

Stages of Growth

Emerge
Informal, Ad Hoc, Undefined, Reactive

Operationalize
Defined, Data-informed, Focused, Proactive

Thrive
Accountable, Data-driven, Predictable

Explore & Expand
Strategic, Agile, Innovative, Opportunistic

The Six Imperatives

Sharpen Focus

Primary 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 needed to round out team.

Highly competent, cohesive, aligned Leadership Team is in place. Each leadership team 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 needed. 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 in 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 are 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 the proximity of the 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.