

About the Author



Bob Tomasko is an author, management consultant, and speaker.

He is also the author of three other management books. Over 100,000 copies of them have been sold, and they have been translated into Chinese, Dutch, German, Japanese, Portuguese and Spanish.

Bob Tomasko's articles have appeared in Newsweek, The New York Times, The Wall Street Journal and other business periodicals. He has been quoted in Business Week, Fortune, Forbes and many newspapers. He wrote Moving Forward When There Is No Visibility for the Inaugural Issue of M World, The Journal of the American Management Association.

Bigger Isn't Always Better

The New Mindset for Real Business Growth



Author: Robert M. Tomasko
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■ The Big Idea

You want your business to grow. But don't confuse growth with expansion. To be sure, increased size can be an important component of business success, but companies that expand too much, too quickly, or too myopically may soon find themselves too big for their britches.

Bigger Isn't Always Better reveals these traits, why they are effective, and how to apply them in your organization. This book shows how successful companies and growers:

- Know where to look
- Know what they want
- Tell the truth
- Create tension to generate forward movement
- Win hearts and minds
- Master momentum and bounce
- Know when to let go, and share the wealth

Bigger Isn't Always Better also offers stunning examples of the failure of the Big-Is-Good philosophy.

Why You Need This Book

Combining real-life stories, thorough scientific research, and insightful analysis, this book shows how your organization can move forward – without tripping over its own feet.

KNOW WHERE TO LOOK

Thinking in a customercentric way does not come easy – even to some of the business world superstars like Jack Welch, former General Electric chief executive. Wlech's book *Winning*, describes his core business principles, and he lays out five questions to guide the creation of a winning strategy:

1. What does the playing field look like now?
2. What has the competition up to?
3. What have you been up to?
4. What is around the corner?
5. What is your winning move?

Growth, for Welch, is something a “player” imposes on his environment – which might explain why more than twice as many pages in *Winning* are devoted to mergers and acquisitions as examples of organic growth.

Knowing where to look for openings and opportunities often requires changes in how we think and where we sit. Going to all that trouble has a nice payoff: It provides a holistic idea of where your business might be headed. Actually getting it moving in that direction then requires setting a specific target, making an honest assessment of how far you are from it, and using creative tension to overcome inertia.

KNOW WHAT THEY WANT

Sometimes knowing what you want is not as easy as it sounds. Most fixer goals are imposed on us, either by circumstances or by the hierarchy in which we live. Growth goals are different. They are things we want. We have to make them up for ourselves.

The best way to find a goal is to look backward from the future. Otherwise you fall into the trap of just making incremental improvements on whatever is today's baseline.

Many growers have discovered a useful technique to help them tease out what they most want from the opening and opportunities that they sense are available. Imagine that it is three or four years from now. Your growth initiative has begun to bear fruit, and you are starting to receive plaudits for all your hard work.

A writer from *Fortune* has just interviewed you and your team. A three-page cover story about the initiative soon appears.

What will it say?

For what accomplishment will you receive acclaim?

What kind of a difference did you accomplish?

How will the article describe the steps, and the missteps, that were taken?

This is a good exercise to do with your teammates, first individually, and then as something to circulate and discuss among yourselves. Look for the common

“what I want to happen” themes that emerge. They are the raw material from which a good goal can be crafted.

Without a growth goal, it is hard to focus and easy to be distracted. Having a goal means always having a source of immediate feedback – as long as you are willing to tell the truth about your current situation.

TELL THE TRUTH

The telling usually turns out to be a bigger problem than the finding of the truth. Here are some useful practices for telling the truth:

Fishbowl the findings. Rather than having an investigative task force present the results of a study that is likely to arouse controversy and defensiveness in the senior managers who need to hear about it, convene a fishbowl meeting. Allow the members to present differing points of view. This is a helpful separation of roles: One group identifies what is, then the executives deal with what should be and how to get there.

Provide quotes, not interpretations. Rather than start off with what you think, present a series of disguised quotations from your interviews, arrange to illustrate key themes that had emerged. Since problems were identified in the words of those in the organization, you will be seen less as the messenger of bad news.

If you are to be a person to whom the truth is willingly told, heed the advice just given and try some of these techniques. Know what the common cognitive errors that drive overoptimism are. Understand the facets of your corporate culture that are most likely to fuel spin and distortion.

Let people know how much you value honest messengers. Actively seek out those who see the world differently from you. Figure out your common defenses, and learn how to turn them off when they get in the way. Manage by results, not blame. And keep the classic injunction in mind: The truth will set you free – but first it is likely to make you really mad.

For growers, telling the truth about the current state of affairs in relation to where they want to go is essential. Otherwise there is no sound basis for selecting a course of action, and no way to measure progress once one has been chosen.

CREATE TENSION TO GENERATE FORWARD MOVEMENT

Growers need both a goal and a sense of current reality. With only a goal, efforts are unconnected to reality and may fly around, unattached to what needs to change in order for the goal to be realized. When all the focus is on current reality, the motivation for forward movement can dissipate when the flaws in the current situation are fixed, and growth is likely to stop.

Growth occurs when people are pulled toward something new and desired, not just pushed away from what is present but unwanted. When you want to excite people about what the future can be, focus them on your growth goal. When you want to motivate them to work to bring the future into reality, focus them on the gap between the goal and the current situation.

Creative tension involves the gap, not the goal.

Few growers find that they can do it all alone. They need partners and helpers, cheerleaders and approvers. They need these people's ideas and OKs, as well as their time and energy. The key to getting these, since real growth feeds on active commitment, not passive compliance, lies in knowing how to win their hearts and minds.

WIN HEARTS AND MINDS

Building support for a growth initiative requires doing these kinds of things: paying attention to heads, hearts, and hands. New ideas provide an intellectual rationale for changing people's logic system. They help people perceive reality differently and better appreciate the new possibility that the grower is trying to bring about.

Doing things that stimulate positive emotions increases receptivity to the rationale and makes the trip a lot more fun and gratifying than it would be otherwise. Giving people an opportunity to develop the skills and techniques they need to master in order to function in this new reality is also vital.

Winning people's hearts and minds is the biggest hurdle a grower needs to overcome. It is what will move a growth effort to its tipping point. Two of the most important capabilities that growers must acquire if they are to continue to prevail: the ability to generate momentum and the ability to bounce back from setbacks.

MASTER MOMENTUM AND BOUNCE

This is the best way to prepare yourself, through marshaling positive emotions, to become clearheaded before figuring out what to do differently. Then you are ready to:

- Look broadly, and ask what you should do based on the evidence you now see before you.
- Make sure your new efforts are in sync with your goal; do not hope for one thing to happen while you are rewarding others for something else.
- Ask if all the parts of your effort are serving the purpose of the whole, rather than having come to exist for their own sake.
- Be sure you have not missed any of the broader implications affecting what you have set out to accomplish. Keep in mind that these are often moving targets.

- Don't try too hard and don't run too fast (outrunning your supply lines and finding your effort capacity-constrained).
- Don't cross lines you don't mean to cross. People who fall just short of their goal are often the most tempted to behave unethically and to set themselves up for later failure.

KNOW WHEN TO LET GO AND HOW TO SHARE THE WEALTH

Letting go is not a natural response to success. An unrealized growth goal provides structure, focus and energy. Where are these necessities to come from when the objective is reached? If all of a person's time and priorities are organized around a hunt, then the moment right after the kill is going to produce disorientation and distress, not joy and celebration.

Avoiding such a letdown requires growers to avoid thinking of themselves as people who are totally identified with their efforts. It is possible to be completely committed to achieving a result without the result also coming to define you. A grower whose work has been done well sees the proof in the achievement's taking on a life of its own – outgrowing, outpacing, and possibly even outliving its instigator.

Some people are serial growers and find themselves happiest and most productive when they are starting over again on a different issue in the same realm. The greatest contribution that the leader of a successful growth initiative can make is to give something back. You prime the pump for the next generation of growers by giving away the mindset for growth.

LAST WORDS

Fixers and growers are found in the business world and beyond. Some people have the special talent needed to create a new future. Others' efforts are better directed toward reacting and responding to events as they unfold. The wide range of actions that have taken place since September 11 in both fighting terrorism and eliminating its preconditions provide a rich laboratory for watching these two orientations in action.

At times, they seem to be in conflict with each other; at other times they are mutually supportive. This is understandable. Creating the world that we most want to have necessitates a mindset very different from that required to react to the world we do have. The logic behind avoiding unpleasant and feared consequences is not the same as that which guides a builder of something better.

Both organizations and societies are at risk when both mentalities are not present, and in some rough balance with each other. As Picasso once noted: Every act of creation is first of all an act of destruction.

The trick is to plan the movement from old to new in a way that does not lead to mindless destruction and chaos. This means starting out with the grower's clear idea of somewhere better to end up, and knowing what is wanted with as much clarity as what is not wanted. That's how real growth happens. This kind of growth, of course, has little to do with getting bigger or prevailing over others.

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