

Scale for Success

What's in it for me? Learn how to grow your business successfully.

When you first launch your business, all that you need to succeed is a good idea, grit, and a small amount of initial capital. After that, it's mostly in the hands of fate. But when it comes to scaling your business, there are a lot more challenges that need your attention. Scaling means raising capital, hiring new staff, and maintaining a positive work culture in the face of pressure and rapid change. It means new ways of marketing and learning the latest sales techniques. And perhaps most importantly, it means laying a lot of groundwork before the scaling process even begins. That's where these blinks come in. Based on the advice of a diverse group of successful entrepreneurs, they walk you through the challenges and opportunities that scaling your business can present. In these blinks, you'll learn

why crowdfunding your growth might make sense; how to sell with integrity; and how to make your marketing stand out.

Preparation is essential for successful scaling.

Scaling isn't easy. After all, growing your business isn't just a case of doing more of the same - and it certainly isn't something you can leave unplanned. Bev Hurley, the CEO of the YTKO Group since 2000, learned that the hard way. In a matter of weeks, the firm doubled in size, going from 20 to 40 employees in the blink of an eye. While this growth seemed like a sign of success, in reality, YTKO was having problems. The firm's sudden expansion hadn't been properly planned for, and YTKO lacked the HR processes, tech infrastructure, and training procedures needed to deal with its growth. The key message here is: Preparation is essential for successful scaling. Thankfully, Bev Hurley learned from her mistakes. A year later, the firm doubled in size again, going from 40 to 80 employees. But this time, things went a lot more smoothly: Hurley made sure that the groundwork for growth was laid before the expansion began. This time YTKO was prepared. So how do you know whether or not you're ready to scale? Well, you can test your preparedness simply by exercising your imagination. Imagine that you were to receive a whole year's turnover tomorrow - how would you scale for that? Where would your gaps and weaknesses lie, and how would you deal with them? One example is that many firms lack the working capital they need to scale. But working capital, the capital available to a company for day-to-day expenses, is vital when scaling. Recruitment can prove costly, as can bigger locations, and more stock and salaries. Take a minute and ask yourself whether you could raise the capital to fund these things, or whether your expansion would quickly leave you cash-strapped. As important as working capital is, it's still just one consideration among many. It's also paramount that you have a reliable senior team in place before you start to scale. Having even two or three established employees alongside you, who you know you can trust absolutely, can make a world of difference when it comes to scaling your business.

Crowdfunding your company's growth

can be extremely advantageous.

If anyone knows that scaling your business requires large sums of cash, it's Ben Revell. When he first launched Winebuyers, an online wine store, back in 2015, he did it on a shoestring budget of just £3,700. But when the time came for an expansion, Revell didn't look for a bank loan or venture capital investment: instead, he opted to crowdfund his company's growth. Crowdfunding is often used to raise money for charity, but it's also an option for small businesses trying to raise funds. In crowdfunding, a large number of investors provide a firm with the capital it needs in exchange for shares in the company, or interest on the loan, or even a discount on the firm's products. [Pause] But is it a good idea? The key message here is: Crowdfunding your company's growth can be extremely advantageous. Taking out a large loan from a bank can prove difficult for many small businesses – and even those which can get traditional loans may be wary about the risks associated with acquiring large-scale debt. That's where crowdfunding comes in. Instead of taking out a loan, a company can minimize its debt by choosing to sell unlisted shares, or offering a discount on goods that haven't gone into production yet. But that's not the only advantage crowdfunding offers. It also presents companies with an opportunity to garner publicity and exposure. When Ben Revell's crowdfunding campaign went live, it wasn't just capital that he received, he was also the happy recipient of plenty of advice from investors, many of whom were industry veterans. As with scaling in general, crowdfunding does require a good deal of preparation. Any firm that's contemplating a crowdfunding campaign should spend a long time making sure it's considered every aspect of its plan. For example, is the crowdfunding website it's going to use a reputable one? Has the firm created a video to accompany its pitch – and is it an emotive one that's likely to catch investors' attention? Because crowdfunding is a public process, both successes and failures are always visible. When you're putting your firm's reputation on the line like that, preparation is critical.

Scaling doesn't have to harm your company's culture.

Scaling brings plenty of opportunities, including bigger clients, complex projects, and new employees. It also brings us closer to the holy grail of the business world – higher profits. But it's not all fun and games. Scaling can also involve significant risks, not all of which are financial. One such risk is that a company's original culture could be sacrificed as it grows, being gradually replaced by a toxic culture that makes employees feel both unwelcome and undervalued. That's where someone like Natalie Lewis, the owner of Dynamic HR Services comes in. As an HR consultant, Lewis spends about half of her time working with small businesses that have grown too fast and lost their company culture in their rush to scale. The key message here is: Scaling doesn't have to harm your company culture. So how can your business hold onto its warm, welcoming, and enthusiastic culture even as it grows? There are a few key things you can keep in mind. The first is not to hire hastily. In their rush to scale, too many businesses experience what Natalie Lewis calls “distressed recruiting disasters” – unsuitable hires made on the spur of the moment in an effort to fill an urgent vacancy. Both recruitment and employee performance can be improved by making job descriptions more detailed and more exact. That way, employees know exactly what's required of them from the get-go. With employees and managers on the same page about what a role involves,

disappointment and frustration are far less likely to arise. But keeping a culture positive involves more than just job descriptions. Another key element is gratitude. Lewis recommends treating your communication with employees like a bank balance – gratitude and praise are deposits and criticism is a kind of withdrawal. As with a normal bank account, you should always aim to be in the green. Finally, take the time to onboard employees properly. If you want workers to find value in their work, you need to help them identify with the company's mission and key objectives. Taking the time to do this when they first join the firm will pay dividends in the long run.

Tailor your marketing toward real human beings.

When you're running a small business, marketing is usually pretty straightforward. Rather than elaborate strategies and complex campaigns, most small firms begin with little more than a website and a social media page or two. But when it's time to scale, all of that changes. The marketing strategies you relied on in the early days won't propel your expansion as you grow – and all of a sudden, marketing seems to require a whole lot more time, effort, and thought. Whatever the details of your own marketing tactics, there are a few key guidelines you should keep in mind as you scale. The key message here is: Tailor your marketing toward real human beings. David Meerman Scott, a prolific author and global expert on online marketing, says that marketing for scale should always begin with a buyer persona. Before anything else, you need to understand who your customers are, what their lives are like, and why your products appeal to them. You should, essentially, put together a short biography of your typical customer. When that's done, you need to decide how you're going to reach your target market. Social media is increasingly used as the weapon of choice for effective marketing campaigns – but the manner of your marketing is just as important as the medium. Gone are the days when customers were happy to fill out contact forms the minute they opened a website. These days customers expect gentler, more appealing and more personable marketing strategies. So, instead of focusing on the ins and outs of your product offerings, focus on the customers themselves. How can you make their lives better or easier? What problems of theirs can you solve? Anchoring your product in potential customers' lives, rather than in your firm's own narrative, makes your marketing far more likely to hit home – and vastly increases the odds that it'll generate both customer engagement and sales.

Sell honestly and with a sense of genuine curiosity.

Salespeople are vital to the success of any business – but it's fair to say that in the mind of the general public, the profession's reputation isn't ideal. You see, lots of people think of sales as an area dominated by smooth-talking, charming, but ultimately dishonest hucksters – and according to Andrew Milbourn, a sales expert and CEO of Kiss The Fish, they're not that far from the truth. In the past, Milbourn says, salespeople have too often been fraudulent and selfish. But the time has come for sales to be re-imagined, and for salespeople to be distinguished by their integrity and understanding rather than by their glib and oily eloquence. The key message here is: Sell honestly and with a sense of genuine curiosity. In the previous blink, you learned the importance of building

a buyer persona when it comes to marketing efficiently – similarly, Milbourn emphasizes the significance of showing customer curiosity in the domain of sales. While many salespeople base their strategies on the theories and protocols drafted by business analysts and managerial staff, customer curiosity teaches us to begin with the customers instead. Rather than approaching customers with your own ready-made sales techniques, you can allow all of your sales strategies to proceed from your customers' real needs. In fact, Milbourn recommends that all small business owners should acquire first-hand experience trying to sell the firm's products themselves. That way, as the business scales, the owner can share her insights with the growing sales team, imparting the knowledge and tips she acquired in the company's early days to the new staff being onboarded. Along with showing curiosity about customers, Milbourn is uncompromising about the need for honesty in sales – and not only on moral grounds. Compared to a few decades ago, these days, customers are too well informed to buy into less-than-honest sales pitches. If they think a salesperson is only interested in their money, they'll simply take their business elsewhere. On the other hand, if they feel that a salesperson is honest and interested in helping them, they'll be happy to do business with the firm again and again.

Make sure your company is well-staffed and organizationally sound.

Mike Lander, a serial entrepreneur, has heard all the excuses people have for their firm's failure to scale up. Some say the market was too competitive. Others claim they suffered bad luck. And others even say they never really wanted to grow to begin with. In Lander's eyes, this is all evidence of something he already knew – that succeeding in the business world can be hard. After all, everyone would be wealthy if it were easy. But Lander's spent enough time building businesses to have picked up a few nuggets of wisdom – some key insights that can make the difficult journey to the first one-million-pound profit just a little less daunting. The key message here is: Make sure your company is well-staffed and organizationally sound. Most entrepreneurs start businesses with people they already know. That's natural, and in some ways it makes sense. Every entrepreneur needs to be surrounded by a few people they can rely on entirely. Who better than someone you've already known for years? Well, sometimes it's better to have someone who knows exactly what they're doing. As a business scales, it's important that you strengthen your core team by adding experts to it, not just your friends, family, and trusted former colleagues. Another adage of Mike's is that entrepreneurs need to work on, not in, the business. In other words, to scale your firm, you need to disconnect from dealing with day-to-day issues at some point, in order to focus on the firm in a broader way. Instead of focusing on the micro issues, like any single project or any particular customer, scaling up requires that leaders take a step back to shape the firm at a structural level. So what does that look like in practice? Well, one example is ensuring that your firm's organizational design is scalable. Are there clear lines of communication and accountability in your company? Do you know exactly who's responsible for what? And will you still know that if your firm expands into new regions, or takes on new employees, or launches a new product? Making it to one million in profit is never easy. But scaling up, and approaching that figure, will prove far less troublesome if you bring in employees with expertise, and work on, and not just in, the business.

Final summary

The key message in these blinks is that: Scaling your business poses as many challenges as it does opportunities, so it's important to do things right. The most important thing to bear in mind is that scaling should always be prepared for, down to the very last detail. From lines of accountability to issues of working capital, nothing should be improvised. And whether you're dealing with sales, marketing, or even your company culture, never lose sight of the fact that you're interacting with real human beings. Every strategy you implement should be anchored in the lives and needs of your customers and your employees. Got feedback? We'd love to hear what you think about our content! Just drop an email to with Scale for Success as the subject line and share your thoughts!