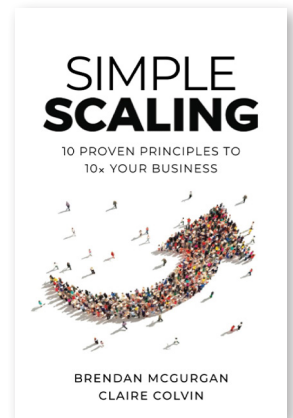


# Simple Scaling

Ten Proven Principles to 10x Your Business

by **Brendan McGurgan and Claire Colvin**



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## THE SUMMARY IN BRIEF

*Simple Scaling* is designed to create a framework to help the 98% of SMEs (Small and Medium Enterprises) that never achieve scale.

First, you'll develop the mindset to successfully scale a business, create an inspirational vision of the future, and look at those who will need to get you where you need to go. Next, you'll plot a course toward your vision and explore how to develop a template for repeatable success and then execute on that template. The next section will help you clearly articulate your value proposition and take your product or service beyond your borders into a new region and/or industry. Finally, you'll discover broader business ecosystems and partnerships that will play a part in achieving your vision. Overall, you'll learn how to navigate the growth phases that all SMEs go through and implement a more predictable, repeatable cadence across your business.

## IN THIS SUMMARY, YOU WILL LEARN:

- How to take the first inspiring steps towards valuing and building a company that can scale.
- How to orientate your business to become an organization that has the systems and process in place to create scale
- How to accelerate growth by improving your value proposition, expanding your reach, and entering key partnerships.
- How to continually reinspire and reinvent your business to continue growing skyward.

## Introduction

This book has been written in response to a failure at the heart of the small and medium enterprise (SME) sector. Only a tiny percentage- estimated between 2 percent and 4 percent ever achieve scale. Think about that.

The vast majority of founders and entrepreneurs, despite making great strides forward in the early years, hit a brick wall and stagnate, denying themselves, their teams, and their communities a golden opportunity to create something special. But it's not ambition that's missing; it's the know-how required to scale successfully. The reality is that traditional thinking and long-established conventions are no longer serving us. To break through the ceiling and shoot for long-term scaling growth calls for a new set of principles.

## Theme 1: Inspire

### Psyche

It all starts in your mind. The success or failure of your scaling journey starts with the thoughts you think. What you believe you can achieve sets the limit on what you will achieve. To become a successful scaler, you will need to work on your mindset. Don't underestimate the extent of that inner work. And don't underestimate the magnitude of the challenge you face. Successful scaling is incredibly challenging.

But the rewards are also immense.

As it stands, your business may be delivering a certain level of comfort. After years of hard work, there's cash in the bank, and you're finally able to stop and enjoy the view. You have a nice lifestyle: the car, the holidays, the home-perhaps even a second home. Maybe you're finally able to engage in some philanthropic activity, giving you a certain standing in your community.

Do you want to stay in this zone and maintain what has become a lifestyle business? Nothing wrong with that. Maintaining the status quo when things are in constant flux is challenging in its own right. But if that is your decision, be clear about it. Be deliberate.

Or are you feeling stuck? Trapped by the constant demands of the day-to-day business, unable to lift your head and work out where you want to go next? Do you have a sense that there's a greater purpose out there? Something that goes beyond simply maintaining a standard of living? If so, you're standing at what you might call Scale-verest base camp.

### Purpose & Vision

Business experts make the case that purpose is a key to exceptional performance and therefore successful scaling. Psychologists talk about purpose as the gateway to greater well-being, a connection to the soul. But how do you go about determining your company's purpose?

Use **PURPOSE** to kick-start the process of molding your own.

**Pose the big questions.** Why do you exist? What are you passionate about? What motivates you? What are you really trying to do here?

**Understand your cause.** Use the UN SDGs to guide how your purpose can positively impact one or more of the world's greatest challenges.

**Review your past.** Why was this organization established? It will likely have come from a desire to effect change. Look at your own values. What is it you truly stand for and believe in? Do your beliefs chime with what you do in your organization?

**Positive change catalyst.** How does what you do affect your team? Your customers? Your community? Your planet?

**Originality.** Make your purpose stand out from the crowd. And keep it short.

**Strong sense of service.** Set out to maximize the number of lives that can be positively impacted by your purpose and stay true to your why as scaling gathers momentum

**Emotionally engaging.** How does your purpose make you feel when you hear it? Is there a sense of calling? It should energize and challenge in equal measure.

At its core, a company's purpose is a bold, emotion-infused affirmation of your reasons for being in business. It will strongly convey what the organization stands for. It leaves no one in doubt about what you believe in and whom you serve.

### People

Great talent is so often right there in the company, but we simply fail to recognize it. Every business has people who have already proven their capability, their loyalty, their teamwork, and their values.

Scaling breakthroughs come from individuals like these who demonstrate passion and potential-those who are not trying to simply satisfy your customer needs, but who are thinking

of ways to exceed them. Talent exists everywhere. We just need to open our eyes to find it. The better we become at doing this, the better we will become at improving performance and scaling successfully.

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## Theme 2: Orientate

### Planning

Stop reading for a moment and ask yourself, “Were the tasks I busied myself with today the best use of my time? How important were they? Could I have delegated more?” Broaden the question: “Are the activities that I’ve chosen to focus on (and remember it is a choice) today, this week, this month, this quarter aligned to my vision and purpose? Have I conducted myself as CEO and focused only on the essential, delegating everything else?”

Don’t be fooled. The capacity to react to the next call, email, or message does not improve the trajectory of your business. We’re all guilty of getting caught up in the tyranny of the now, of failing to lift our heads, and question where our time is best focused. Our results are a direct reflection of where we focus our thoughts and attention.

This is why you need a plan.

At this stage, you will know the broad direction in which you wish to travel. You can see the lighthouse flashing in the distance. In addition to your view of the future, you also need to understand where the organization is today, right this moment.

Creating a plan does not require hundreds of pages of notes or years of research until you’re certain you’ve got the right one. Yes, other stakeholders will likely require a more detailed business plan, but that’s not for now. Business plans can only be built out once this part of the process is complete.

### Process

Some of the biggest corporations in existence today began as startups, but they didn’t reach their current size by working proportionally harder. Instead, their leaders created smart processes with scaling in mind. Smart processes allow you to hire a new employee, provide instructions on how to perform a task, and get consistent results within days rather than months. In short, processes and systems play a fundamental role in the transition from startup to a scale-up. As you scale, your processes must handle significant increases in demand. That means that you need to identify those processes, strip out unnecessary complexity, and automate as much as you can

### Performance

What does performance mean when it comes to a scaling business? Vince Lombardi said that the achievements of an organization are the results of the combined effort of each individual. This starts with you. As the leader, you have to make sure that your own performance is optimized every time you show up. Do that and you will inspire and motivate the team, allowing them to reach their full performance potential and driving your company to do the same.

Anchor your intentions and activities to a desired future state and work back from there. Drown out everything else—from boardroom to factory floor, through all functions, and across regional business units, no matter where in the world they are. Once everyone has clear sight of the vision, great execution is where the magic is made. Every team member must know their day-to-day tasks, initiatives, and long-term goals—and how they tie in to the organization’s vision.

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## Theme 3: Accelerate

### Proposition

Why didn’t we put Proposition at the start of the ScaleX 10 Principle Framework? Because scaling mode is fundamentally different to startup mode, where having something to sell in the first instance is of course critical. By now, however, you will have already proven the viability of your product or service. The next step is to clearly define and dial up a value proposition that allows you to aim high and grow more.

The first challenge is to decouple from your emotional attachment to the amazing product or service that you have either invented or brought to market. Time and again, founders fail to see their business through the eyes of their customers, which is why a value proposition remains one of the most overlooked and misunderstood elements of running a business. If you wish to scale successfully, you will have to shift your perception and bring that value proposition into razor-sharp focus.

### Place

Moving into new markets is always difficult and sometimes it’s exceptionally difficult. So it’s important to manage your own expectations. There is great reward, but these things take time and persistence. Creating capacity and freeing yourself from the day-to-day is critical to the development of export markets. There will be significant investment, and there will be low returns in the early stages. Because you

have to spend so much time trying to gain traction in the market, be prepared to spend a great deal of time in the air.

### Partnerships

Partnerships can help the business across the three, overarching functions of the customer-for-life process—winning the business, delivering the business, and supporting the customer's success. In particular, partnerships are critical in the development of new markets, in the development of new sectors, and in the development of the supply chain.

Remember, every success arises from a dependence on others.

You do, however, have to be strategic about how you develop these partnerships. Some are more critical than others. You can't spend all day with the banker if the banker plays a small part in the overall enablement of the vision. Be intentional with your time. Back to strategy, which is all about the allocation of resources. The CEO's time is a critical resource. Spend it strategically.

## Re-Inspire

### Positive Growth Culture

If you want to create a positive growth culture, you have to take action. It's **SIMPLE**—

**Set High Standards and Stick to Them.** A great culture will only take root if it is the lived experience of company leaders and if every interaction with team, customers, and stakeholders embodies that culture.

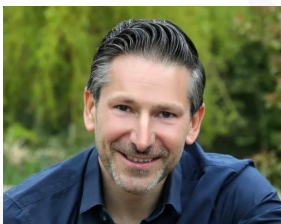
**Instill a Culture that Brings Out the Best in Everyone.** Recognize the signs of culture decay: poor relationships, a lack of accountability, gossip, a reliance on formal structures to get work done, high turnover. Be a custodian of your culture. Call out good behaviors and redirect negative ones.

**Make Culture from Values.** Take the time to establish a set of values that accurately reflect what you do.

**Put Those Values to Work.** Draw up the kinds of behaviors that your values require and infuse your organization with them. Make everybody accountable to each other. Encourage actions consistent with values and redirect actions that are not.

**Lock Your Values into Your People Systems.** A framework that managers can use to identify and encourage/discourage culturally consistent/inconsistent behavior makes it much easier to make values a reality in the workplace.

**Encourage Positivity.** Using positive language not only lifts your mood, but it also generates a more positive assessment of the challenges you face. You can't have a positive growth culture without positivity.



**Brendan McGurgan** is a global business leader who builds profitable, scalable businesses by delivering on his strong personal belief that anything is possible. Over seventeen years, twelve as CEO of CDE Group, he helped the company achieve 25x revenue growth and become an industry leader.



**Claire Colvin** is a highly experienced Talent Leader and partner of scaling CEOs, building the right culture and people-centered systems to accelerate the scaling process. She draws on twenty-five years' experience in high-growth SMEs, global organizations, and major UK PLCs.

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