



A Special Report on







STAGE 6: FOSTER HAPPY EMPLOYEES WITH 96 – 160 EMPLOYEES

STAGE 6

FOSTER HAPPY EMPLOYEES: 96 – 160 EMPLOYEES

SPECIAL REPORT ON THE 7 STAGES OF GROWTH

The name of Stage 6 says it all! During Stage 1 (Startup), you developed a business model that works. In Stage 2 (Ramp Up), you ramped up your sales, production/capacity and staff using your proven business model. During Stage 3 (Delegation), you transformed your business from CEO-centric to Enterprise-centric to allow the business to grow. In Stage 4 (Professional), you became more focused on the operational aspects of your company, overseeing a team of executives who transitioned the company into a professionally run organization. During Stage 5, you integrated you organization to operate as single unit, instead of as a number of independent departments.

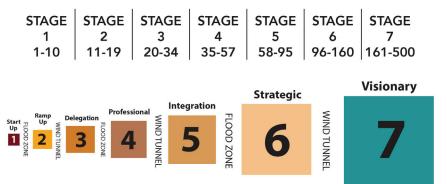
Now in Stage 6, it is time for you to become focused on the strategic future and begin to take advantage of opportunities that are now available because of your size.

This Special Report is based on our proprietary and highly effective 7 Stages of Growth business model, developed by James Fischer. Fischer created the 7 Stages of Growth business model based on extensive research of entrepreneurial companies. His research demonstrates that as companies add more people, the complexity level of the organization increases. This report contains critical information that will help you:

- 1. Predict how growth will impact you.
- 2. Adapt your leadership skills, knowledge, and insights to your specific stage of growth.
- 3. Focus on the right things at the right time.

Because each business and its team are unique, this Special Report may contain some information that does not apply to you and your business, but most of it will. We hope you find the takeaways helpful.

THE 7 STAGES OF ENTREPRENEURIAL GROWTH



What you are probably experiencing:

As a Stage 6 business in the Strategic phase, you are likely experiencing a number of the following. If you are not, it may be an indication that the company has not yet matured into a Stage 6 business.

AREA	DESCRIPTION
Employees	You have 96 to 160 employees.
CEO/Founder	You find yourself having to manage people and become the strategic visionary for your company. You continue to evolve into a "macro executive" (managing executives) versus the "micro manager" (managing the entire team).
Management Team	You have 6 to 8 executives and 17 to 26 managers. You can trust your key executives because they are making good decisions, getting the job done and keeping you updated on critical issues.
Competition	Your competition has taken note of your success and is beginning to increase its attempts to take part of your market share. Competition is increasing in both the number of competitors and the intensity of their attack.
Climate	As the business continues to grow, you have reached a level of hyperactivity. Your staff feels overloaded. We call it a Flood Zone. You and your management team are feeling a big part of the resulting stress. If you did not lay the proper foundation, the chaos could feel unbearable.
Systems	Your professional managers have established systems, processes and routines that are working.
Focus	It is all about finding new opportunities through product differentiation, new products and markets, acquiring competitors, strategic alliances, etc.

You enter Stage 6 in a Flood Zone as the level of activity is exceeding your system's capacity. Again, you will be tempted to throw more employees at the activity. Resist that temptation by focusing on making your systems more effective and efficient.

Your primary goal:

As you move into Stage 6, your primary goal is to undergo the transformation from operational to strategic. You must broaden your focus from a one-year horizon to a two to five-year horizon. Your primary focus is no longer the day-to-day concerns of every aspect of your business; instead it is embracing a future-oriented strategic focus. How do you do this?

- 1. Develop a powerful strategic plan of how the company will capture opportunities in the future.
- 2. Help your staff understand, embrace and move toward the future you envision.

Strategic & Leadership Perspective

Your world just shifted – did you feel it? You are no longer a big fish in a small pond; now you are a small fish in a much bigger pond. The reality is you can no longer fly under the radar so the ability to apply a strategic and well-thought-out approach to your business future is critical. With 100 or more employees, (Stage 6 with 96 – 160 employees) you have to evaluate everything about your company and be willing to change how you think and how you act to enable growth today and well into the future. Now is the right time to add some senior depth to your visioning team. Looking outside for strategic experts is commonplace in Stage 6.

As the leader and visionary of the firm, you will see that of the challenges typical for Stage 6, most of them relate again to people. Accommodating and resolving people issues such as staff satisfaction, buy-in, new staff orientation and hiring quality people are precursors to forward progress. Leadership in Stage 6 means it is time for you to master your market: understand, interpret and implement responses to trends that have bearing on your business. You may want to revisit the composition of your board of advisors. It may be in need of greater sophistication than in earlier days, or just may need a new specialist. The proper balance of advisors' interests can challenge your thinking and bring a new perspective to the company. You may want to think about an acquisition vs. organic growth.

You do not want to take your focus off your people at this strategic stage of growth. Do you have the management team you need to tackle the challenges in Stage 6? If not, what skills you are missing? Are you aware of misalignment with your team that is causing misunderstanding or tension? Are your managers exceptional? Have you set your quantitative and qualitative measurements of what an exceptional manager is?

Staff buy-in is your biggest challenge at this stage of growth. It is easy for the culture you developed to be devalued due to the volume of new staff, rate of growth and the lack of communication typical to this size company.

Consider our Stages of Growth X-Ray™ program and explore how your managers view the issues. Making assumptions about alignment and perspective tends to backfire. Managers are looking for clarity. Their jobs are demanding. Stage 6 is rarefied air and it takes a great team to grow smart. Even more importantly, they need to engage their teams with a strong performance-based plan, tracking key indicators that highlight what's going well and more importantly, what isn't. Stage 6 is a complex period in your growth that requires strong vision and a deft touch. We are here to help.

STAGE 6

FOSTER HAPPY EMPLOYEES: 96 - 160 EMPLOYEES

Your biggest challenges & most important activities:

As a Stage 6 company, your biggest challenges will likely include at least three of the following. We have provided several actions you should consider to overcome the challenges

CHALLENGE	ACTIVITIES TO MEET THE CHALLENGE
Staff Buy-in	 Clearly define and articulate the company's vision/mission/culture/ goals. Instill them in your team. Require regular one-on-one supervisor/employee meetings. Hire an outside facilitator to conduct an anonymous/confidential company health survey. Listen to how your employees feel, share the results and make changes accordingly.
Improving Staff Satisfaction/ Profit Relationship Understanding	 Develop a program to help employees understand how their jobs impact profitability. Survey your team (anonymous/confidential) to determine what is missing and how staff satisfaction can be improved. Develop emotional intelligence training for entire staff.
New Staff Orientation	 Develop a comprehensive new staff training that: (a) assimilates new hires into the team; (b) indoctrinates them into the company identity and (c) critical training aspects for each job. Involve the CEO and all managers in some way. Budget appropriate dollars to do it right.
Improving Profit Design	 Develop a sophisticated profit plan system with projected revenues and expenses by department. Each department should participate in developing their part of the plan and be held responsible for its performance. Challenge each department to find ways to reduce expenses. Make it a team effort. Upgrade (or develop) your customer intelligence plan and process. Enlist your managers' help in uncovering any and all areas that may be creating obstacles to growth.
Hiring Quality People (not more people)	 Upgrade your hiring process. Develop new channels to identify great prospects. Include assessments that indicate if the prospect has the behavioral style, emotional intelligence, mental aptitude, etc. to succeed. Be thorough in your due diligence. Define (or refine) what an exceptional employee is.

In Stage 6, it's critical to strategically rethink your positioning in the market. You are no longer a big fish in a small pond, but a small fish in a much bigger ocean and your ability to survive just took on some different pressures. But, there are new and exciting opportunities available because of the size and capabilities of your business. Challenge all of your assumptions as they relate to your vision, mission, your customer needs and your products/services. Don't allow your managers to simply rehash old issues and processes.

On the market front, you are becoming more and more visible to the outside world. Your competition has you dead its sight and is increasing its attempts to steal your market share. It's a whole new ballgame. You must become strategic about your future – strategizing and planning out two to five years. You need to consider how you can keep and expand your competitive advantage and opportunities. You should be considering: (a) where is your market headed? (b) where are your customers headed? and (c) what technological changes can you expect?

One of your key objectives will be to bring on a Board of Directors to identify new market opportunities and provide accountability to stay on target. Without some outside objective perspective, you risk not seeing the larger strategic picture, which we call the "too little, too late syndrome."

A strategic focus will not work without the buy-in of your leadership team and your entire staff. Seize the opportunity to tune into the perspectives of your team. An emotionally connected leader who listens and learns, will be rewarded with strong growth, targeted planning and engaged employees. Now is a good time to improve the quality of your staff – from hiring, to assimilating, to making them an important part of your success, and to unifying them as a team.

Tools you should be using to build your business:

As the CEO/Founder, you should be wearing the following leadership hats to lead the team.

LEADERSHIP COMPONENT	DESCRIPTION
Leadership Modality	Dominant - A directive-oriented leadership modality directing the staff to a defined destination via a defined route. Characterized by, "I know where we need to go. Help me do it."
Roles	 Manager (managing people) – 50% Visionary (creating, revising, casting) – 45% Technician/Specialist (doing the stuff) – 5%
Leadership competencies	 Optimism Organizational Awareness Service Conflict management Teamwork & Collaboration
Builder/Protector Ratio	3 to 1: Your professional executives should be functioning well enough to free you to become a Strategic Executive. Now is the time to get aggressive in finding and capturing new opportunities.

Your challenge is to think strategically while maintaining the teamwork and collaboration that are crucial for future growth. Your leadership modality should be Dominant. This is important as you develop a strategic plan and ask your team to embrace the strategy.

Managing this dynamic organization is your number one priority (50% of your time), a shift toward a Strategic/Visionary role (45% of your time) is also necessary. Your managers should be running the day-to-day operations, while you focus your attention on developing strategies to maintain and capture new opportunities. Your Specialist role is diminished to near insignificance (5% of your time), but you must continue to understand how well your product or service is meeting the needs of the ever-changing market and customers. The Builder/Protector Ratio (BPR) is a measurement of Confidence vs. Caution. It is a critical tool to help assess the business's ability to accept change, respond with confidence to change and successfully navigate the change. Builders thrive on risk, are always looking for new opportunities and do not cower to the overwhelming issues that confront them every day. On the other hand, Protectors thrive on caution. They prefer to apply the brakes (and should be encouraged to do so when appropriate).

For Stage 6, the Builder/Protector Ratio is 3:1 – 3 Builders to 1 Protector. This is a very aggressive ratio because you need to find and pursue new opportunities. You also need to be slightly cautious to protect yourself from attack from the competition.

The distribution of authority and accountability remains a major challenge and the leader needs to revisit and reinforce:

- 1. A very clear vision for the organization.
- 2. A strong set of core values.
- 3. A clearly defined, dominant company culture.
- 4. A powerful strategic plan that reaches out over two to five years.

Five non-negotiable rules for Stage 6:

There are five non-negotiable rules for each stage of growth. The effective completion/implementation of these five rules increases the likelihood for continuing survival and financial success.

AREA	NON-NEGOTIABLE RULE
Staff Orientation	Establish a 2 to 3-day new staff orientation program.
Business Model & Plan	Develop a three-year living profit plan (budget) and business plan model detailing how it will be accomplished.
Organizational Health	Develop and implement a yearly organizational health survey. Conduct semi-annual, company-wide, one-day unifying events.
Financial System	Expand your financial reporting.
Connections	Establish regular, one-on-one, supervisor/employee meetings.

Building blocks that your business should have or be creating:

Each growth stage has foundational building blocks that must be created and set in place in order to successfully navigate that growth stage and to be prepared for the next stage.

FUNCTION	BUILDING BLOCK
Strategic Plan	It's time to develop a sophisticated strategic plan addressing how you are going to create competitive advantages. The plan should address markets, products, resources, operational systems, management systems and company culture.
Board of Directors	Develop a board of directors that can help you strategize and grow the business.
Management Systems	You should have a performance management system that address objectives, goals, measurement, feedback, evaluation and rewards. You should also have a project management system and templates.
Financial System	Your financial system should include a 3-year profit plan, financial modeling, cash flow forecast and dashboard.
Marketing/Sales	You should have a well-defined sales and marketing system that your salespeople are using. You should have a customer intelligence system to stay abreast of your customers and market.
Staff/Team	You should have a hiring system that helps you identify the skills that are needed to find, recruit, select and hire great employees. You should also have a plan for each employee describing expectations, performance measurements and actions that will be taken to help him/her succeed.

The most critical building block you need to develop in Stage 6 is the Strategic Plan. Without one, your entire business is in jeopardy of being left behind. You should consider where your market is headed, where your customers are headed and what technological changes should be expected?

In Stage 6, it's important to review all management systems and operational processes to determine if they still provide value and the control you need to prevent or catch errors quickly. If you don't establish these Foundational Building Blocks during Stage 6 (or the building blocks required in prior Stages), it will make navigating through Stage 7 much more difficult. In fact, if you do not establish them in Stage 6, your Growing Pains (difficulties and challenges) will continue to increase until you scream "Uncle!" – and take the time to establish them. So, get these in place now and you will avoid the Growing Pains associated with trying to build on an inadequate foundation.

Getting Ready for Stage 7:

You will move into Stage 7 (Visionary) when you reach 161 employees. The transition from Stage 6 to Stage 7 involves another Wind Tunnel – letting go of methodologies that no longer work and acquiring new ones that do. You will also need to re-instill the entrepreneurial spirit within the organization. Your key to success will be how ready you are to shake things up in order to reinvigorate the business.

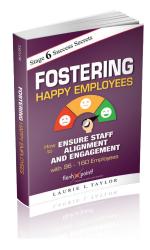
Summary

FlashPoint! was created to help companies just like yours navigate the challenges that are typical for a Stage 6 organization. We have designed programs, services and tools that are directly tied to the issues faced by Stage 6 leaders. By focusing on your specific stage of growth, you are better prepared to identify the obstacles to growth.

Visit our website https://igniteyourbiz.com for additional resources.

Stages of Growth X-RayTM: A facilitated workshop with a CEO and his/her management team that gets to the root cause of critical issues in order to create alignment, engagement, and create action plans that get implemented. https://igniteyourbiz.com/stages-of-growth-x-ray/

Zeroing in on Your Company's Profit ZoneTM: A financial literacy facilitated workshop with a CEO and his/ her management team that helps every person in the organization understand how, what they do every day, impacts the company's bottom line. This program is about raising awareness and educating your employees on the 9 activities that impact a company's ability to be profitable. https://igniteyourbiz.com/zeroing-in-on-your-companys-profit-zone



Looking for a more in-depth understanding of how to address the challenges for your Stage 6 Company? Click on the image and purchase your stage-specific book today!

PURCHASE NOW

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Laurie Taylor, president/founder, FlashPoint! LLC

Laurie Taylor, founder of FlashPoint! helps CEOs with fewer than 500 employees, uncover the hidden agents that are creating obstacles to growth. With an effective arsenal of tools, properly used, Laurie can help a CEO ignite a business, propelling it to profitability, productivity and exceptional performance.

Having taken a company from 2 to over 100 employees and up to \$12 million in sales, Laurie's experience in leading and managing a growing organization and dealing with a downturn that almost sent the company into bankruptcy, she understands the challenges and the ups and downs of business ownership.

While working with James Fischer, the researcher behind the <u>7 Stages of Growth</u>, Laurie became convinced that James' model provided CEOs with a crystal ball into their past, present and future – allowing a CEO and his/her management team better predict how growth would impact the company.

As a speaker, author, trainer and business advisor, Laurie works with companies to introduce them to the concepts of the <u>7 Stages of Growth</u>. She has spoken to over 4,500 CEOs in the past 4 years. Laurie's community of Growth Curve Specialists are experienced advisors certified and trained in the concepts and programs from the <u>7 Stages of Growth</u>.

The Stages of Growth X-Ray[™] has been delivered in 11 countries and over 2,000 businesses have been introduced to the unique research-based ideas of the <u>7 Stages of Growth</u>.

Laurie is the author of a series of books on the Stages of Growth which help business owners zero in on the specific challenges of their current stage of growth.

All of her books can be found on her website www.igniteyourbiz.com and on Amazon.com under her full name Laurie L Taylor.

<u>Survive and Thrive:</u> How to Unlock Profits in a Startup with 1 – 10 Employees

Sales Ramp Up: How to Kick Start Performance and Adapt to Chaos with 11 – 19 Employees

The Art of Delegation: How to Effectively Let Go to Grow with 20 – 34 Employees

<u>Managing the Managers:</u> How to Accelerate Growth Through People and Processes with 35 – 57 Employees

Leadership Integration: How to Cultivate Collaboration from the Top Down with 58 – 95 Employees

Fostering Happy Employees: How to Ensure Staff Alignment and Engagement with 96 – 160 Employees

Visionary Leadership: How to Recapture the Entrepreneurial Spirit with 161 – 500 Employees