



Implement 'Right Process at Right Time' to Break through Growth Glass Ceiling

A huge number of companies start out well – they've an interesting product, which finds buyers and an enthusiastic team. There is a big market opportunity. Everything looks rosy. There is an air of optimism.

Most of these companies have charismatic capable founders with passion and specialist skills. Their shadow and fingerprints are everywhere. Every waking moment is spent working in the business, from schmoozing customers during the week to completing management accounts at the weekend.

These founder centric businesses have limited structure. The founder makes the decisions – everything is informal. The creative DNA which drives them has a deep suspicion of bureaucracy. They regularly rely on a hero to pull rabbits out of hats to keep growing. The hero continually saves the day.

This pattern can only last so long before a glass ceiling is hit. Early symptoms include founder exhaustion. Where there used to be fun, friction emerges. Simple things start to break. Sales forecasts are missed. Product shipment dates slip. The blame game starts. Founders get stuck in the trenches putting out fires.

A founder crisis emerges. Business performance starts to disimprove. Advisors suggest strengthening the team. The founders feel their wings being clipped. They resist change – despite its logic.

Like the Irish rugby team of old , this narrative focuses on personalities. If we don't have an O'Driscoll, Sexton or O'Connell playing, then we have no chance.

Many first time entrepreneurs resist new process implementation – it is easier to run things the way they always did. They are like the player coach – sometimes it's more fun that way.

Sales is an area which needs process to break through the growth ceiling. Early sales are won by founders based on their expert knowledge. The first sales people hired often fails dismally. There is no clear sales process. Sales stagnate. Nobody is clear what they should do.

However there is a better way. We call it the 'right process, right time approach'. There are critical new processes that need to be implemented at each new stage of growth. Each of these cut across various departments. For example sales process, might need handovers from marketing or product development.

This 'right process, right time approach' involves figuring out the right process to implement at the right phase of growth. Successful implementation of new processes is a discipline. Everybody has to be committed. Like the Irish rugby team, it abolishes the over reliance on individuals. Everybody knows the plays.

Take the sales example earlier. By defining and implementing the sales process, we know the steps. Rather than the hero narrative, the dialogue turns to how to shorten sales cycles? What are the best tools to use? How do we improve efficiency?

Following this 'right process, right time approach' can be transformational. Like Joe Schmidt, your team and processes evolve and improve. For example you implement a sales process, follow it with HR or product management. Invest in the right processes and the results will come.

Insight in Brief

The founder team drives initial business growth. The next phase is more complex. It involves more people and coordination. A founder crisis happens if the right processes are not put in place. It can be tricky to choose and implement the right processes at the right time. Doing so results increases the chances of scaling quickly. Not doing so results in stagnation.

Insight in Action

1. Get key members of your team to define the 5 or 6 critical few processes that could bring your business to the next level.
2. Assign accountability for one key process you wish to improve. This can be tricky as most critical processes go across multiple departments. Ensure they put in place a framework to define, measure, analyse, implement and control the process.
3. Agree one key performance indicator to measure improvement of the process.
4. Map the process using sticky notes with the core people involved – this exercise alone will result in dialogue that will simplify and improve.
5. Iterate and improve the process through measurement and analysis.