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100 [Fastest Growing Private Companies 2019]

Are You Prepared for Continued Growth?

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Businesses who attain the coveted "fastest-growing" title face a potentially daunting task – continuing that growth trajectory. Continually scaling the business is not for the faint of heart; from dedicating sufficient resources to support innovation and managing cash flow to retaining top talent and determining how to stay relevant in an ever-changing marketplace – business owners must remain agile.

Reportedly, a majority of executives know that their companies' success hinges on the ability to bring new products and services to market – many of whom also agree that their companies aren't allocating enough resources to support, much less drive, innovation. As innovation must be the prime objective in the early stages of a new or growing company, business owners generally focus on the product or service instead of running the business. However, as the business grows and becomes more complex, it is imperative that someone is tasked with focusing on the business itself – analyzing profitability and efficiency – in order to continue supporting future innovation efforts.

Maintaining (rapid) growth requires implementing the right people, tools, and technology, and understanding the costs associated with your business' processes. Inconveniently for many business owners, accurately tracking and comprehensively assessing the relevant data can take up a significant amount of time. Often, there aren't enough in-house resources – which is why it's not always reasonable to rely solely on in-house resources to answer all the key questions, such as:

Is the cash flow being closely monitored to determine current and projected growth?

Many business owners name cash flow as their number one challenge to growth – which makes sense since most businesses' growth stalls (or fails) due to lack of funding. Rapid growth can stretch things particularly thin, so it becomes imperative that someone is tasked with verifying the accuracy of the financials, analyzing the data, and relaying that information to the stakeholders so they have the opportunity to adjust course operationally, as needed.

Are the current processes scalable for continued growth?

Reducing manufacturing and delivery costs can help trim the fat in the supply chain. Sometimes this is seen as the low-hanging fruit, but it can provide long-lasting, incremental value, and when done strategically, can pave the way for continued growth.
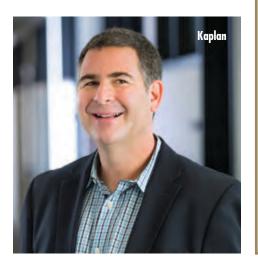
Is technology being used to sustain a competitive edge?

Automating processes is one of the obvious ways to leverage technology to give your company a competitive edge, but more advanced AI – such as machine learning – may be another way to discover hidden insights and provide more personalized customer experiences. Knowing when to leverage this technology is key to sustaining a growth-state and remaining competitive.

Remember that there is no ceiling/cap on potential growth, so even if you hold the distinction of being named one of the fastest-growing companies, it's still critical to have a strategy for scaled (continued) growth. A great place to start is asking the question – in which way should we grow? Deciding the direction of your company should be driven by accurate data. Innovation budgets should be tied to tangible goals and realistic expectations. Dream big, and then use the data to create the roadmap – ensuring that as the company grows, executives can (more) consistently meet the increased demands.

Sometimes, it makes the most sense to leverage an outside firm – such as Miller Kaplan, a full service accounting firm – for a fresh perspective and so that time spent analyzing the data doesn't take away from the core business objectives, goals, and innovation.

Michael Kaplan is a partner with Miller Kaplan. Check out millerkaplan.com to learn more.

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KEY QUESTIONS YOU SHOULD BE ASKING

1. In what areas do we want to grow?

2. How should we continue to differentiate from the competition?

3. Is the goal to increase sales/service to existing customers or acquire new ones with new products/services?

4. Are we sufficiently supporting and driving innovation?

5. Are we measuring the right data? Accurately?

6. Is our risk too concentrated in a given area?

7. Are the current processes scalable?

8. Is it time to create new processes?

9. How can we leverage AI to maximize potential?

10. Do we have enough of the right people on our team?

11. When is it time to shift strategies?

12. Are we prepared for what's next?

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