

Thinking Bigger. For every business, that means something different. It could be adding employees, adding locations or growing revenue. We continue our year long series.

(**Smart Strategies** by Margaret Reynolds)

Escape Velocity

Defying the forces of business gravity.

Escape velocity: *The minimum velocity an object must have in order to escape the gravitational field of the earth*

Business gravity: *The factors that hold your business back from accelerated growth*

Most of us have experienced the forces of business gravity at some point in our professional lives. In today's economy, many of you may be experiencing it now. The best evidence of business gravity is lower-than-desired or expected growth. Has your business been steady but not on a growth trajectory? Are you underperforming relative to others in your industry? Have you missed plan? If so, you are experiencing business gravity.

Forces of Gravity

What are the common forces of business gravity?

- 1. Economic influences** – Many companies are stagnant because of general economic conditions that are impacting their business. These companies are fighting to stay marginally profitable as costs escalate rapidly.
- 2. Industry standards** – In many industries where "me-too-ness" reigns, gravity is strong. It is very difficult to pull away when everyone is fighting to stay even.
- 3. Success** – For companies who have been in the spotlight or a leadership position, it is difficult to adjust as the world around them changes at an alarming pace. Success can be blinding to the need to change and it is often difficult to admit that what used to work may not any longer. In order to stay ahead of the curve, companies must anticipate market changes and define new paths by which to achieve historic performance.
- 4. Habit** – We know how to do what we have always done. How do we embrace what we haven't done before? Many times we think if we just work harder that will be enough. If we are working on the wrong things, it won't be.

- 5. Resource allocation** – Studies show that the number one reason why growth plans fail is that resources are not aligned to the future direction. One definition of strategy is "where you spend your money". If you are trying to develop a new opportunity, be sure that you are willing to reallocate the resources from the work of yesterday to the work of tomorrow.

Setting Your Sights

In order to achieve escape velocity, every company needs to set their sites on a future destination, understand the environment it must operate in order to get there, and what skill sets it needs along the way. Here are the key steps to achieving escape velocity:

Discovery // This step is the active review of information regarding your environment, its potential impact on your future and the determination of key opportunities. This step is further divided into the following three activities.

- **Diagnostics** – It is important to define gravitational factors as well as the space or the environment you compete in.
- **Determine Options** – After understanding what the market looks like and where it is going, along with your own strengths and challenges, you are ready to determine what the best opportunities are –look for the intersection of market growth space with your best strengths.
- **Decide** – After investigating the opportunities available to you and applying standard business evaluation, use objective-based decision-making to prioritize your opportunities.

Development // In this step, the strategic framework that enables growth is created. The activities center on differentiating your

business in your selected market niche and designing the details of your growth plan.

- **Differentiate** – Ensure you have an approach to the market that is relevant to the target customer and will distinguish you from the others in your space. Be able to answer the question why will customers choose you over other options in the market place. Me-

too marketing is expensive and rarely does more than get you into a price war with others.

- **Design** – Once you decide where you are going, align your operations, practices, systems, service and skill sets to allow you to get there. This means lining up your actions with your strategy and

spending money accordingly. If you have a new plan but the same old practices, chances are you are still in the clutches of gravity.

Deliver // This step is the most critical as success will come from implementing the plan you have carefully built.

- **Do it:** – It is important to move ahead in well-defined projects and accumulate quick wins to establish momentum and commitment among the critical stakeholders.
- **Direct** – Remember that atmospheric conditions or the competitive environment and industry trends are not entirely predictable and therefore you must actively manage the growth trajectory. Monitor progress using measures that capture not only how you are doing but are diagnostic in helping understand the performance achieved. Use the learning to change speed, direction or allocations of resource to ensure you achieve the accelerated growth you targeted.

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Margaret Reynolds is managing principal of Reynolds Consulting, LLC.

(816) 350-7680 // mreynolds@reynolds-consulting.com