

Shape up for growth

GROWTH

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Businesses need new models and new approaches if they are to continue to grow in today's competitive world. Matt Mee, MediaCom's Chief Strategy Officer, highlights today's building blocks for growth.

The old model for growth is dead. It's time to crown the new model. It may be hard to pivot from our traditional reliance on scale and efficiency but growth today and tomorrow will more likely come from agility. Learning to change is the first part of adapting.

Why do businesses need to change, you ask. Because there are fewer and fewer new markets to enter and you can only cut your way to efficiency so many times. At the same time, sectors are also being shaken up by more knowledgeable customers and disruptors who are looking to cash in on lazy incumbents, often bypassing well-established niches and

intermediaries.

All this makes business sound hard. And it is. But there is growth to be found, even if it isn't always in the most familiar places. To find it, business leaders need to develop new skills, moving away from command and control into unexpected partnerships, speciality brands and new business models.

The large and growing businesses of the future will seek out rainbows of opportunity, never putting all their eggs in one basket but exploring every possible avenue for growth. They will be flexible, always ready to test new ways of working and selling.

And they will have leaders at every level who make the mantra of growth more than just a corporate slogan. They will self-analyse every aspect of their performance and constantly look for new ways to operate.

Our colleagues at WPP have been analysing today's companies that overperform and asking why they have the edge and the new WPP Institute for Real Growth has identified key areas that separate out average performance and stellar growth.

Their findings, which echo our experience at MediaCom, demonstrate that the companies that succeed will be those that build their companies around three key core areas: why they do what they do; what they define as their market and offer as solutions; and how they organise for success.

Getting it right in each of these areas means making big changes to legacy structures:

First, they need to look at why their company exists and articulate their ambition in terms of the impact on people and the world around them.

That means linking business growth to KPIs that demonstrate people growth and ensure this is also part of their incentive structures. This is very different from the traditional approach of prioritising only financial objectives and involves a total focus on benefiting

customers, colleagues, and communities. Because any business model can be copied, what stands out as a brand is the ability to link commercial ambitions to something more meaningful.

Second, they need to look at what they do. That means ensuring they offer ever-evolving experiences instead of just products or services, have the flexibility to use multiple business models, and constantly view themselves as market challengers rather than incumbents and consider how that changes their behaviour.

It means ignoring the fact that you might have 30% market share and considering life as a 3% company but with ample room to grow. This change of viewpoint drives a constant desire to optimise what works. It encourages them to build in-house innovation labs and explore unexpected acquisition possibilities.

Third, they need to look at how they operate and the culture of their organisation. This can often be the hardest part because it means loosening up internal hierarchies and pushing accountability down to consumer-facing staff. It means offering staff new career paths that enable them to leap around rather than have to follow a set route to the top and it rewards those demonstrating entrepreneurship within the company.

Changing cultures so that innovation and diversity is part of the company ethos pays dividends because it enables colleagues to move seamlessly together towards the common goal, without being tied to the same route. This gives teams the freedom to demonstrate a diversity of thinking that allows them to anticipate opportunities and threats as well as generating new insights that combine creativity, data and technology well before their competitors.

Making these changes is not easy and can't be done instantly but any business that wants to grow needs to change. In today's world of rapid change, few of us can rely on the old routes to growth and we should all be exploring new routes to success.

Only by examining all aspects of the way we behave as business leaders, marketers and individuals can we ensure that we are truly doing everything possible to drive growth for our

companies and our people.

7 building blocks of real growth

To succeed, the next generation of growth leaders must reimagine... **why** they do what they do; **what** they define as their market and offer as solutions; and **how** they organise for success. Those building blocks look like this:

WHY

Humanised growth

Articulate your ambition in terms of your impact on people & the world around them. Link business growth to people growth KPIs & incentive structures.

WHAT

Evolving experiences

Measure and benchmark your “share of experience”. Ensure all your solutions include product, service, and experience components.

HOW

Whole-brained

Shift focus from the “what” to the “so what” and “now what”. Create whole-brain teams of equals.

WHAT

Multiple models

Ensure the investment approval process allows for multiple business models. Create or participate in start-up platforms.

HOW

Anticipative organisation

Create multi-disciplinary ‘fit for purpose’ teams for all your strategic initiatives. Push accountability down to consumer-facing staff.

WHAT

Abundant markets

Shift investment from explaining the past to predicting the future. Define your market so you have no more than 3% share.

HOW

Open culture

Redefine career paths from a linear trajectory to a “jungle gym”. Celebrate and reward intrapreneurship.

Source: Institute for Real Growth 2019

About the Institute for Real Growth



The WPP Institute for Real Growth (IRG), provides guidance on how to drive sustained business growth. It is focused on identifying what differentiates growth leaders in terms of strategy, structure, and capability from growth laggards. IRG research was conducted in the second half of 2018 and included over 550 expert vision interviews, an online IRG survey and AI enabled desk research on the drivers of business growth. Please visit www.instituteforrealgrowth.com for more information.

The Institute for Real Growth is just one of the resources our teams at MediaCom leverage for clients to identify and generate growth. Please [get in touch](#) for more information.

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