process and overcome challenges, develop the skills needed to effectively lead during growth, and a thought partner – all focused on long term leadership growth and effectiveness.

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Casey West
SSM PARTNERS – MANAGING PARTNER

Casey is a Managing Partner at SSM Partners and focuses his time on leading SSM's investments in Healthcare software & technology companies. He has sat on the board of many of SSM's current and former portfolio companies including EnableComp, Apixio, Icario, ProviderTrust, RemitData, Equiscript, and One Mnet Health. Prior to joining SSM, Casey worked at Petra Capital Partners and Donaldson, Lufkin & Jenrette Securities Corporation.

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Jordan Purdham
SSM PARTNERS – ASSOCIATE

Jordan is an Associate at SSM Partners and assists in evaluating and sourcing investment opportunities and contributes to investment decisions, with a particular emphasis on original screening of opportunities and due diligence. He also provides support to SSM's active investments. Jordan actively works with various SSM portfolio companies including ProviderTrust, One Mnet Health, and KEEPS. Prior to joining SSM, he spent several years developing digital businesses at Red Ventures.

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PeopleCap Advisors

We Bring People Expertise To High Growth Companies & Investors
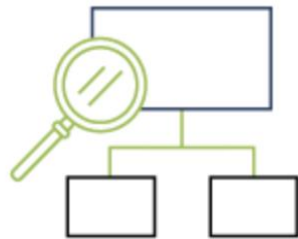
Team & Culture Due Diligence

PE firms invest in teams. We help PE firms dig deeper into portfolio company teams to understand their structure, culture, strengths and gaps—quickly providing PE firms with data and insights to support decision making through the investment process.
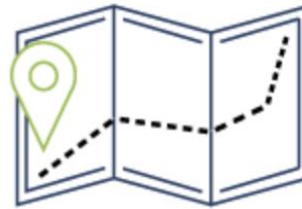
Growth-Focused People Strategy

Your People strategy is as important as your financial strategy. High growth is a gauntlet with constant challenges. We work with leaders to identify key strategies, milestones, and metrics to help their organization grow well.

Coaching/Advisory Partnership

We grow leaders. Whether through individual 1:1 coaching or facilitated team-building retreats, our coaching and advisory engagements allow us to build the leaders to meet the moment and excel at the next level.

SSM Partners

HEALTHCARE

- APIXIO
- enablecomp complex claims revenue solutions
- EQUISCRIPT Bringing Health Back Home
- icario
- ONE MNET HEALTH
- PROVIDERTRUST

B2B

- INVOCA
- KEEPS
- KUKUI
- [+] opinionlab
- Zift solutions.

What We Look For

- Great entrepreneurs

- Software and tech-enabled services across B2B & healthcare

- Proven and predictable businesses at an inflection point

- Achieved product-market fit and greater than $5M in run-rate revenue

- Predictable YoY revenue growth of 20%+

- Businesses that have demonstrated capital efficiency

- Desire and drive to accelerate growth

Great Teams: The First Ever Jamaican Bobsled Team

APPENDIX

Organizational Growth Gauntlet: <$3M Revenue

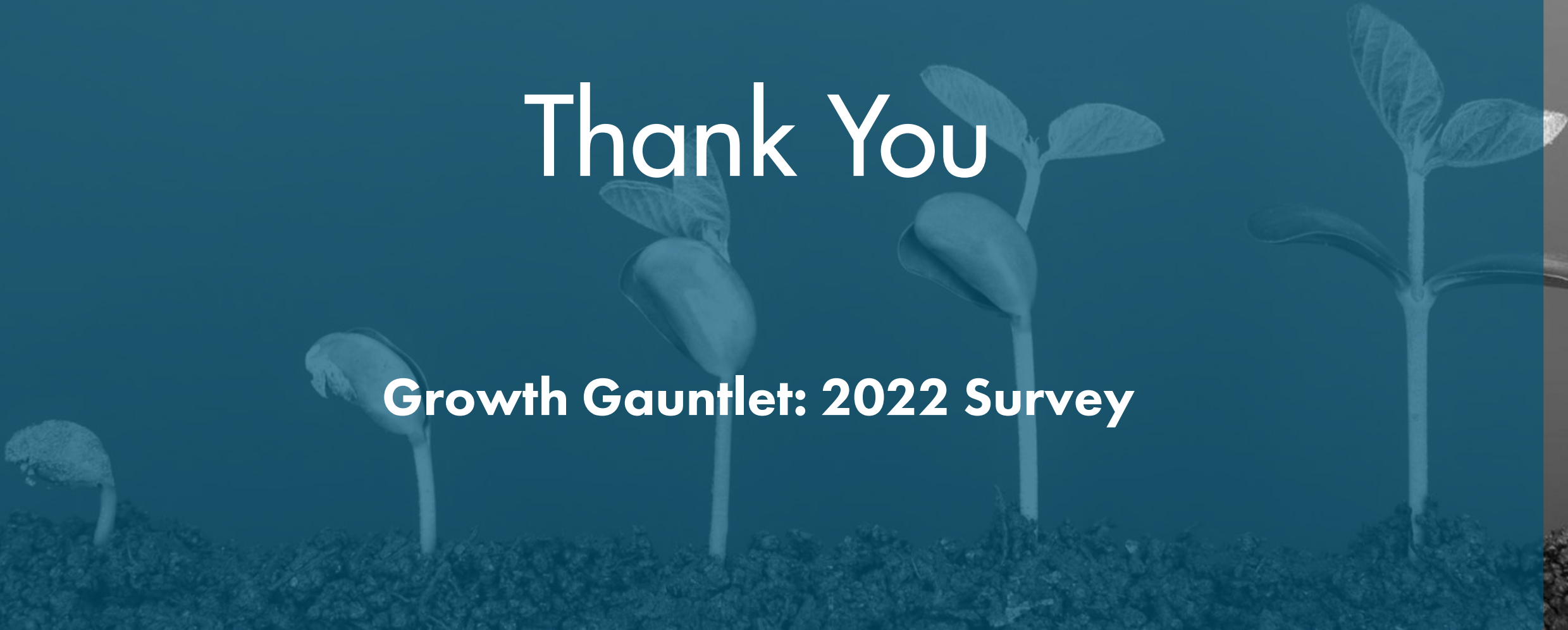**STAGES OF GROWTH** →

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Align Structure	Organization is structured as one undefined team largely all reporting to the Founder. Manual processes emerge.	Functional structure is defined. Departments emerge. Processes are being formalized, defined, documented.	Structure is aligned with strategy. Repeatable processes in place driven by systems, tools, and automation.	Structure is agile and evolves with strategy. Processes are mined for efficiencies, continuous improvement.
Amplify Communication	Communication is informal, often direct from Founder. Everyone is in-the-know because of proximity, small team. Customer communication is direct, tight loop.	Communication becomes more intentional though still largely top down. Employee and customer feedback are solicited episodically.	Communications protocols, channels, and systems emerge. Employee & customer feedback is regularly solicited and valued.	Comprehensive and strategic internal communications function exists for larger and more distributed customer base and workforce. Multi-directional feedback loops provides data that drives change.

KEY:

Green Shading Indicates Most Common Placement for Respondents in this Category

Organizational Growth Gauntlet: $3 – 15M Revenue

STAGES OF GROWTH →

THE SIX IMPERATIVES	Emerge — Informal, Ad Hoc, Undefined, Reactive	Operationalize — Defined, Data-informed, Focused, Proactive	Grow — Accountable, Data-driven, Predictable	Explore & Expand — Strategic, Agile, Innovative, Opportunistic
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Calibrate Culture	Culture is organic, emerging, and is largely a reflection of the personality and priorities of the founder(s).	Culture moves beyond the founder. It is defined in the form of core values and used in some decision-making.	Culture is reinforced through processes like hiring, talent development, performance management, and compensation.	Culture is a driver and used as a lens through which to evaluate strategic opportunities. Culture is defended.
Strengthen Leadership	Organization is Founder-led. Leaders wear many hats. Roles are not explicitly defined.	CEO is player/coach with heavy operational responsibilities. Leadership Team is loose confederation of functional leaders. Key experienced hires are added to round out team.	Highly competent, cohesive, aligned Leadership Team is in place. Each LT member owns a key strategy or function critical to success. CEO's time increasingly externally focused on growth.	CEO is mostly focused on strategic opportunities. Leadership Team has full ownership of day-to-day operations and wears both functional and strategic hats.
Elevate Talent	Talent is convenient, largely hired and managed by Founder. Loyalty is valued over accountability. People know who poor performers are, but there is no process or accountability in place to address them.	More experienced and specialized skills are added. Performance and accountability are increasingly important. individual contributors are elevated to Managers. HR exists and is mostly transactional	Organization is building core competencies in recruiting, hiring, developing, and liberating talent. Middle managers are consistently trained and accountable for their team's performance. HR adds strategic talent management function.	Strong leadership and talent pipelines exist. Middle managers are key to driving growth innovation, and engagement. CHRO is elevated to the leadership team.
Align Structure	Organization is structured as one undefined team largely all reporting to the Founder. Manual processes emerge.	Functional structure is defined. Departments emerge. Processes are being formalized, defined, documented.	Structure is aligned with strategy. Repeatable processes in place driven by systems, tools, and automation.	Structure is agile and evolves with strategy. Processes are mined for efficiencies, continuous improvement.
Amplify Communication	Communication is informal, often direct from Founder. Everyone is in-the-know because of proximity, small team. Customer communication is direct, tight loop.	Communication becomes more intentional though still largely top down. Employee and customer feedback are solicited episodically.	Communications protocols, channels, and systems emerge. Employee & customer feedback is regularly solicited and valued.	Comprehensive and strategic internal communications function exists for larger and more distributed customer base and workforce. Multi-directional feedback loops provides data that drives change.

KEY:

Green Shading Indicates Most Common Placement for Respondents in this Category

PeopleCap | SSM PARTNERS

Organizational Growth Gauntlet: $15 – 50M Revenue

PeopleCap

STAGES OF GROWTH →

THE SIX IMPERATIVES		Emerge — Informal, Ad Hoc, Undefined, Reactive	Operationalize — Defined, Data-informed, Focused, Proactive	Grow — Accountable, Data-driven, Predictable	Explore & Expand — Strategic, Agile, Innovative, Opportunistic	KEY:
	Sharpen Focus	Focus is on proving out product, market, or business model.	Product, market or business model is proven. Stated corporate purpose/vision exists. The focus is mostly on achieving revenue goals. A goal setting framework is introduced.	Detailed Strategic Plan exists with budgets, forecasts, and data-driven metrics. Focus is on growing market share. Corporate and individual goals in place.	Business is regularly meeting financial targets. With operations running smoothly, the focus shifts from internal operations to exploring external opportunities. Dual innovation occurs.	
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Organizational Growth Gauntlet: 1-25 Employees

PeopleCap

STAGES OF GROWTH

THE SIX IMPERATIVES	Emerge — Informal, Ad Hoc, Undefined, Reactive	Operationalize — Defined, Data-informed, Focused, Proactive	Grow — Accountable, Data-driven, Predictable	Explore & Expand — Strategic, Agile, Innovative, Opportunistic
Sharpen Focus	Focus is on proving out product, market, or business model.	Product, market or business model is proven. Stated corporate purpose/vision exists. The focus is mostly on achieving revenue goals. A goal setting framework is introduced.	Detailed Strategic Plan exists with budgets, forecasts, and data-driven metrics. Focus is on growing market share. Corporate and individual goals in place.	Business is regularly meeting financial targets. With operations running smoothly, the focus shifts from internal operations to exploring external opportunities. Dual innovation occurs.
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KEY:

Green Shading Indicates Most Common Placement for Respondents in this Category

PeopleCap | SSM PARTNERS

Organizational Growth Gauntlet: 26 – 50 Employees

STAGES OF GROWTH

THE SIX IMPERATIVES	Emerge — Informal, Ad Hoc, Undefined, Reactive	Operationalize — Defined, Data-informed, Focused, Proactive	Grow — Accountable, Data-driven, Predictable	Explore & Expand — Strategic, Agile, Innovative, Opportunistic
Sharpen Focus	Focus is on proving out product, market, or business model.	Product, market or business model is proven. Stated corporate purpose/vision exists. The focus is mostly on achieving revenue goals. A goal setting framework is introduced.	Detailed Strategic Plan exists with budgets, forecasts, and data-driven metrics. Focus is on growing market share. Corporate and individual goals in place.	Business is regularly meeting financial targets. With operations running smoothly, the focus shifts from internal operations to exploring external opportunities. Dual innovation occurs.
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KEY: Green Shading Indicates Most Common Placement for Respondents in this Category

PeopleCap | SSM PARTNERS

Organizational Growth Gauntlet: 51-200 Employees

PeopleCap

STAGES OF GROWTH

THE SIX IMPERATIVES	Emerge — Informal, Ad Hoc, Undefined, Reactive	Operationalize — Defined, Data-informed, Focused, Proactive	Grow — Accountable, Data-driven, Predictable	Explore & Expand — Strategic, Agile, Innovative, Opportunistic	KEY:
Sharpen Focus	Focus is on proving out product, market, or business model.	Product, market or business model is proven. Stated corporate purpose/vision exists. The focus is mostly on achieving revenue goals. A goal setting framework is introduced.	Detailed Strategic Plan exists with budgets, forecasts, and data-driven metrics. Focus is on growing market share. Corporate and individual goals in place.	Business is regularly meeting financial targets. With operations running smoothly, the focus shifts from internal operations to exploring external opportunities. Dual innovation occurs.	
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Strengthen Leadership	Organization is Founder-led. Leaders wear many hats. Roles are not explicitly defined.	CEO is player/coach with heavy operational responsibilities. Leadership Team is loose confederation of functional leaders. Key experienced hires are added to round out team.	Highly competent, cohesive, aligned Leadership Team is in place. Each LT member owns a key strategy or function critical to success. CEO's time increasingly externally focused on growth.	CEO is mostly focused on strategic opportunities. Leadership Team has full ownership of day-to-day operations and wears both functional and strategic hats.	
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Align Structure	Organization is structured as one undefined team largely all reporting to the Founder. Manual processes emerge.	Functional structure is defined. Departments emerge. Processes are being formalized, defined, documented.	Structure is aligned with strategy. Repeatable processes in place driven by systems, tools, and automation.	Structure is agile and evolves with strategy. Processes are mined for efficiencies, continuous improvement.	
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Organizational Growth Gauntlet: 10-30% Revenue Growth

PeopleCap

STAGES OF GROWTH

THE SIX IMPERATIVES	Emerge Informal, Ad Hoc, Undefined, Reactive	Operationalize Defined, Data-informed, Focused, Proactive	Grow Accountable, Data-driven, Predictable	Explore & Expand Strategic, Agile, Innovative, Opportunistic	
Sharpen Focus	Focus is on proving out product, market, or business model.	Product, market or business model is proven. Stated corporate purpose/vision exists. The focus is mostly on achieving revenue goals. A goal setting framework is introduced.	Detailed Strategic Plan exists with budgets, forecasts, and data-driven metrics. Focus is on growing market share. Corporate and individual goals in place.	Business is regularly meeting financial targets. With operations running smoothly, the focus shifts from internal operations to exploring external opportunities. Dual innovation occurs.	**KEY:**
Calibrate Culture	Culture is organic, emerging, and is largely a reflection of the personality and priorities of the founder(s).	Culture moves beyond the founder. It is defined in the form of core values and used in some decision-making.	Culture is reinforced through processes like hiring, talent development, performance management, and compensation.	Culture is a driver and used as a lens through which to evaluate strategic opportunities. Culture is defended.	
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Elevate Talent	Talent is convenient, largely hired and managed by Founder. Loyalty is valued over accountability. People know who poor performers are, but there is no process or accountability in place to address them.	More experienced and specialized skills are added. Performance and accountability are increasingly important. individual contributors are elevated to Managers. HR exists and is mostly transactional	Organization is building core competencies in recruiting, hiring, developing, and liberating talent. Middle managers are consistently trained and accountable for their team's performance. HR adds strategic talent management function.	Strong leadership and talent pipelines exist. Middle managers are key to driving growth innovation, and engagement. CHRO is elevated to the leadership team.	
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Organizational Growth Gauntlet: 30-50% Revenue Growth

PeopleCap

STAGES OF GROWTH

THE SIX IMPERATIVES	Emerge — Informal, Ad Hoc, Undefined, Reactive	Operationalize — Defined, Data-informed, Focused, Proactive	Grow — Accountable, Data-driven, Predictable	Explore & Expand — Strategic, Agile, Innovative, Opportunistic
Sharpen Focus	Focus is on proving out product, market, or business model.	Product, market or business model is proven. Stated corporate purpose/vision exists. The focus is mostly on achieving revenue goals. A goal setting framework is introduced.	Detailed Strategic Plan exists with budgets, forecasts, and data-driven metrics. Focus is on growing market share. Corporate and individual goals in place.	Business is regularly meeting financial targets. With operations running smoothly, the focus shifts from internal operations to exploring external opportunities. Dual innovation occurs.
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KEY:

Green Shading Indicates Most Common Placement for Respondents in this Category

PeopleCap | SSM PARTNERS

Organizational Growth Gauntlet: 50%+ Revenue Growth

PeopleCap

STAGES OF GROWTH →

THE SIX IMPERATIVES		Emerge Informal, Ad Hoc, Undefined, Reactive	Operationalize Defined, Data-informed, Focused, Proactive	Grow Accountable, Data-driven, Predictable	Explore & Expand Strategic, Agile, Innovative, Opportunistic	KEY:
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