



Roadmap for growth

Do you have ambitions to grow your business? Do you want to launch a new product or move into a new market? Or perhaps you have researched your market and decided there is room for increasing your sales?

It's natural to look first at the finances, sales and marketing aspects of growing your business, but you also need the right staff with the right skills to create and deliver against the opportunities ahead. If you don't, you might find yourself stretched thin trying to do it all on your own.

Time and again, at People Puzzles we see the strong link between good people management and revenue. Well-managed people make a business more productive, helping it to grow and generate more profit.

Barriers to sustained growth

Growing a business is hard work. Processes become more complex and need more oversight and communication becomes more challenging because there are more people to get your message out to. In many cases, the owner-manager or CEO is still doing tasks that could and should be delegated. This means they don't have time to focus on the bigger picture. This can lead to some – or all – of the following happening:

- CEO becomes exhausted trying to do everything
- Staff take on new responsibilities but a lack of training prevents them performing to the best of their ability
- Key messages don't reach employees leading to frustration
- Things become chaotic because processes are not managed properly

- Morale becomes low and a toxic culture develops
- Staff become disenchanted and leave, causing further disruption to the business
- Customers are not served adequately and take their business elsewhere.

All of the above can prevent your business from growing further – in fact, it might even cause the business to shrink.

This is why you need a people strategy. With the right people plan in place, you are in a better position to stay focused on why you exist, how you are going to get there, and how to take your staff on the journey with you.

Start with the strategy

People planning needs to start with the business strategy. Do you already have a strategic plan and if so, is it up-to-date and fit for purpose? And perhaps more importantly, are your employees behind it and aligned with it?

When we start working with our clients, it's essential that we understand what they are trying to achieve. This means going back to the basics and asking the following questions:

- Why do you exist as a business? What problems do you solve?
- Does your original mission still resonate, or does it need to change?



- What does growth look like – increased revenue or profits, enhanced productivity, greater market share, or entry into a new market?
- Will you be a part of the future of the business or are you planning to exit?
- When do you plan for all of this to happen?
- How do you measure success?

Sometimes, just getting your senior team to agree on these answers is a big challenge! We find that it can take time to find a plan that everyone is on board with. But once a clear vision has been agreed, the next step is to focus on delivering it.

Creating a plan

Strategic planning and vision only become reality when changes are made operationally. Once you've identified where you want to go, you'll need to turn that plan into action. This will mean:

- Ascertaining what elements, people, budget and internal resource or external help you need.

- Regular senior management team meetings to ensure that the operational actions of the business are actually working together to achieve the strategic goals.
- Communicating those messages to the wider team to get them on board and developing a culture invested in delivering the plan.

Turn a giant leap into smaller steps

At People Puzzles we regularly use a 'target wheel' to help our clients understand what the journey to their goals will look like. It's all very well saying you want to go from £5m to £20m turnover in five years, but what does that look like in say, two years' time? What will it look like next month?

Our target wheel allows you to think about how many clients you need at any given stage, how many staff members, and what the overheads are likely to look like at any given time along the way.

Target Wheel

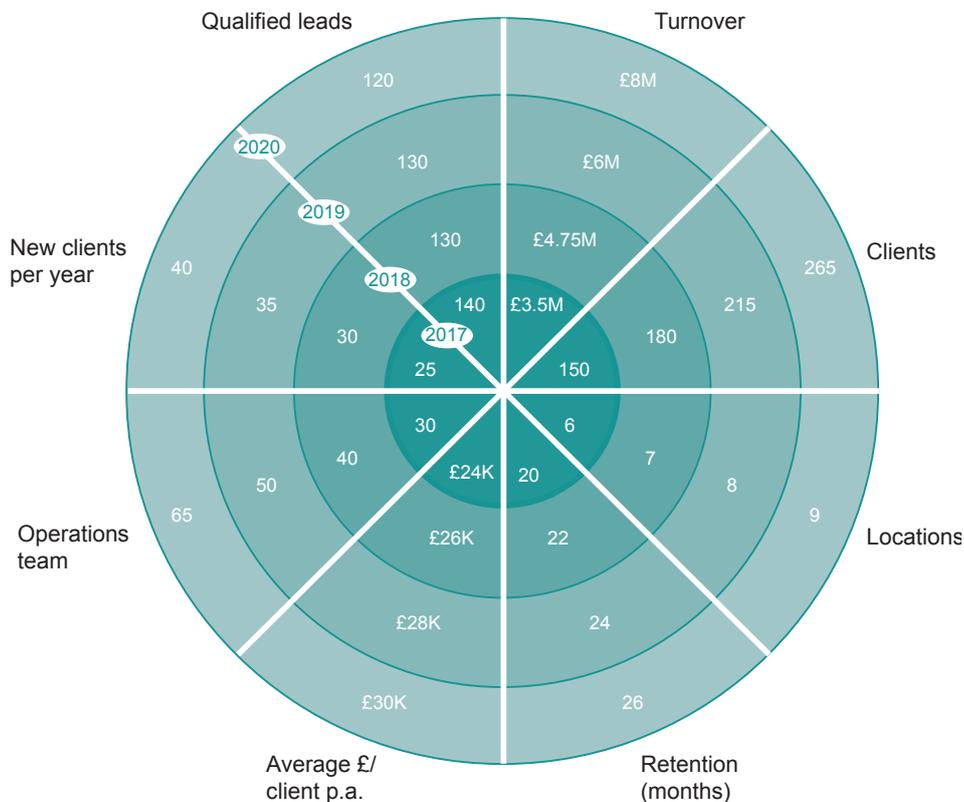


Fig 1: Example of a target wheel for a growing business.

Once you have put together your plan, here are some of the key elements you will need to consider:

1. Communicating your priorities

Effective communication is essential for staff alignment. Once you've worked out your goals and the steps needed to get there, you then need to boil it all down into a simple and memorable message that the senior team is fully behind. Then they can take it out to their team and cascade it through to individual staff members. Remember to keep repeating it – the 'rule of seven' adage states that a person needs to hear a message at least seven times before it gets embedded – so be repetitive and consistent with your messages.

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2. Restructuring

A restructure is often necessary to facilitate growth but it can be a seismic change for staff and they will need careful management and support along the way. Open communication with your team is essential to keep them on board and focused on the strategic goals.

Restructuring is not necessarily a process with a fixed ending or a round of redundancies – if a company continues to grow, its structure will often require multiple reinventions. Just because one structure functions well with 30 full-time staff, it doesn't necessarily mean that model will fit the same company if it grows to more than 50, when it may be necessary to introduce more of a middle-management structure.

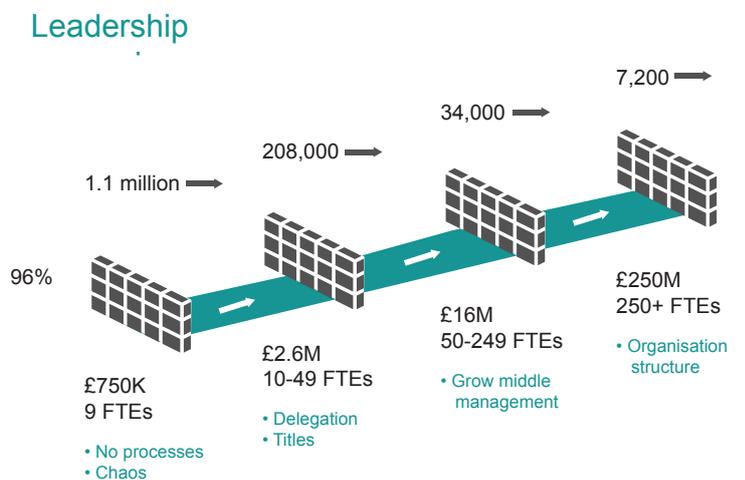


Fig 2: The path to growth often has some structural hurdles along the way. When you reach 10 full time employees (FTEs) you will need to start delegating and giving your team job titles. Before reaching 50 employees you are likely to need to create some structure, titles and improve delegation. At around 50-100 FTEs further restructuring may be needed to create strong middle management and as you move towards 250+ FTEs a more complex organisational structure is often required.

3. Managing change

Change is not only inevitable, it's almost constant in fast-growing businesses – and CEOs are likely to have to make difficult decisions in order to keep that growth going. You might realise along the way that some staff are in the wrong role and need to be moved. Are you prepared to move people into new roles – or possibly out of the business altogether – in order to move forward?

An understanding of the change management curve can help: not only does going through change engender a whole range of emotions, people do move through the curve at different speeds, and sometimes get so stuck they need one-to-one support to move forward.

Change Management Curve

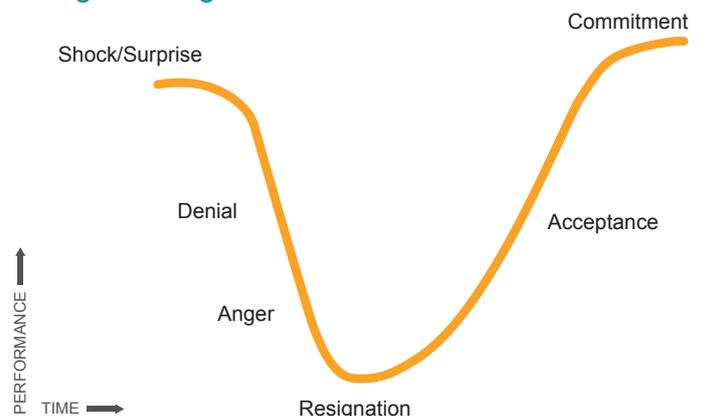


Fig 3: How change management works; the stages to go through before change is accepted.

4. Delegation

Delegation is critical to growth. But it is sometimes difficult to delegate tasks that you have spent the last five years doing yourself. Start-up owners often feel they are the best at doing their job and that no one else cares about the business the way they do. Established CEOs may feel they need a good to-do list to prove they are delivering. But if you want to run a growing business, you need to delegate some of the day-to-day to give you the time to do it. Remember that great leaders delegate results, not tasks.

5. Measure progress

Do you know what success looks like, and how do you know you're on your way there? If you haven't already, it's essential to introduce key metrics and performance indicators and measure them regularly to ensure you're on track. There are useful tools and meeting rhythms you can adopt to bring status reporting into the heart of your business.

6. Aligning staff with the business strategy

If you manage to get everyone on board and communicate your plan for the future successfully, it means everyone will pull in the same direction. Not only that, everyone will know what success looks like and what their role is in making it happen.

Organisational Effectiveness

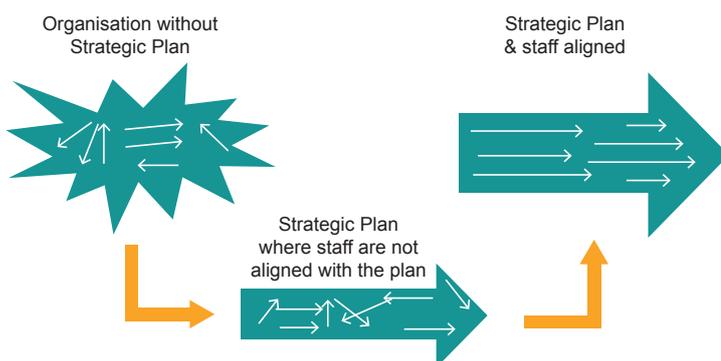


Fig 4: Aligning your staff means fewer distractions and the ability to remain focused on reaching your goals.

It's all about the people

People planning is more than just HR. It's how you get everyone in the business committed to seeing it succeed. Done well, it can literally transform your business and provide competitive advantage. By embedding a People Puzzles HR director into your company on a part-time basis, they can be in it for the long-haul – a consistent addition of expert help and advice to help you achieve your goals and take your business to the next stage and beyond.

Without a real focus on the people, change will be much more time consuming and painful. You may not be able to launch new products or markets. You can lose key people and find yourself stepping backwards instead of forwards. When the team are on board with your growth plans and equipped to deliver them, the business really can scale up.

If you want to find out how a tailored people strategy could help your business to grow, contact us to arrange a one-to-one meeting.

How to get in touch

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