OPINION



Are you built for growth?

With more work than we can handle and the current recruiting challenges we face, we need to be sure that our organizations have the foundations for sustained growth.



Eduardo Smith

Istarted my career in the environmental consulting industry in the early 1990s. In the 30 years since, only the few years leading up to the Great Recession have rivaled the present for growth in our industry. Many firms are experiencing difficulties just keeping up with the work that's walking in the door, and hiring difficulties are exacerbating the problem. I can't recall how many times I've heard managers refer to the difficulty of finding the "unicorn" (perfect candidate) they aspire to bring on board.

So, with more work than we can handle and the recruiting headwinds we face, we need to be sure that our organizations have the foundations for sustained growth. In essence, we need to instill a growth culture.

WHY IT'S IMPORTANT TO GROW THE BUSINESS. No doubt, there are firms that are satisfied being busy enough, offering niche services, and maintaining a size that is comfortable for their owners and employees. That fits their definition of success, and there's nothing wrong with that. However, there are valid reasons why growth is important:

■ It provides career growth opportunities.
In today's employee-favored market, growth

- opportunities are essential for attracting and retaining staff. Research shows that opportunity for advancement is (nearly) as important as salary when making job choices. If your firm isn't growing, staff will probably recognize that opportunities for upward mobility are limited.
- Profitable growth typically leads to an increase in the company's valuation. Whether in a privately held firm, ESOP, or publicly traded company, increasing the return to shareholders is typically a company priority. Profitable growth not only enlarges the bottom line, but enables investment that can further enhance the firm's value.

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■ It's a measure of winning in the marketplace. And everyone wants to associate with winners, whether they're employees or clients.

ARE YOU PREPARED FOR GROWTH? Just because growth comes easily doesn't mean it isn't hard. Growth pressures can strain a company to its breaking point. This is particularly true for a firm that doesn't have a growth culture – that is, one where the pursuit of and adaptation to growth is embedded in the way it conducts its business. Even firms that have experienced periods of rapid growth aren't necessarily built for it.

"Whether growth comprises your firm's future aspiration or its current desperation, equipping your firm to accommodate it effectively gives you the best chance to succeed for the long haul."

Is your firm well positioned for growth? Below are a few things to consider when evaluating your firm's preparedness for growth:

- Make sure your leadership team is on board. That means every one of your leaders is dedicated to the firm's growth, realizing that the status quo is no longer in the cards. All must buy in; teamwork is critical. I've come across organizations in which senior staff work as if they had their own private practice. They are "eating what they kill," don't work as a team, and don't employ the concept of leverage pushing work down to staff at the appropriate level or skill set. Sustainable growth will rarely occur in such environments, as every senior practitioner is their own growth limiter.
- Have a functional structure to manage the growth.

 I've seen organizations that are too flat. They cannot accommodate growth because practically all decisions run through one or a few people. Instead, you need competent, empowered managers who will run their divisions or groups

in keeping with the overall vision, mission, and values. The firm must also have an appropriate staff mix so the concept of leverage can be applied. Leaders must have the time available to lead and managers must be able to manage. They can't all be buried in project work.

- Be selective in both hiring staff and accepting new clients. Hire good people before you are desperate to fill an opening. Even if you are in a pinch, don't settle for just anyone, or you will be spending your time and money managing turnover. A few years ago after a bad experience, I vowed to never again "settle" on a new hire. I read Patrick Lencioni's book, The Ideal Team Player, and made it required reading for all our hiring managers. We began incorporating the principles from the book in evaluating candidates: Are they humble, hungry, and smart? Since then, our interview and hiring process has drastically improved and our retention has increased significantly. When considering new clients, I suggest taking a critical look at the resources needed to serve existing clients and be careful not to put those clients in jeopardy for one-off projects with new clients. Also consider passing on those clients that are pushing toward commoditizing our consulting work and make contracting decisions solely based on price.
- Develop processes that support your practitioners and provide consistency. It may be that you were able to get this far without formal processes for things like project planning, forecasting, client feedback, and other functions. And you may allow project and client service managers to run projects and handle clients according to their own discretion. But growth-oriented firms should be seeking more consistent outcomes across all their clients, projects, and operations. Standards and processes also facilitate more efficient onboarding of new staff. Consistency is critical to building a durable brand and gaining your clients' confidence.

Whether growth comprises your firm's future aspiration or its current desperation, equipping your firm to accommodate it effectively gives you the best chance to succeed for the long haul.

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