



# ACCELERATING INTO FEARLESS GROWTH

SEVEN QUESTIONS THAT CAN  
CHANGE YOUR FUTURE

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# As business leaders,

we start each new year, and each new strategic initiative, full of optimism that our business growth plans will be accomplished easily, without a hitch. However, in today's business climate, our hopes often do not match up with reality. Rapid changes in technology, shifting customer expectations, disruptive business models, and quickly evolving regulations often get in the way of even our best-laid plans for growth.

Though the accelerating pace of market change has made achieving growth goals more risky and perilous, it has never been more critical than it is now. There are several reasons why. Growth attracts new talent, because they see good prospects for advancement. It helps us to retain our best employees by creating opportunities for them to learn and contribute. Growth gives lenders and creditors the confidence to extend favorable terms. It provides proof to fickle investors that their money is well placed. And, when we are growing, suppliers contribute their best ideas and resources to help us improve our products and services.

The same forces that make growth so imperative, however, also make it incredibly daunting. Most major growth initiatives require new capabilities, extra financial resources, and a heavy dose of employee and customer enthusiasm. Yet in today's business environment, talent is in short supply, investors are increasingly demanding, and customers are unpredictable.

Ian, CEO of a mid-size manufacturing firm, saw tumultuous change in his industry. Low-cost competitors had entered the market, and customers were defecting at an alarming rate. Ian knew that his company needed to shift to a different business model, one that would reduce customers' upfront cost by enabling them to enter a monthly service contract rather than buying the equipment outright. In the long term, the new business model would create huge advantages, but Ian agonized over when and how to make the difficult shift.



His chief operating officer, Beth, pointed out numerous unknowns. How quickly would customers accept the new offerings? How would the services be priced? How would the sales-force be compensated, and could they adapt successfully to the new way of selling? How would investors react to the inevitable, and likely very deep, dip in revenues that would occur as customers shifted to the new way of buying? These questions—which admittedly are valid and concerning ones—paralyzed Ian. He ended up not making the shift, and his company ultimately died a slow and painful death by degrees.

This story illustrates how challenging—and how scary—it can be to undertake a major strategic shift. Especially when your business environment is changing fast, it's impossible to predict and plan everything, so you need to adopt a new, more adaptable, way of operating. You need to embrace uncertainty, get in sync with customers, and adjust course as you go.

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Forward-thinking companies in every industry, and of every size, are abandoning policies, processes, and strategic rules that formerly served them well, but that now hamper their ability to thrive, by slowing decision-making, constraining action, and discouraging learning and growth. In a world where customer behaviors, competitive dynamics, and technology seem to change daily, business approaches that favor adaptability, creativity, and collaboration win out.

Rather than becoming overwhelmed and paralyzed by uncertain markets, forward-thinking companies realize that uncertain business environments often offer new and exciting opportunities to grow and to gain strategic advantage. These companies are building fast-feedback loops so they can respond quickly to customer input. They are collaborating more often, and more deeply, with their customers on product development.

These companies are partnering, borrowing, and sharing assets, data, talent, and knowledge with trusted business partners, who can help them to grow fast. They are spending less energy planning and deliberating and more time experimenting and learning. They are engaging employees at every level, and in every function, in the process of innovation and growth. Is your company one of them? Do you want it to be? Would you be more successful if you changed how you lead, operate, and grow?

Now is the perfect time to ask yourself which outdated ways of doing business you should abandon and what *new* operating rules you would like to adopt to better enable your fearless growth. To ask: What are we doing that is impeding our flexibility and speed? And, what can we do to be more adaptable, faster learning, bolder, and better at accepting and managing risk?

I have found there are seven rules that fearlessly growing companies live by. Below are those rules, each with a corresponding question you should be asking yourself, to launch your journey to fearless growth.

# Rule #1: Embrace Uncertainty

**Question: In what areas of our business is uncertainty holding us back, and how might we overcome this resistance to move forward and grow?**

Are there particular growth opportunities for which you would have taken action had you been sure what to do? Many companies would have to answer yes. If you're one of them, you may be stuck in a holding pattern, intent on eliminating every risk before proceeding, or waiting for more information before you decide.

Uncertainty can be scary. In fact, research shows that uncertainty is even more stressful to humans than knowing that something bad is definitely going to happen. However, there's another way to view uncertainty. Fast-changing business environments can create the potential for companies to break out of the pack and to create lasting competitive advantage.

The faster and more surprising the change, the greater the advantage for companies that can respond quickly.

In fact, the faster and more surprising the change, the greater the advantage for companies that can respond quickly. When something unexpected happens—a new technology, a new competitor, a new customer need, or a change in governmental policy or regulations—the companies that win are those that are able to respond in a faster, smarter, and more adaptive way to make the most of the new situation.

When you find that you are moving too slowly on an important growth opportunity because you don't know what the future will bring, consider how you can address that uncertainty and risk; then take action. For example, a company that was launching a new lawn care product was uncertain where to commit precious advertising dollars, because the social media and digital marketing landscape was changing so quickly. By trying several different advertising tactics, and measuring results daily, they were able to quickly home in on an approach that minimized risks and fit their product and brand strategy well. This flexible, fast-learning approach prepared them to further adapt as the market continued to evolve.

## Rule #2: Get in Sync with Customers

**Question: Who are our most forward-thinking and progressive customers, and how might we better gain insight into their evolving needs?**

Your customers are a remarkably powerful and often underutilized source of ideas for new products and services, improved current offerings, and new ways to do business. And, because customer needs and behaviors are changing so quickly, up-to-the-minute insights into what our customers are thinking, doing, and saying are invaluable. By closely collaborating with customers, paying attention to outliers, and observing how customers customize and use your products, you can be ready for whatever the future may bring.



Who are your most forward-thinking and progressive customers, and how can you get insight into their future needs? Perhaps you could invite them to join an advisory board or to partner with you on product development projects or to enter into a joint growth initiative.

While they may make mistakes along the way, organizations that grow fearlessly have learned that it is critically important to quickly get early versions of their products into customers' hands. This gives them early feedback and helps avoid bringing the wrong product to market. Jane, head of sales and marketing for a software company, asked her team to identify eight major customers to focus on. These customers became intimately involved with the company's innovations and forays into new product areas, guiding the way in risky territory.

Within the most agile large companies, even top executives build customer interaction into their routines. They work in the field, observe the inner workings of their business, and regularly talk with employees, customers, and suppliers. Home Depot executives work in the stores, helping customers find products and providing advice, just as a typical store associate would. As a result, these leaders have a visceral view of their business and a keen instinct for what is and what is not going to work. They are able to spot market change as it's happening, so the company can respond quickly and in a practical way.

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## Rule #3: Partner, Borrow, and Share

**Question: In what areas could we grow faster by bringing in fresh ideas from outside, engaging with partners, or sharing our data, knowledge, assets, and talent with other companies?**

In years past, companies needed large amounts of physical assets and many employees to become big. This is no longer the case. No longer do companies have to “do everything” to be successful. In fact, trying to do everything is a liability, because it slows you down. Physical assets can be burdensome and an impediment to agility. Inventory can fast become obsolete, plants and real estate are difficult to sell when they are no longer needed, and information technology is easier to use and maintain in the cloud than to own outright. Similarly, having a large number of employees can slow companies down. To change direction, accelerate, or decelerate requires tremendous effort to adjust organizational structures, redesign processes, and communicate to, train, or redeploy employees.

In contrast, fast-moving companies now know that they can employ assets, talent, and capabilities outside their company to achieve their goals. Businesses that grow fearlessly crowdsource, outsource, and make use of freelancers, bloggers, microbusinesses, individual innovators, and myriad partners to achieve far more than they could on their own.

By collaborating with others outside your company, you can adapt rapidly when the market changes. You can leverage the ideas and capabilities outside your organization, while strengthening the people, processes, and capabilities inside it. Is there another company that can help you to move faster in pursuing your growth opportunities? Would partnering give you access to a valuable new distribution channel or manufacturing assets? Are there areas in which marrying your data with that of other companies could lead to breakthroughs? Is there a talent pool outside of your company that would be valuable to tap into?

LexisNexis, for example, aids law enforcement entities by linking together information on people, places, vehicles, and phones from more than 10,000 different sources. By bringing together disconnected data from many different sources, the company enables crime fighters to gain insights and linkages that otherwise might never have been seen.

Another company I know partners with universities to bring new knowledge into its development labs. A law firm and an accounting firm run joint events for current and prospective clients. Waffle House's partnership with package delivery startup Roadie enables drivers to meet package recipients at their restaurants to hand off packages. Partnership can take many different forms and can grow your capabilities and growth prospects in many different ways.

## Rule #4: Connect and Strengthen Your Ecosystem

**Question: How might we help the people and companies that are connected to us, and how might they help each other?**

Today's most valuable companies created their success by building powerful ecosystems to connect customers, content providers, suppliers, business partners, and others to each other. Amazon has built an ecosystem both of sellers and of customers who contribute reviews. Apple has built an ecosystem of app developers. Facebook has built an ecosystem of content consumers and providers (mostly just regular people, sharing their photos and opinions), funded by the advertisers who want to reach them. Salesforce hosts events that attract over 170,000 customers and partners, who attend in order to interact with each other.

These companies are ecosystem powerhouses, who connect millions, or even billions, of ecosystem members. Yet even if your company is small, or low-tech, you can build a powerful ecosystem. In fact, you already have an ecosystem—a set of customers, partners, suppliers, content providers, and others that are linked in one way or another to your business. And, by strengthening the bond to these entities, you can enhance your own performance and growth. For example, a regional accounting firm strengthened its ecosystem by holding quarterly events to bring clients together for a fun evening, with interesting speakers. This simple gesture built immense client loyalty and resulted in referrals to new clients.

A poorly managed or neglected ecosystem can hold you back, or even put you on a downward spiral of diminished reputation, calcified ideas, and declining sales. On the other hand, a well-managed ecosystem can accelerate your company's growth and insulate you from market upsets. Your ecosystem can alert you to emerging trends, provide you with word-of-mouth advertising and innovative new ideas, and create new sources of revenue. It can be a flywheel of stability or a catapult to exciting growth opportunities.

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Therefore, no matter what business you are in, be thinking about who's in your ecosystem now and whom you would like to include in the future. Identify how you would like them to gain value from the ecosystem, and then work to make it easier for them to gain that value, whether through events, technology platforms, or simple introductions.

How might having a more vibrant ecosystem accelerate your growth? And how might you design, implement, and manage that ecosystem? Which person, people, or teams in your organization—whether from marketing, operations, sales, or other functions—will be responsible for growing your ecosystem?

## Rule #5: Open the Floodgates of Employee Creativity

**Question: In what areas is it most valuable to debottleneck and support employee contributions, and what actions should we take to do so?**

Employees want to be engaged in their work and want to contribute to something greater than themselves. Too often, however, we squander their talent by over-measuring, micromanaging, and failing to inspire. We fail to enable employees' natural desire to collaborate with others and to grow their own skills. On the other hand, when we give employees the power, knowledge, and network they need, we can unlock vast power.

In which areas of your business would it be most valuable to empower employees? How will you do so? Are there a few policies, processes, or priorities you could change that would give employees the flexibility, decision rights, and resources to be more creative and effective?

If you are like most companies I know, employees and leaders are locked into patterns of behavior that they don't know how to break out of. It can be tough to break old habits without a conscious and tenacious effort to do so.

Are there teams in your company that would benefit from greater flexibility and freedom to achieve growth and innovation? Think of the employees who are designing your next new product, the financial analysts who are devising a breakthrough way to help managers visualize their business, the customer service representatives who jump through hoops to expedite an important customer's shipment, and the sales and service employees who are face-to-face with customers every day.

There are many steps you can take to get the best from your employees. First, don't be afraid to say, "I don't know." Revealing your own ignorance welcomes people at all levels to share their opinions and perspectives. Second, pose new questions and challenge assumptions by introducing competition or games that stimulate new ways of thinking. Third, allow new ways to work by encouraging collaboration and forming project-based groups, rather than top-down structures. Fourth, ensure that all employees understand your vision, and that they are empowered to take bold action to achieve it. Finally, communicate your values clearly and frequently, so employees know what you expect, even when no one is looking.

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# Rule #6: Achieve Fast and Fearless Learning

**Question: How would we choose to grow if capabilities were not a barrier—and how can we accelerate capability-building?**

Fast learning, coupled with an “experimentation mindset” is the most valuable competitive advantage a company can build. For example, UPS knows that regulations may someday require lower emissions and fuel efficiency, so it has a “rolling laboratory” of 11 different types of alternative-fuel and advanced-technology vehicles in use today. UPS is ahead of regulations in learning how to optimize each vehicle for various driving conditions—from dense urban driving to remote rural driving.

Make sure you are constantly experimenting, learning from successes and failures, and applying your knowledge. Anticipate the changes in your business environment and set specific learning goals to prepare your organization for those changes. For example, you may think that new product lines and processes should be developed, or you may think that you need new service capabilities. How are you going to get from where you are now to where you need to be in the future? What does your business—and your people—need to learn to get there? How will your organization gain the capabilities it needs?

When Facebook went public in 2012, investors and industry analysts were skeptical of the company’s ability to make the shift from online advertising to mobile advertising. Consumers were shifting in mass numbers to using mobile, and many young people used only mobile. Meanwhile, Facebook had zero revenue in mobile advertising.

Over the next four years, the company has come to dominate mobile advertising. The strategy fueling Facebook's impressive revenue growth is constant, massive-scale experimentation. Facebook runs hundreds of different versions of its site at any given time. The company measures customer response, then retains the versions that perform the best and eliminates the poorer-performing versions. Over time, this improves the experience for users and improves results for advertisers.

While your business may not learn as fast as Facebook does, this “experimentation mindset” is crucial to maintaining relevance in today's fast-changing world. An organization that learns continuously can achieve stability and safety even while in motion, just like riding a bike.

## Rule #7: Build Trust into All You Do

**Question: Is lack of trust slowing us down—and what should we do now to build trust within our company, and with our most important business partners?**

Trust between employees, business partners, and customers is the crucial ingredient that enables speed and efficiency. When you trust that your colleagues will do their part, you can set more aggressive goals, place bigger bets, and have a bigger imagination about what is possible. When there is trust between coworkers, everyone feels comfortable engaging in the debate and disagreement required to make sound decisions. Trusting your business partners means you can move faster together, navigating uncertain terrain with greater confidence.

Is there anything you should be doing to build trust between the key players in your organization? It's hard to build trust across your entire organization all at once. But if you are focusing on a key area, there may be things you can do relatively quickly, such as providing

opportunities for employees to get to know each other's capabilities, strengths, and motivations better, or establishing norms for how you're going to work together.

One company I know was in the midst of a major change in strategy, which would require two groups that had formerly not worked together, the sales team and the customer support team, to collaborate intensively. Each group regarded itself as the exclusive "owner" of the customer relationship, and each was reluctant to join forces, or even to share information about their prized accounts.

A breakthrough occurred when the two teams met for a two-day retreat to hash out their differences, get to know each other on a personal level, and agree on common goals. Creativity, motivation, and collaboration between the groups surged, and sales skyrocketed. These kinds of breakthroughs are not uncommon when company leaders make a deliberate effort to increase trust within and between teams.

Similarly, building trust with outside business partners can yield important benefits, as the two sides become more aligned and productive in working together.

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To begin building trust, work to neutralize fear in your organization. Show vulnerability and make it psychologically safe for employees to voice their ideas and opinions. Foster creative conflict by encouraging employees to disagree and challenge each other. Give people challenging but realistic goals. Grant people discretion about how they do their work and show appreciation for work done well. When you do these things to build trust, you'll be amazed how much your team can accomplish.

## Narrow Your Focus and Take Action

The seven questions above cover a lot of ground, and no company can effectively focus on all seven areas at once. So, after you've reflected on the questions, choose one or two of these areas where you believe you can have the greatest positive impact over the next few months. In these one or two areas, set explicit goals for what will be accomplished, when, and by whom.

While you don't need to plan your entire transformation in detail, you do need to get started immediately. Set very specific and measurable goals for the next six weeks (or an even shorter timeframe!). Go ahead and schedule a call or meeting, six weeks out, at which you will review the results of your short-term actions. At that meeting, take stock of what you accomplished and what you've learned. Then, refocus your efforts and decide on goals for your next "six-week sprint."

You might be surprised—making one or two high-impact changes often results in a dramatic cultural shift that can open the floodgates, so that subsequent changes are easier to make in the future.

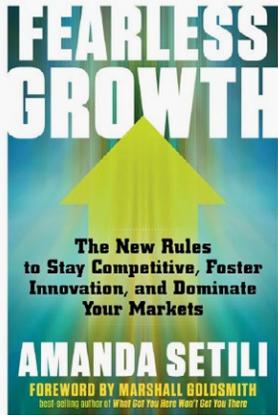
# Conclusion

Implementing these new rules can feel risky at first. However, once you hit your stride, adhering to these rules reduces your risk by improving your ability to weather market upsets. You will have greater insight into customer needs and will find it easier to spot and capitalize on market trends. You will have more flexible capacity and capability, with your assets, talent, data, knowledge, and ideas, to pursue revenue growth opportunities. You will have more people—partners, employees, customers, and others—to rely on, in a trusted way. You'll be faster at making decisions and more resilient and adaptable in executing your strategies.

Success is never a guarantee for any of us. That stark reality can frighten and inhibit us, or it can challenge and energize us. When we commit to fearless growth, we embrace the inherent risks of business—and of life itself—and throw ourselves into a whole new way of working, leading, and interacting. That way is far more exhilarating and meaningful than the timid (and so-called “safe”) alternative so many choose. **Whether we win or lose, fearlessness is its own reward.** 📌



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