What the HELL did we do?

Sometimes you can't see what's right in front of your face, or soon will be. Such is the case when you set about creating a growth machine out of your current business. You can only see what you have and what you have done. You can only prepare for the future. You cannot see it in full HD. Looking back, however, you can see with 20/20 foresight.

Steve Jobs said in his Stanford commencement address that "you can't connect the dots looking forward; you can only connect them looking backwards." True words.

That's what we've done for nearly two decades at Vista Growth, we help connect the dots - starting from the past, then projecting forward. We've taken that first step in creating a snapshot of the current state of the business, and helped the leadership team take the bold, courageous next steps towards growth. Our hindsights become your insights. Here's what we've learned from our "first steps" over the years.

How do you grow?

Cinnabon was set for growth, but as a franchised food service provider, the question remained: what is the best way to grow - corporate-owned stores or franchise partnerships? There were tradeoffs for each model. Step one provided the information required to make and support the best decision. The time, cost, and resources required to open a corporate-owned store were much higher than enabling franchise partners to open stores. Answer? Focus on the growth of the franchise model.

Because the Cinnabon leadership team had the right information at the right time, they made the right decision, and doubled revenue in 5 years.

What will happen when you grow?

Because no one can predict the future, too often people don't prepare for the ramifications of what will happen when our plans actually work.

Greenway Health chose to prepare. What they realized was that growth and profits don't happen by accident. People create profits, and Greenway had to grow its workforce in a very big way to meet their significant market opportunity. Where would they put all those people?

One of the slowest and most expensive ramifications of massive growth is infrastructure. As the Greenway leadership team began to realize their full potential largely through the roadmap process, they began to plan a new campus for the new Greenway workforce. Today, they are able to look back in awe at the single refurbished building in west Georgia that has now turned into a multi-facility campus that houses their billion-dollar company.

Why can't we grow?

We've all heard the phrase "diminishing returns" and we've seen the charted data, but how many of us have lived that out in growing a business? Patent law firm Needle & Rosenberg was a successful law firm by any metric, and they were growing rapidly. At least, they were growing rapidly until they experienced first hand the scenario that is diminishing returns.

Unfortunately, the diminishing returns were coming from their attorneys and paralegals. While they were filing more and more patents, and making large profits, they were losing lawyers and top talent. They realized that their growth would eventually stop, and perhaps even reverse course, unless they made a critical change.

There existed an idea metric for the optimum number of patents per attorney per year, and the demands of the firm exceeded that number. When they understood the metrics, and made the decision to hire attorneys and paralegals according to that metric, the firm regained its growth.

What's your greatest asset?

When the new leadership team who had just gained controlling interest of TurboChef arrived on the scene and began a new “step one”, the immediate prospects were not good at all. The company had $13 million in debt, had been delisted from NASDAQ and was trading at 25¢/share, and payroll had stopped.

And yet the engineers kept showing up for work!

When all the dust had settled, the leadership team saw the same promise that the engineers apparently had also seen: fantastic intellectual property in the form of hundreds of patents. Despite one of the leadership team members jokingly asking, “What the hell did we do?!?”, there were core assets that gave TurboChef a tremendous advantage in the marketplace.

The game changer occurred when *the order* came in. Subway had ordered 20,000 units of the TurboChef oven to be delivered, installed, and their staff fully trained in 9 months. Subway had purchased Super Bowl halftime ads. The product had to work, and the work had to be done before the Super Bowl.

https://youtu.be/jzDtHDl5zsM

Taking a snapshot of the business - as bad as it looked at the time - enabled the leadership team to see the diamond in the rough. When the leadership acquired TurboChef, the company’s market cap was in the red. Five years later, TurboChef was acquired for $200 million.

Before you can grow an organization, it’s imperative that you know what you have, where you’re going, and what you’ll need along the way.