Contents

	Acknowledgments	xix
	Introduction	1
PART I		
Chapter 1	Growth Can Be Good and Growth Can Be Bad	11
	Class Discussion Questions	11
	The Reality of Growth	12
	When Is Growth Bad?	13
	Why Should a Business Grow?	14
	Strategic Growth Decisions	14
	Growth Decision Template	15
	Growth Risks Audit	15
	Class Discussion Questions	18
	The Elephant in the Room	18
	Case Discussion Questions	18
	"Eyebobs Eyewear, Inc." Case	19
	List of Relevant Cases	31
	Author's Commentaries	32
	"Rapid Growth: Be Careful What You Ask For"	32
	"When Should Your Business Stop Growing?"	34

xii Contents

Chapter 2	Darden Private Growth Company Research (DPGC)	37
	Private High-Growth Companies	37
	Research Findings	38
	CEO Quotes	42
	Growth Risks	42
	Process and Focus	42
	People	43
	Entrepreneur's Evolution	43
	Class Discussion Questions	44
	Other Research Findings	44
	Class Discussion Questions	45
	Case Discussion Questions	45
	"Octane Fitness, Inc.: The Power of Focus" Case	46
	List of Relevant Cases	58
Chapter 3	Growth Is More Than a Strategy	59
	Organic Growth—Then and Now	59
	Organic Growth Index	60
	The DNA of Successful HOGs	61
	Growth Systems	62
	Creating a Growth System	63
	Case Discussion Questions	64
	"Room & Board" Case	65
	List of Relevant Cases	73
Chapter 4	The 4Ps of Growth: Planning, Prioritization, Processes, and Pace	74
	Three Tensions	74
	Planning	75
	Anonymous Quotes from DPGC CEOs on Planning	75
	Structure	75
	Infrastructure	76
	Outsourcino	76

Contents	xi	ii
Contents	XI	i

Outsourcing—Manufacturing	77
Planning for Growth	77
"Firehouse Time"	78
Class Discussion Questions	78
Prioritization	78
Anonymous Quotes from DPGC CEOs on Prioritization	78
Bottlenecks	79
Priorities	79
Huddles	80
Class Discussion Questions	80
Processes	80
Anonymous Quotes from DPGC CEOs on Processes	80
What Are Processes?	80
Purpose of Processes	81
Process Challenges	81
Successful Process Implementation	82
Complexity	82
Class Discussion Question	83
Pace and Strategic Focus of Growth	83
Anonymous Quotes from DPGC CEOs on Pace	83
Pacing Growth	83
Anonymous Quotes from DPGC CEOs on Strategic Focus	84
The Importance of Strategic Focus	85
Case Discussion Questions	85
"SecureWorks" Case	86
List of Relevant Cases	98
Planning	98
Prioritization	98
Processes	99
Pace of Growth	99

xiv Contents

Chapter 5	The Entrepreneur Must Grow, Too!	100
	Anonymous Quotes from DPGC CEOs	100
	Change, Evolution, and Learning	100
	Delegating: Learning to Manage	101
	How to Delegate?	102
	What Tasks Do You Delegate First?	103
	When Do You Start Delegating?	103
	Class Discussion Questions	103
	Learning to Lead: Managing Managers	103
	From Leader to Coach and Mentor	105
	Specialist to General Manager Back to Specialist	106
	From Me to Them	106
	Voluntarily Stepping Aside as CEO	107
	Case Discussion Questions	107
	"Defender Direct, Inc.: A Business of Growing Leaders" Case	108
	List of Relevant Cases	120
	Author's Commentaries	120
	"Silver Bullet of Leadership"	121
	"What Do Good Leaders Actually Do? (Part I)"	122
	"What Do Good Leaders Actually Do? (Part II)"	125
Chapter 6	The Challenges of Building an Effective Management Team	128
	Anonymous Quotes from DPGC CEOs	128
	Multiple Hiring Mistakes	128
	Management Team Dynamics	129
	Upgrading the Management Team	129
	Whom to Hire First?	129
	Class Discussion Questions	130
	Assessment of Competencies	130
	Hire for Current Needs or Future Needs?	130
	Hiring Processes	131
	Class Discussion Questions	132

Contents xv

	Realistic Expectations	132
	Management Team Dynamics	133
	Fire Quickly	133
	Upgrading the Management Team	134
	Case Discussion Questions	135
	"Global Medical Imaging, LLC" Case	136
	List of Relevant Cases	147
Chapter 7	Culture—Creating a High-Performance Environment	148
	Anonymous Quotes from DPGC CEOs	148
	The Glue	149
	Class Discussion Questions	149
	Culture and High Performance	150
	It Is Not About the Entrepreneur	150
	The Awakening	150
	What Do Entrepreneurs Want?	151
	The Manager's Behavior	152
	Characteristics of High-Performance Cultures	152
	Culture, Values, Mission	153
	Meaning, Fun, and Emotional Rewards	154
	"Ownership"	154
	Hiring for Cultural Fit	155
	Class Discussion Questions	155
	Measure Positive Behaviors	155
	Information Transparency	156
	Service Companies	156
	Class Discussion Questions	156
	Behavior Is Key	157
	Case Discussion Questions	157
	"Leaders Bank: Creating a Great Place to Work" Case	158
	List of Relevant Cases	170

xvi Contents

	Author's Commentaries	170
	"Entrepreneurial Leadership: Why Should Anyone Follow You?"	170
	"Are Your Employees a Means to Your End?"	173
Chapter 8	Growth Thrusters: "Replicution" and "Boosters"	175
	Scaling: "Replicution"	175
	Planning to Scale	176
	What Do I Need to Scale?	176
	Production	176
	Sales	177
	Fulfillment	177
	Business Model	177
	DPGC Companies	178
	Technology	178
	The Chicken or the Egg?	178
	Scaling Case Examples	179
	"Growth Boosters"	179
	Types of "Growth Boosters"	180
	The Big Customer	181
	Class Discussion Questions	181
	Case Discussion Questions	182
	"Enchanting Travels" Case	183
	List of Relevant Cases	191
	Scaling Cases	191
	"Growth Booster" Cases	192
	Author's Commentary	192
	"10 Keys to Raising Growth Capital"	192
Chapter 9	The Added Complexity of Managing a Family Business	195
	The Difference	195
	Rules of Thumb	196
	Multiple Stakeholders	197
	Common Conflicts	197

	•••
Contents	XV11
C-0-1-1-1-10	

	Family Processes	198
	The Mindset of the Family Business Leader	198
	FBL Skills	199
	Common Mistakes	200
	More Money, More Problems	200
	A Proactive Family Business Management Process	200
	Inclusion	201
	Information Transparency	203
	Respectful and Frequent Two-Way Communication	203
	A Good Family Process	205
	Class Discussion Questions	206
	Case Discussion Questions	206
	"Edens & Avant" Case	207
	List of Relevant Cases	216
	Author's Commentaries	216
	"Managing the Family Business: Golden Goose"	216
	"Family Business Succession: The Duality Principle"	219
PART II	Case Collection	
	Subject Matrix	224
	3 Fellers Bakery	232
	Appalachian Commercial Cleaners: Family Dynamics Versus the Business	236
	Better World Books	239
	C.R. Barger & Sons, Inc. (A)	251
	C.R. Barger & Sons, Inc. (B)	254
	Defender Direct, Inc.: A Business of Growing Leaders	262
	Edens & Avant	263
	Enchanting Travels	264
	Eyebobs Eyewear, Inc.	265
	Freedom Technology Services	266
	Global Medical Imaging, LLC	269

xviii Contents

Green Copier Recycling: Entrepreneur Meets Private Equity	270
Hass Shoes	274
James Abrams @ Clockwork Home Services, Inc.:	
Lessons from a Serial Entrepreneur	277
Jeff Bowling at the Delta Companies: From Baseball Coach to CEO	291
Leaders Bank: Creating a Great Place to Work	300
LG Investments, LLC: A Family Business in Generational Transition (A)	301
LG Investments, LLC:	301
A Family Business in Generational Transition (B)	304
LG Investments, LLC:	
A Family Business in Generational Transition (C)	306
LG Investments, LLC:	
A Family Business in Generational Transition (D)	308
Mellace Family Brands, Inc.:	
Building a Socially Responsible Enterprise	310
Motor City: A Disruptive Business Model (A)	320
Motor City: A Disruptive Business Model (B)	323
Octane Fitness, Inc.: The Power of Focus	326
Room & Board	327
Sammy Snacks (A)	328
Sammy Snacks (B)	339
Sammy Snacks (C)	342
Sammy Snacks (D)	343
SecureWorks	345
Students Helping Honduras	346
Trilogy Health Services, LLC: Building a Great Service Company	355
Valley-Wide Health Systems, Inc.	367
Bibliography	373
Recommended Reading	377
Index	381