

# Managing Corporate Growth

## Observations of Small Companies Undergoing Rapid Growth

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- Personal Observations of Companies with Significant Annual Growth
  - Greater than 20% Annual Growth
- Discussions with Management and Staff who have Experienced this Level of Growth since the Company's Inception

## The Good Old Days

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- Company Started by Individuals Trying to “Make a Difference”
  - In the Community and in the Business
- People with Drive and Vision
- Lean Business Days Followed by Prosperity and Rapid Year-to-Year Growth



- Some Companies Start Based on Capability, Others Start on Advantages
  - Classification Code, Location, Political Connections, etc.
- During Rapid Growth Periods, Companies Decide they can “Do it all”
  - From Engineering to Services
  - From Services to Facility Maintenance
  - From Facility Maintenance to Rocket Science



- Focus on Finances – Not Capabilities
  - Artificial ROI/year
- What Happens?

- Corporate Capabilities like an Encyclopedia
  - Q: “What do you do?”
  - A: “What do you need me to do?”
- Never met an Opportunity they didn’t like
- Will Work for Cash Flow
- Don’t Know Everyone by Name at the Company Anymore
  - It just happened one day



- Opportunity List out of Control
  - Can't Afford to Chase them all
  - Couldn't Afford to Execute them all if you won them
- Strategic Plan
  - What Plan?
- Capture Process
  - Informal and "on the fly" Decisions
  - Delayed Decisions = Opportunity Costs/Loss
- Many Companies are in this Business State

- Now that you have Grown, you Need:
- Effective ways to **Regularly** Communicate with all Employees
  - Individual Emails to all Hands from Management
  - Team Building – Encompassing
    - ✓ How do the Employees interface with Management?
  - Restate the **Vision, Mission, and Values** of the Company in Regular Communications
  - Communicate the **Plan** and the **Processes**



- **Vision** – Describes what Business the Organization plans to be (the Future)
- **Mission** – Describes the Activities and Responsibilities of what the Organization does and what sets it Apart from Others (Today)
- **Operating Values** – Explicitly state what the Organization Intends and Expects. Serve as Standards for Judging Organization Policies, Actions and Individual Conduct. Also define the Organization's Position and serve as a Cornerstone for the Corporate Culture.



## The Strategic Plan (Cont.)

- **Key Products and Services** – List the Customers, Describe the Products and Services, Describe the Unique Attributes of the Company that Sets it Apart from Others in the Same Field
- **Stakeholders** – A Stakeholder is Anyone who has a Stake in how well the Organization Achieves its Mission. Normally includes Members of the Organization, Customers, Suppliers, and Shareholders.
  - List all Stakeholders involved in your Company.
  - List Stakeholder Expectations. This can be done by Direct Discussions, Interviews, and Questionnaires.



## The Strategic Plan (Cont.)

- **Key Results** – Any area in which you must be successful to accomplish the Company **Mission**. Based on the **Stakeholders** Expectations. Between 5-10.
- **Critical Issues** – Defined as any issue that may affect the ability to deliver on the **Key Results** and accomplish the **Mission**. Which Critical Issues are necessary to achieve the **Key Results** that will determine the Company's success in the next 2 years.
  - Strengths, Weaknesses, Opportunities, and Threats (**SWOT**). S&W – are internal to the company. O&T – are external to the company. 5-10 Only.



## The Strategic Plan (Cont.)

- **Develop the Company Goals** – These are the long-range (1-5 years) intentions for a specific aspect of the company. Review the **Critical Issues** and ask what has to be done to meet the challenge of each.
  - Develop at least one Long-Range **Goal** for each Major **Critical Issue**
  - Establish an Owner of the **Goal** who will be responsible for the Goal.
  - 8 or less Goals.
  - *A goal should state "what" should be done and "why." Do this because of this.*



- **Develop the Goals' Objectives** – An **Objective** is a statement of short-range measurable initiatives that support each **Goal**.
  - Review each Long-range **Goal** and develop one or more short-range **Objectives** to reach the goal.
  - Each **Objective** contains language that indicates when the objective has been met and who is responsible.
  - *An Objective should state how much, when, and annotate who. It must be measurable!*

## The Strategic Plan (Cont.)

- The Strategic Plan should be less than 10-12 pages
  - Vision
  - Mission
  - Operating Values
  - Key Products and Services
  - Stakeholders
  - Key Results
  - Critical Issues
  - Long Term Goals (1-5 years, but 3 years nominal)
    - ✓ Can be functional (improve the organization)
    - ✓ Programmatic (where we see the company going)
    - ✓ Financial (growth rate and why – a realistic ROI)
  - Near Term Objectives (next year)
    - ✓ What steps/opportunities the company will pursue next year to meet the goals



## The Strategic Plan (Cont.)

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- The Strategic Plan can be 1 page

# The Executive Steering Team

- The Role of the Executive Steering Team
  - Loyal to the Company Strategic Direction and communicate it to customers
  - Perform external and internal scans for Strengths, Weaknesses, Opportunities and Threats (their views)
  - Review performance
  - Receive and communicate feedback to customers and the Company
  - Review the Strategic Direction and validates the Vision, Mission, Values, and Management Philosophy
- The Group that makes Business Decisions
  - Pursue/no bid
  - B&P Allocations
  - “One Stop Shop” for Business Decisions
    - ✓ Timely
    - ✓ Efficient
    - ✓ Effective
  - Can be Virtual (Bid/No Bid via Email/Internet)



- What 12 Questions must be Answered Before any New Bid?
- 10% NBF is Discretionary
  - “Blue Sky” Ideas are Allowed/Encouraged

### The 12 Questions

#### 1) Introduction

Presenter. Who is the Capture Manager (if different than the Presenter)

Opportunity Title

Brief Description of the Opportunity

Customer – Identify all related customers. Buyer and User. Have we met with them? Are Senior Management customer visits required? Who and when? (See Capture Plan)

#### 2) Strategic Plan Applicability

Where does it fit within the Company Strategic Plan?

Near Term and Long Range

#### 3) Business Potential

Estimated dollar value. Multi-division pursuit? Show shared sales value

Customer Funding Available? Identify funding source/budget line item

Probability of Program Go/Our Probability of Win. Why?

Follow-on Potential?



## The Capture Process(Cont.)

### 4) RFP Data

- Release Date
- Response Time
- Anticipated Award Date

### 5) Contract

Is the Company Prime, or Subcontractor? Other Teammates? %  
Work share?

Type of contract (cost plus, fixed price, etc.)

Fee

Duration. Are there multiple phases or options?

Tasks to be performed by the Company

Unique Terms and Conditions? OCI Issues?

Small business requirements? Key personnel clauses?

### 6) Security

Foreign disclosure? Classified contract with security requirements?

Does the Company have a sufficient number of cleared people to  
work on classified tasks?

### 7) FAR Compliance

Make sure the Opportunity has been checked for FAR compliance.



## The Capture Process(Cont.)

### 8) Background

Related CRAD (Contracted R&D)

Related IRAD (Independent R&D)

Associated B&P, marketing, or other previous related/similar programs

### 9) Strategic Value to the Company

Pros for Bidding

Cons for Bidding

### 10) Competition

Who are they? What do they offer? What does their team look like?

How are we different? Why will the Customer select us over the Competition?

What is our win Strategy? What is our Major Business Offering?

Pricing Strategy?

### 11) Proposal Schedule

Proposal Manager? Dates for preliminary and final review teams, and team leaders

### 12) Requirements

B&P funds. Estimate how much. Source? (Is it available, or does it come from another program?)

Manpower. For the Proposal. When the effort is won. (Do we have the resources?)

Facilities. For the Proposal. For the Contract



## The Capture Process(Cont.)

- The Executive Steering Team gives the Bid/No Bid Decision
  - And the Resources for the Pursuit
- The Capture Manager Updates the EST and Prepares the Capture Plan (3 Pages)
  - What you Plan to do Over the Next 30-60 Days
  - Briefings, Senior Management Meetings, Customer Visits, White Papers, Legislative Actions, Others
- Provides Weekly Updates (1 Page or Less)
  - Status of the Capture Plan, Actions, Accomplishments for the Week, Plans for Next Week



- Periods of Growth are Key in the Business Lifecycle
- Recognizing Symptoms of Rapid Growth Effects Must be Managed
- Open/Frequent Communications are Essential
- Clearly Communicated Strategic Plan (on the Web?) is a Must
- One Stop Shop for New Business Ideas and Business Decisions at the EST
  - Timely Bid Decisions with B&P Authority
  - 12 Question Process

