

Busting the Myths of Fast Growth

Alignment, agility and the right skills in the top team are essential when striving to achieve fast growth. Business leaders tell **Emma Carroll** how organisations must adapt to the challenges presented by today's rapidly changing market

To drive a step change in performance, leaders must work out what the weaknesses in their business are, while keeping a lookout for emerging opportunities. Success will come from building a focused strategy for change and working hard to deliver it, rather than waiting for entrepreneurial magic to strike.

At Criticaleye's recent [Growth Company Forum](#), held in association with [Brewin Dolphin](#), members of the community discussed how to step back and coolly evaluate where performance needs to improve.

Here are their five tips:

1. Adapt to New Opportunities

It's no secret that companies need to adapt quickly to a shifting market.

Deborah Frost, Chief Executive of employee benefits and insurance company Personal Group, says that over the past 12-18 months she has seen changes in the company's customer base.

"We've started to see [customer] organisations come in that don't fit [with our traditional model]," **Deborah** says. "When you end up with bits of the business that don't seem to fit, then my entrepreneurial experience suggests that you should give them a poke - those might be significant opportunities to grow."

Rather than viewing fledging revenue streams as a distraction, ask whether you have spotted a gap in the market.

"That's where the real step change in performance can come," she comments. "Because while you've stumbled on something that doesn't fit your model, it also may not fit other people's models."

2. Align on Strategy

Good performance improvement is predicated on having a clear plan. **John Allbrook**, a Board Mentor at Criticaleye and Non-executive Chair at Cellesce, says: "In my experience of commercial finance businesses, growth is not a flick-of-the-switch thing. You can't just turn around and say, 'We're going to grow.' You've got to put the foundations in place.

"You must understand what your organisation is capable of and set out a strategy that is aligned to that. Then you need to stay focused."

Charles Ostroumoff, Business Development Manager for High-Growth Companies at Criticaleye, agrees: "The key to delivering on growth is in ensuring alignment on the business >



plan at Board level. If there is disagreement about the direction of the business then this needs to be resolved – strong debate is healthy but misalignment will ultimately destroy value.”

3. Identify Skills Gaps

It’s easy to put off tough decisions around people and teams.

John, who is also Chair of Independent Growth Finance (IGF), an asset-based lending business, says you need to get the right people in place: “You must spot the skill gaps, particularly in the leadership team – when you’ve got weaknesses at the top table, you’ve got to fix them.”

“To start the step change in performance [at IGF] we needed to identify the right sales leader for the business. We hired a headhunter, scoured the market, conducted many interviews, which all took a fair amount of time. Even once you’ve got an offer and acceptance from the preferred candidate, you’ve probably got another six months to wait while that person works notice or is on garden leave. So, putting the right sales leader in-place for us took about a year.”

You also need to build capability further down the organisation. “If you put the cart before the horse then that can cause more problems,” he says. “If you start generating growth and putting it through your factory, but that factory is not designed to cope with it, then you’re going to create issues.

“You must get the organisation ready to support growth. At IGF, we had a focus on the whole customer journey and made that as frictionless as we could.”

“Success is about grinding out results”

4. Balance Structure with Innovation

Larger organisations can lose that entrepreneurial, innovative spirit over time, often becoming victims of their own success.

When this happens, it can be effective to create a start-up, separate to the core business, to drive innovation. **Titus Wouda-Kuipers** was previously CEO of Fontem Ventures, a fast-growth, consumer goods business, set up as a subsidiary of Imperial Brands. “You have to ask whether or not you can deliver the growth within the existing organisation,” he says.

“There are many reasons for hiving it out. It starts with having the right capabilities, and if you set up a completely new entity then you can focus on that.”

Setting up a ring-fenced business also allows you to create a new culture. “The existing mindset needs to move, and this is easier to do if you hire in people with a different view,” says **Titus**, who is now Founder and Chair of Vilosophy, an FMCG company.

5. Don't Wait for Inspiration to Strike

There can be an aura of glamour around fast growth, but **Deborah** says this is rooted in myth rather than reality.

Success is about grinding out results. She explains: “Sometimes you get the idea from the media that it’s about an entrepreneur falling over an idea and then the magic happens – a unicorn business is born.

“That’s entirely untrue. High-performance is all about the grind. It’s about having a plan, executing it, reviewing it and holding people to account.”

Fast growth won’t be delivered by the conviction of one person either – leaders need to bring their people along with them. “You must work out as a leadership team how you are going to bring people into that dream and execute on it.

“You must bring people together and give them a clear idea of how they can be part of the improvement in performance – this involves setting out the steps you need to take together as a business and what is in it for them.” ■

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Featuring Commentary From:



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