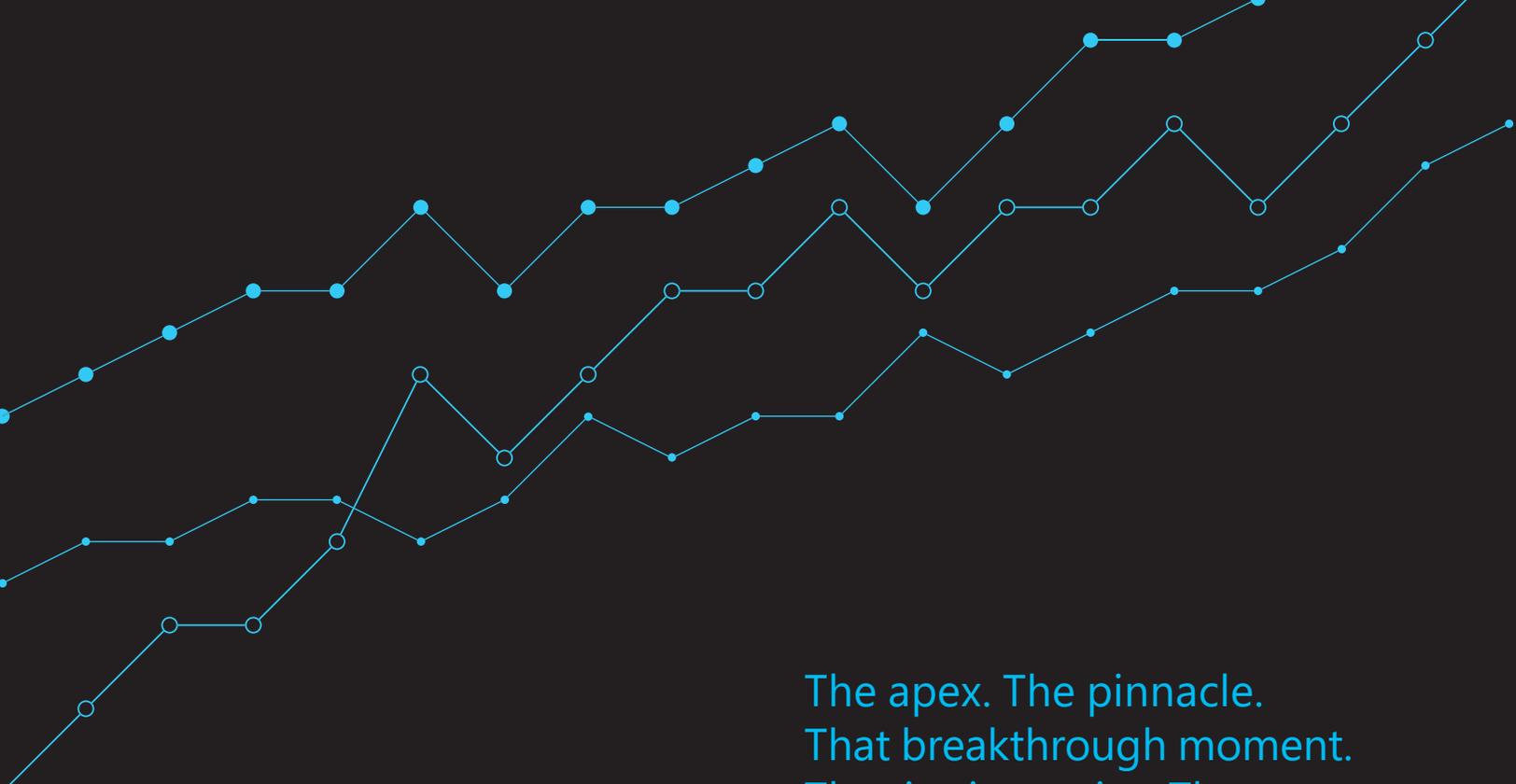




# The Road to Rapid Growth

Breakthrough moments and key milestones  
on the entrepreneurial journey to success

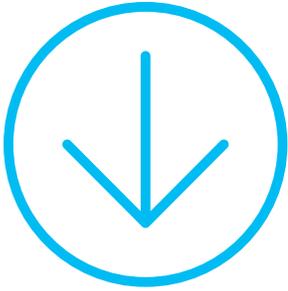


The apex. The pinnacle.  
That breakthrough moment.  
The tipping point. That  
aspirational, indefinable  
juncture between startup  
and rapid-growth success.

Entrepreneurs work diligently toward crossing the chasm, achieving that breakthrough moment that propels a company from early-stage struggles into a wave of success and a whole new stratosphere. That success, though, brings an entirely new set of challenges and risks. Without the processes and tools in place to sustain and manage rapid growth, success can quickly turn to failure. **Hyper-growth is the period of growth that many successful companies experience where a single moment in time causes a rapid increase in a company's size, revenue, resources and requirements.** Many startup entrepreneurs experience early-stage growth, but few are prepared to handle the rapid influx of new challenges that accompany the acceleration of initial success to the next level.

In this e-book, successful business owners from the 2017 Inc. 5000 share their stories--their breakthrough moments, the misconceptions they had along the way, and the key decisions that have led to their continued success. Discover how industry leaders continue to build their skills, implement processes and technologies to sustain growth, and scale their businesses and teams to meet demand.

Entrepreneurs and small-business owners at a crossroads need a map to success. Identifying the risks and challenges of hyper-growth ahead of time can set you up on the path to victory. Read on to explore the rare combination of preparation, luck, mindset, and courage that characterizes successful leaders of rapid-growth companies--and the pitfalls they have experienced along the way.



## What you'll learn...

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The Breakthrough Moment:  
Five entrepreneurs share  
their personal stories.

Five Inc. 5000 entrepreneurs  
in industries from app  
development to health  
care services and staffing  
to e-commerce share their  
breakthrough moments.



# Greg Raiz, founder and CEO of **Raizlabs**, Boston:

Greg Raiz's career in computer science took him from working at Microsoft to starting his own web development firm in 2003. His breakthrough moment came when the iPhone was announced and Raizlabs quickly pivoted to app development and became a much-sought-after firm for companies seeking to launch a web or mobile app. Raizlabs' navigation of hyper-growth recently resulted in its acquisition by Rightpoint.

"I went to college in the Boston area and studied computer science and was actually working at Microsoft in Seattle. Then I founded Raizlabs in 2003. I started this company with a goal of building better software and better technology. I had learned a lot about software development and design and wanted to apply that knowledge to new clients and projects. I started in a coffee shop in Boston. We started building both websites and applications and started growing the business as we hired a handful of employees.

"We had our breakthrough moment when the iPhone was announced. At that point, as a company, we decided to really focus on mobile application design and development. "We had a client come to us and ask us to build a website. We looked at their project but thought an app may be better for their audience. That said, we had zero experience building iPhone apps but wanted to push the boundaries of innovation." We told the client, 'Nobody's done this. We think we can do this. Let's do this together.' The client believed in us, trusted us, and joined us on a journey to build an application that became one of the top running and fitness applications in the world. That application both enhanced our client's reputation and did wonders for ours. To put this in perspective, this was even before the iTunes App Store existed.

"When we did that, we started to get a lot of inbound interest and excitement about what we were doing. A lot of the messaging we were espousing about innovation, design, and development started to ring true. The business really started to take off. Since then, we've grown from just a few employees to 60-70 employees with multiple offices and technologies across a diverse set of products."



# Elisa Hamill,

co-founder of and partner at **LifeHealth**, Denver:  
Good health is good business.

Educated as a nurse, Elisa Hamill pivoted her career to business, which gave her the necessary experience to launch LifeHealth with her business partner. LifeHealth's breakthrough moment was when LifeHealth began doing government contracting after years of focusing on commercial contracts; the larger government contracts brought not only rapid growth, but also the need to structure the business in a different way.

"I have a master's in nursing and a master's in environmental medicine and started out as an ER nurse. After moving from the East Coast to Albuquerque, I worked for Blue Cross Blue Shield of New Mexico, because I wanted a 9-to-5, Monday-through-Friday job. Over the course of a decade, I moved up through management and was part of one of the first attempted big health care insurance mergers. I ultimately ran operations for the plans for BCBS of Colorado, New Mexico, and Nevada toward the end of my corporate career there. After another executive role in the health care insurance industry, I took a role with the Center for Naval Analysis, a military think tank, where I was introduced to serious government contracting.

"My business partner, Margot Langstaff, and I met serving on a steering committee for women's health research at the University of Colorado. We were both at the point in our careers of wanting to do something different and were of like mind that we wanted something with quality customization that was patient-focused. Through a relationship that Margot had, we developed a bone-density screening program that required equipment rental. People started asking us not just for the machine, but also for the people to help them run it. We expanded to cholesterol screening, blood pressure testing, and additional screening tests by request, and the rest is history.

"We always said we would service customers wherever they needed help. We have grown through commercial customers over time, and eventually we expanded to Cigna and other national customers. Our differentiator is that we will customize our services to our customers. We have the flexibility to change to meet our customers' demands. A turning point was when we got government certifications that opened up the world of government



contracts to us. A majority of what we do now is government contracts, which, as you can imagine, are bigger than commercial ones in the health care industry.

"The first government contract gave us the inkling that there was a whole lot we did not know. Government contracting is almost a parallel universe to commercial contracting. I think our breakthrough moment was our third or fourth government contract, when we realized we had momentum and how valuable our certifications were, which were built on 10 years of experience. It forced us to look at our infrastructure in a different way."



# Brendan Mullen, president and CEO of , in Austin:

Combat Veteran Brendan Mullen returned from Iraq, finished his commitment to the US Army and began working for a Cyber Security, Data Analytics, and Software Engineering start-up that focused on Department of Defense consulting.

After learning some of the nuances of government procurement and acquisition industry, Mullen decided to launch MKS2 Technologies, a company that provides software development and cybersecurity to federal agencies. In 2014 and 2015, Mullen had 2 breakthrough moments when he answered a random telephone call and closed two large contracts at the same time resulting in his company tripling its work force.

"I am a US Army veteran. I graduated West Point a few months before September 11th. After the towers fell, both myself and my Army brethren spent a large portion of our time overseas. For me, I was in Korea, near the DMZ and in Iraq, just south of Mosul, as well as serving in Washington, D.C. I went to all the Army schools, Ranger school, I learned how to jump out of airplanes and repel out of helicopters. I came home from a conflict-riddled year in Iraq in 2006 and got out of the service. One of my West Point classmates had started a defense consultancy and asked me to help her get the company get off the ground as employee #1.

"I quickly learned the nuances of the industry by shoving circles into squares and carrying my black-eyes with pride as I tried to figure out the complexities of the Federal Acquisition Regulations. We were the first trailblazing woman-owned, service-disabled, veteran-owned small business that had the War on Terror background and dust still in our ears from serving in Iraq.

"After a few years of not sleeping and rapid growth to over 100 employees, it was time for me to move on and hang my own shingle. Nine years ago, I started MKS2 Technologies, a company that provides cybersecurity and software development services to the Department of Defense and other federal agencies.

"Remarkably, I had 2 breakthrough moments. In March of 2014, a client called and said, 'Brendan our small business partners are not performing, can you



help?' Enthusiastically, I said yes without any follow-up questions. We helped implement a nationwide Cybersecurity program for the Department of Veterans Affairs increasing our workforce 87%. Then one year later in April 2015, my company had two large accounts up for competition. I could win both, win one, or lose both. If we were to lose both, the company's revenue would trickle near to zero and I would have to figure how to resuscitate the business or dust off my resume and get into the job market.

"Fortunately, we won both large accounts and the company's workforce grew 300%. From an operational cash-flow perspective, our revenue increased 200%, we tripled our number our employees, extended our runway with a 4-year contract, and we expanded our share of the work with our client. I knew that if we could execute and perform on these contracts by delivering most importantly, an excellent work product, be easy to work with, be overly responsive, and by checking our egos at the door, MKS2 would be in a fantastic position to continue growing—in military terms, we had successfully taken the beach-head—think Saving Private Ryan. In such, we were recently awarded a large contract supporting the US Navy for the next 5 years starting in early 2018. This account will bring MKS2 near 100 full time employees."



# Cresta Pillsbury, COO of , in Las Vegas:

An experienced e-commerce executive, Cresta Pillsbury went from executive to entrepreneur while working for TrustGuard. One of TrustGuard's owners had launched a new startup, Shopper Approved, which provides businesses with the tools they need to properly collect and format their reviews for syndication, and asked Pillsbury to share information about the company while at a trade show. When she discovered how well Shopper Approved was received by merchants, she joined the company as a partner. Her breakthrough moment came when sales exceeded what customer service was able to deliver and she quickly put protocols, processes, and teams in place to accommodate the rapid growth.

"I started in the e-commerce and software as a service [SaaS] industries with a company named HackerSafe. HackerSafe eventually sold to McAfee for \$79 million. The rapid growth and eventual acquisition of HackerSafe gave me the opportunity see all the mistakes you can make, what to do, what not to do. Since then, I have been able to utilize what I've learned at Norton, BuySafe, and TrustGuard. I'm really good at building a system for hyper-growth because I had such great mentors. They really pushed me in my skill sets.

"When I joined TrustGuard, it was run by a father and son. The son started a new company called Shopper Approved and it was nothing at first. There wasn't a sales team or much structure. He asked me if I'd take some pamphlets to the Internet Retailer conference, where I was exhibiting for TrustGuard. I knew a lot of the bigger merchants and they said, 'Cresta, Shopper Approved needs to be your booth.' I realized then that Shopper Approved had a lot of potential for growth.

"I asked a lot of merchants, 'If I build it [Shopper Approved], will you come?' They said yes because they were upset at our competitors for raising prices. We were basically the second biggest to market; Reseller Ratings was the 800-pound gorilla. My whole goal was to start taking merchants from them, and, by month three, we were profitable, and we had 2000 percent growth that year. We haven't looked back since. It's been an exciting ride.

"Our breakthrough moment was that we were growing so fast, customer service was suffering because we didn't have a system in place to make sure tickets got



answered in a timely manner. We realized quickly that we were going to lose the growth we had gotten if we didn't put a system in place to onboard and take care of our merchants. Entrepreneurs need to have the processes and protocols in place before their breakthrough moment."



# Anurag Kumar,

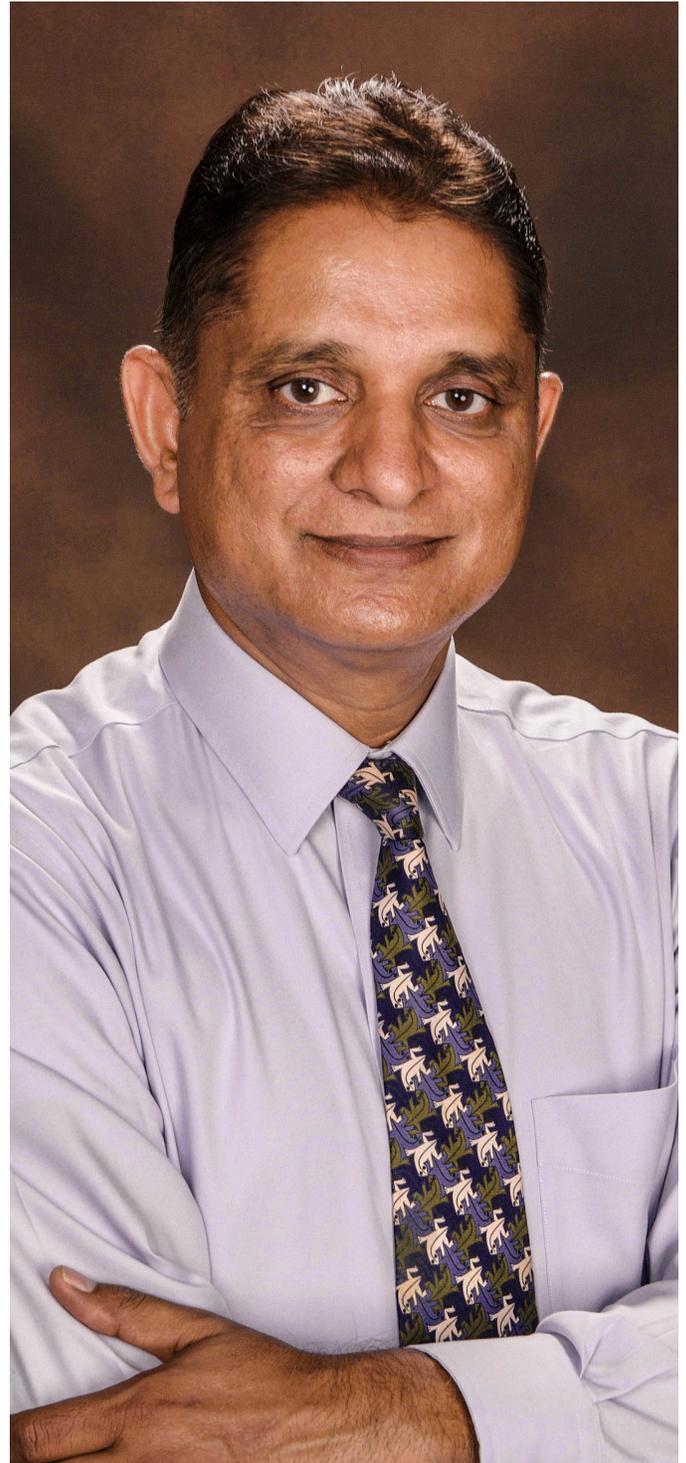
CEO of  | Smarter Software Development  
Agile, Here, and Now. , in Austin:

An experienced leader and serial entrepreneur, Anurag Kumar launched iTexico, a technology company that provides businesses with full life-cycle mobile application services, in 2010. After growing steadily for more than five years, Kumar's breakthrough moment came in 2016, when he realized that, with over 100 employees, iTexico needed leadership, financial management, and technology changes to continue to scale up the business.

"iTexico is my fourth technology startup since I founded my first company in 1985. Some were bootstrapped, and one was venture funded. I have also been the CEO of two services with teams in India and U.K. I was a CEO chair for Vistage International, a global executing coaching and training organization, for four years.

"I remember in mid-2016, we had grown to over 100 employees, and had been growing steadily since we started from scratch in 2010. The challenges we started experiencing included consistency of client success, repeatable processes, lack of enough experienced leadership, and maintaining the startup culture besides others. Financial management started to get a bit tricky. That is when I realized we needed to do things differently, and that shooting from the hip was not going to help. I started looking at my own leadership style and realized I needed to change if we wanted to continue to grow.

"Since then, my co-founder, Guillermo Ortega, and I have made leadership changes, added experienced talent and started a Scaling Up initiative with a core leadership team leading it. We are already seeing positive and encouraging results."





## Key takeaways for achieving rapid growth

Every entrepreneur's journey to hyper-growth is unique, but through these stories, we begin to see thematic necessities to success:

- **Seize your opportunity:**

From Greg Raiz's quick pivot to app development when the iPhone launched to Elisa Hamill and her partner seeing the need for a patient-focused, highly customizable services company, successful entrepreneurs quickly identify opportunities and act upon them.

Brendan Mullen says, "I've been very cognizant of that thin line between success and failure. There are so many talented entrepreneurs around the world who have failed but they were days, inches, one phone call away from having things tip in their favor. I think about when I got that call and what if that call had gone to voicemail? Was I the first call? I am aware of how much timing and luck has to do with all of it. The advice I would give an entrepreneur who is about to hit that point is to have preparation meet luck and timing. When that call came for me, I was prepared to take the call and say yes and execute."

- **Put processes and protocols in place:**

When Shopper Approved's rapid growth necessitated an upgrade in its customer-service process, Cresta Pillsbury quickly activated a new ticketing system and protocols to accommodate the growth. Similarly, Anurag Kumar upgraded tools, technologies, and processes when iTexico grew beyond 100 employees. Being

ready for growth by having those processes helps entrepreneurs scale as they grow. According to Pillsbury, "Entrepreneurs need to make sure they have the systems in place for sustained growth. What is your sales system, your training system, your customer service system? You need protocols in place for every division in your company or you will have leaks everywhere."

- **Build on your experience:**

After he'd returned from Iraq, Mullen's experience in government procurement prepared him to launch MKS2 Technologies. Pillsbury's longstanding career in e-commerce and SaaS allowed her to see the opportunity to grow Shopper Approved. Entrepreneurs who have been through the rapid-growth journey and continue to learn as they grow have the tools and experience necessary to succeed during hyper-growth. Raiz takes not only from his own experience but also from the experiences of others: "Building companies is hard," he says. "CEOs don't typically talk to each other about their failures and have those failures. There were a lot of very hard times to get where I'm at. Entrepreneurs have to be resilient and have the conversations they need to build their business."

This e-book explores what these five entrepreneurs have learned along the way and the tools and technologies necessary for success after a breakthrough moment, and provides a road map for other entrepreneurs preparing for hyper-growth.



## 02

# To Fund or Get Funding? That is the question.

Finding the capital to grow a business is one of the biggest challenges that entrepreneurs face, and it can be a scary time when you don't know where operating cash is going to come from.

Some entrepreneurs choose to self-fund or take out bank loans, and others bring on new investors, either from a venture capital firm or a business partner. Every company is different when it comes to funding strategies. What is paramount to avoiding being caught in a tough situation financially, however, is keeping financing front-of-mind as you approach a breakthrough moment.

Anurag Kumar, CEO of iTexico, found ways to get creative when confronted with funding issues. "In 2012," he says, "we had cash flow challenges and we were able to address that by bringing in a friend as an investor and board member."

Waiting for income to catch up with direct costs is a particular challenge during hyper-growth. Elisa Hamill,

co-founder and partner at LifeHealth, described how she handled that particular situation:

"Access to capital has been my biggest challenge. When you hit that breakthrough moment, you need money. You do the work, you pay your people and buy your supplies, and then you have to wait for customer to pay you. Everyone knows that, but when you land a big contract, you need to be prepared to fund those direct costs for 30 to 90 days. When that happens, you need to make payroll. That's not unique in our business. It's everywhere. **You have to be able to access capital to do the things you need to do.** Banks are reluctant to lend and you need to keep up with them constantly. You have to figure out where to get the money. We fund this ourselves and you have to stay on it."

Regardless of your decisions on how to fund your business, if you are approaching a stage of rapid growth, planning ahead for your direct costs and financial success is of utmost importance to maintain your growth.



# 03

## From Operator to Owner: The fundamental transition.

Start-up entrepreneurs frequently wear multiple hats. With a small team, everyone needs to pitch in and CEOs are often intimately involved in day-to-day operations. When you hit your breakthrough moment to hyper-growth, taking a step back from the day-to-day to lead, strategize, and manage growth becomes key to success.

Cresta Pillsbury, COO of Shopper Approved, has a mantra: "I want to be an owner and not an operator this year," she says. "We need to let our team do their thing and we can focus on making the product better, giving the team better tools to succeed and really push the ball forward."

Pillsbury adds, "Shopper Approved was my baby when we built it and I could not scale because I couldn't let go.

I had to trust that the people I hired and trained could do just as well but I didn't want to lose the sale. Finally we got so busy that if I didn't let go, we were not going to grow. So I did and trusted my team. When I did let them go, we grew like 5x."

What Pillsbury found is that when she took a step back, she was able to focus on strategy and building differentiators: "We're an approved aggregator with Google," she says. "One of the challenges that we faced is that a lot of international competitors with a lot of money entered the market and were attending every single conference. We started to get into a price war and didn't want to just be a 'me too.' We went back to the drawing board and created a differentiator: We went local. When



we did that, it really opened the door for us to way more business and we are no longer the 'me too.'"

Many business owners find that a key to making the transition is to find the best right-hand person to take on much of the workload. Greg Raiz, founder and CEO of Raizlabs, found that in his COO: "I think it's important for an entrepreneur to understand his or her strengths," he says. "My strength is definitely creativity over process. I knew to scale the organization I needed someone to complement that and balance me out. I was getting caught in the weeds of running the business rather than growing the business. My COO really focused on the operations of the business and allowed me to focus on what I really loved to do as an entrepreneur, which was building innovation, growing the business, and working with clients, our developers, and designers."

Brendan Mullen, president and CEO of MKS2 Technologies, had a similar experience. "I've always maintained the role of the tactical COO as the owner of my own business," he says. "I've had a 'get (stuff) done' mentality but then I hit my breakthrough moment and realized I need to elevate out of the COO mindset and become a CEO. For the first time in nine years, **I needed to shift to the strategic versus the tactical.**"

Anurag Kumar, CEO of iTexico, discovered that being a CEO involved trusting his team. "Building a technology and leadership team has been harder than I thought," Kumar says. "I did not realize the importance of repeatable and accountable processes. I thought my team could magically read my mind and just do what I thought was right and that I had all the answers. I now realize that growing a company is a team effort and that my primary role as the CEO is to provide vision, be a cheerleader, and trust my team."





## Building the Dream Team: How culture impacts sustainable growth.

Succeeding during periods of growth often involves building out your team. Creating a solid culture by identifying talent gaps as needs change, recruiting a team, and motivating employees can be a challenge when, as a business owner, you are overwhelmed with responsibilities.

“Part of running a business is being responsive to change and market conditions,” says Greg Raiz, founder and CEO of Raizlabs. “As your company grows, the way things run has to change as a function of that growth. The way we solve problems as two people is very different than how we solve problems as four people. When we’re four people, we solve things differently than eight people. We’re constantly looking at how we do things relative to our size and scale.”

Here are some ways that successful business owners have addressed those three major challenges:

### **Identifying Talent Gaps as Needs Change**

Frequently as companies grow, CEOs discover that there are talent gaps because the business has new needs. Figuring out the key roles needed for growth can mean the difference between success and failure, and finding the right people for those roles is of equal importance.

Greg Raiz, founder and CEO of Raizlabs, has found success by filling key leadership roles and allowing teams to specialize.

“Part of our company culture is about innovation and experimentation and trying new things. A couple of years ago, I was effectively running a large part of the business. At that point, we had a couple of changes in the organization. I brought in a COO. That was a really important hire at the time when we were growing from a team of 20 people to really starting scale.

“There was a sense that the business needed to mature. As we’ve continued to grow, we’ve expanded different roles in marketing and other capacities, but also allowed our engineering and design teams to specialize a little more whether it’s in the internet of things or voice and chatbots, or Android versus iPhone. It’s allowed us to both be broad and to specialize.”

Elisa Hamill, co-founder of and partner at LifeHealth, found that expanding from commercial contracts to government contracts created a need for new expertise. “There was a pivotal moment after getting a few government contracts under our belt made us realize that the solicitations and fulfillment of government contracts required us to find people with the expertise in those areas,” she explains.

Hamill describes three key actions her company took to fill talent gaps and build out its team:

1. “We hired a business development person with 20-plus years of experience in government contracting.



2. "We hired a human capital person with 15-plus years in HR on government contracts, which is an additional level of complexity to commercial contracting."
3. "We brought on HR software that helps us in recruiting, candidates, and credentialing (which is crucial in the health care and government worlds)."

## Recruiting a Team

Once you have identified your key talent gaps, recruiting can also be a challenge. Successful entrepreneurs look for people they can trust to deliver on expectations and maintain growth.

Brendan Mullen, president and CEO of MKS2 Technologies, discovered that recruiting a team he trusted made a big difference in his success. "Because of the nature of my company, we don't have a brick-and-mortar building. We currently operate in 26 states and the lion's share of the employees walk through the glass doors of federal facilities every morning.

"The company started in D.C., moved to Indiana, and then to San Francisco, and we are now headquartered in Austin. How I sleep easy at night is that I went back to those I trust more than anyone other than my family: the guys I served with in the Army. We worked together to collectively to make sure everything was organized and delivered and made sure there was a lot of trust involved."

Cresta Pillsbury, COO at Shopper Approved, struggles with the pace at which she hires. "Recruiting talent is my biggest challenge," she says. "Finding qualified sales people can be difficult since our SaaS product is like an enterprise sale. We tried hiring 20 people at once and we'd end up with three who were good, but how much money did we lose on the other 17? We know it's a numbers game and I'd like to be able to scale quickly, but that's just not easy to do."

## Motivating a Team

As companies grow, culture changes and the way leaders motivate their teams frequently changes as well. Staying focused on employee engagement and the changing needs of growing teams should be a priority for any entrepreneur going through rapid growth.

Brendan Mullen, president and CEO of MKS2 Technologies, invested in employee engagement to increase retention in a competitive industry. "Our headquarters staff is extremely lean," he says. "We have spent a considerable amount of time, money, and effort on having as much employee engagement and value as possible to overcome the transient nature of IT workers."

Cresta Pillsbury, COO at Shopper Approved, found that her management style needed to change as the organization grew. "When you're a startup and nobody knows your product, you have to sell yourself to get your team excited. You can't offer equity or a huge salary, so you vest a lot of yourself in your people and you become like a family. But then, when you start to grow quickly, that closeness isn't there as much because you've got way more people. I can still be effective and empathetic. Just doing that alone has allowed us to scale."

Pillsbury has also discovered that larger teams require gaining more buy-in. "My biggest misconception about being part of a bigger executive team was the politics," she says. "As you get bigger, you want to keep the executive team happy, but it becomes more and more difficult because there are things you know you should do and shouldn't do. You need to get more buy-in and convince everyone on the right road to take and everyone is passionate. Meshing those ideas and making it cohesive is a challenge."

Anurag Kumar, CEO at iTexico, found that leveraging his team's talents brought new business: "It is very hard for me to take personnel action quickly and my team members helped me make some tough decisions. At one time we lost our largest client due to their financial situation and I resisted taking any personnel action. We regrouped the team and were able to win additional clients leveraging the team that had just gotten freed up."

Anurag adds that focusing on today can keep a team motivated through success and failure: "I firmly believe in karma: Our responsibility is to do our best today and the results will follow. If they don't, we all know we still did our part."

Elisa Hamill, co-founder and partner at LifeHealth, has found success motivating employees by focusing on working as a team: "We've built a company that we would like to work for. We have a very customer-focused, team-focused environment. When something needs to be done, we all team up and do it: all hands on deck."

# 05

## Never Stop: The learning techniques of successful leaders.

Just because an entrepreneur is equipped to run a company at a particular phase does not mean that he or she is completely prepared for the challenges that arise as the company grows and moves into the next phase of success. Greg Raiz, founder and CEO of Raizlabs, sees each new level of growth as an opportunity to learn. **“I think there’s a misconception that the bigger a company gets, the easier it gets. I think, generally, entrepreneurs are always driven. The bigger you get just means you have different challenges.** I look back at my challenges that were \$10,000 problems and \$20,000 problems, and now I have \$100,000 problems and million-dollar problems. They are still problems: the fact that they are bigger doesn’t make them not problems. I think part of growth and entrepreneurship is learning about those new problems and pushing the company to solve those problems and achieve growth.”

Raiz leans on other leaders for advice. “Nobody has all the skills,” he says. “Part of being the entrepreneur is some amount of recognition of the skills you don’t have and learning on the job. I actually spend a lot of time talking to other entrepreneurs, CEOs, CIOs, and leaders of both large and small companies. I try to understand their problems and challenges, because I’m not the first person to experience growth. I use that as an educational catalyst to figure out what we need to go do. **Being an entrepreneur is being fluid to change and open to learn.**”

In addition to learning from other leaders, Brendan Mullen, president and CEO of MKS2 Technologies, is an avid reader. “I’m admittedly still learning how to be that decisive leader who sees a challenge or initiative and makes decisions rapidly, balancing data-driven decisions with gut and intuition,” he says. “I have a ton of books sitting on my desk that I’m trying to get through, hoping that their data and economic resources from organizational behavior to how they deal with conflict will help me be a better leader. I also have a pretty robust network that I can ask for counsel and advice.”

Anurag Kumar, CEO at iTexico, has committed to a lifetime of learning and finds support not just from other leaders, but from his family as well. “I have three degrees, including an MBA, from some of the leading institutions. Along the way, I also went through leadership training programs at IBM and Dell. I read, listen, and watch leadership videos a lot and am constantly trying to learn from other successful people. I have a really good advisory board. Even then I feel I have much to learn and improve and it is an enjoyable journey. I have a very stable family with a wife of 31 years and two wonderful grown-up children. That really helps me focus on iTexico.”

Cresta Pillsbury, COO at Shopper Approved, always tries to keep an external perspective: “If you’re the founder of a company, you tend to fall in love with your product so much that you’re not willing to change it or look at what you need to do to grow.”





# 06

## Managing the Chaos: Tools and technologies that aid the transition.

As an organization grows, the need for tools and technologies to organize systems increases. Greg Raiz, founder and CEO of Raizlabs, makes identifying the best tools a priority. "We really embrace new technologies in general as the nature of our business. We have lots of deep engagement in everything mobile across iOS and Android. We're starting to focus on voice technologies, chatbots, Alexa, and things of that nature. We look at a lot of enterprise tools from Salesforce and Slack to Google and Microsoft's suite of products. We're always looking to encourage our teams to have the tools they need to do their jobs. The Gallup Q12 employee engagement survey asks, 'Does my team have the tools they need to do their jobs?' I'm always asking my team and making sure they have what they need to innovate."

Elisa Hamill, co-founder of and Partner at LifeHealth, found that once the company entered into government contracting, security concerns were more important than ever to its continued growth. "We've put a lot of new technology in place. We recently moved to Microsoft for HIPAA and security reasons. We have new computers and VPNs and have moved in high gear with data security. It was good before but getting security clearances (like NIST certification) will take us to the next level. It has helped us build relationships with some large national companies."

Anurag Kumar, CEO of iTexico, focuses on cloud-based technologies and is currently looking to move to the next level with professional services solutions. "All our technologies are cloud-based. We use Google Apps,



Microsoft Office, Quickbooks, Jira, Confluence, Hubspot, Trello, Time Doctor, Zoho Recruit, Wordpress, Slack, Invision, and others. We have built a few tools ourselves for time tracking, human capital management, reporting. Right now, as we grow, we are looking for a better professional services (PSA) management solution like Microsoft Dynamics.”

Cresta Pillsbury, COO of Shopper Approved, needed to organize sales processes with a CRM system. “We were doing a ton of conferences and generating a ton of leads but didn’t have a CRM in place to manage those and leads were falling through the cracks. We couldn’t pull any reports. Getting a CRM system and building a ticketing system for customer support was a big step for us in our growth.”

Angela Bandlow, senior director of Microsoft Dynamics 365 Product Marketing, speaks to a lot of companies going through transformation and the tools they use as they grow. “We hear quite often that companies feel trapped by their technology today. Having systems that aren’t adaptable or don’t fit together can present a big challenge as you grow. You don’t have the time to disrupt your business to go through this big re-platforming of your systems. We’re really hearing companies say, ‘My business is moving so fast, how can you help me along the way versus trapping me in my technology that I have or going through a gigantic 12-month project? How can I innovate in areas to add to what I have and allow me to continuously transform?’”





Microsoft Insights:

# What an industry leader has learned about small business and rapid growth.

Implementing new processes, protocols, and technologies during rapid growth may be a necessity, but it is also a big challenge as it takes time, research, and resources to put new systems in place. Microsoft Dynamics 365 speaks with companies every day about how to address this challenge and gain true business value without disrupting growth.

Angela Bandlow, senior director of Microsoft Dynamics 365 Product Marketing, describes how Microsoft focuses on helping companies succeed and maintain growth: “Every day, we’re thinking about how companies transform and how technology helps them accomplish that. It’s what we live and breathe. Dynamics 365 is an entirely new way of thinking about business applications. Think about the applications you use to either create a better experience for your customers, whether that’s selling to them, marketing or providing service to them, or how you run your fundamental business operations, like manufacturing, supply chain, HR, and finance. **We look at that end-to-end spectrum of business applications and think about it differently than vendors have in the past.**”

Bandlow highlights four key areas that differentiate Dynamics 365 from traditional business applications:

1. Starting wherever a company needs help the most. “We don’t focus on big silos of CRM and ERP like in the past, but instead focus on helping companies start their transformation wherever it makes sense for them. A company may want to start with an entire process like changing out their selling strategy with
2. Working with a company’s everyday applications. “We’re also thinking about how to make sure your systems work with the tools that employees love and use every day like Microsoft Office 365 or LinkedIn. For example, with Dynamics 365, you can embed Microsoft Excel directly into your sales forecast application.”
3. Tapping into the power of data and AI. “We want to make sure everything we do in business applications is tapping into the power of data and using advanced analytics and artificial intelligence to help guide users to the best thing they should do next. For example, if I get a customer service issue, I can not only surface relevant knowledge articles but I can actually find cases that involve similar issues to help me address the customer’s issue more effectively.”
4. Providing an end-to-end solution. “If you look at a lot of providers out there, they do one piece, like the front-end CRM but they rarely provide an end-to-end solution. We’re focusing on the next generation of business applications that focus on a company’s entire business so they can run it end-to-end.”



## How machine learning and AI helps businesses as they grow

According to Bandlow, utilizing technology as your business grows and transforms is key: **“As a business owner, your scarcest resource, and one of your most expensive, is your people. Technology can help you make the most of this resource.** For example, in the example of the customer service bot, if technology can help you resolve front-line questions, you can then use your people for more sophisticated and complex issues. It’s one of the most impactful things you can do to take best advantage of your scarce resources. The way Microsoft looks at it is to automate the things that can be automated, and then make each person as smart as he or she can be by leveraging technology to help sift through masses of data and then prescribe the next best thing to do.

“If you think about business applications, it’s literally petabytes of data. Companies are swimming in data. Where this becomes interesting is in figuring out how to use advanced analytics and machine learning to identify anomalies and turn that into proactive action that someone can take, for example, if a device isn’t performing at a site, sending out a technician before the customer even knows there’s an issue. Microsoft Dynamics 365 is doubling down on the concept of how AI can help guide companies on the best thing to do and make better overall business decisions.”

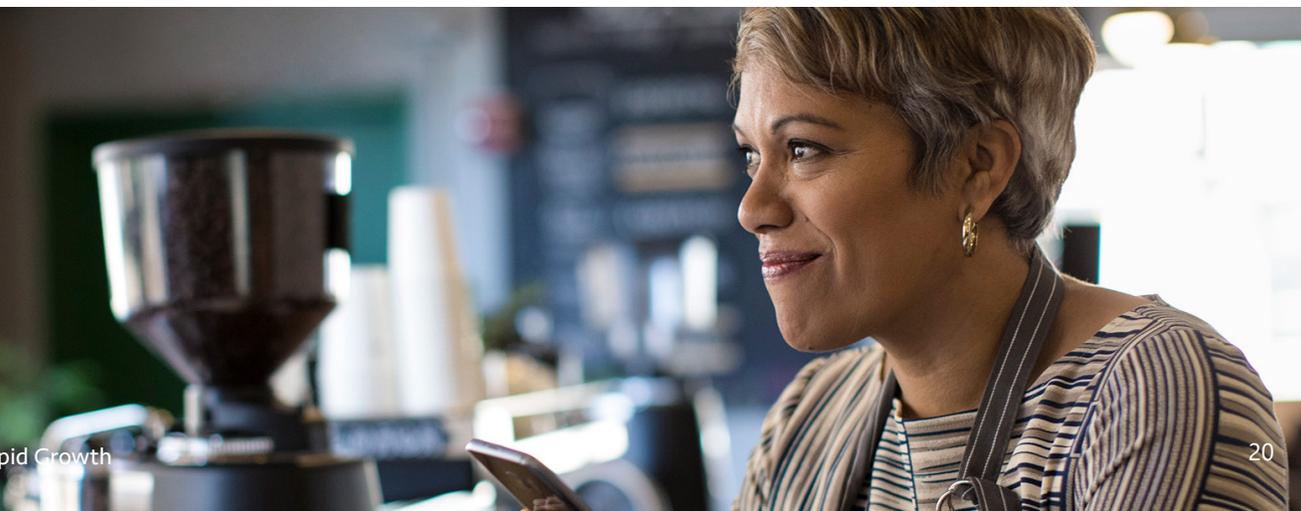
Bandlow believes in the power of artificial intelligence and describes how Microsoft can uniquely build business applications based on decades of research and experience: “If we know we need more machine learning and cognitive services to help us bring a customer service bot that can take most of the front-line customer service issues, we don’t have to go build it, we have decades of research and experience in machine learning and cognitive services that we can tap into. What’s great

is that we have Microsoft history in things like machine learning, AI, and the internet of things that we can utilize to make these applications more powerful. For example, if a company is selling something that is sensor-enabled, we can use that to track all the data about devices, find anomalies, and kick off things proactively. Because we’re Microsoft, we have that end-to-end technology capability and stack.”

## Determining your business application strategy

Many entrepreneurs may know they need new tools, but figuring out where to start can be a huge challenge. Bandlow describes how the Dynamics 365 team helps business owners solve that challenge: “Technology for technology’s sake without knowing where to start and the best practices for using it isn’t all that helpful. Dynamics 365 provides onboarding services and we have a solutions architect team that sits with customers. We do a business value assessment upfront to help companies figure out what types of results to expect. Then we help guide them through a process of how to approach a transformation. We can help figure out what pieces of the journey to start with that will have the highest impact as you think about transforming. Additionally, transformation is continuous--it’s not a one-time thing. We want to make sure that you have the technologies to extend and keep adapting your processes so that you can innovate and not be trapped by your technology.”

Bandlow recommends starting with the most impactful areas first and not biting off more than you can chew: “Think about the biggest impact processes that you need to enable and start with those first. Don’t try to do everything. At your stage in growth, focus on the next thing that can help you scale your resources and add the most value.”





# The Hyper-Growth Playbook: Ten key tips from leading entrepreneurs on succeeding during growth transitions.

**1. Have protocols and systems in place before your breakthrough moment.**

“Entrepreneurs need to make sure they have the systems in place for sustained growth. What is your sales system, your training system, your customer service system? You need protocols in place for every division in your company or you will have leaks everywhere.” --Cresta Pillsbury, COO of Shopper Approved

**2. Be flexible: the way you do things needs to change relative to your size and scale.**

“Part of running a business is being responsive to change and market conditions. As your company grows, the way things run has to change as a function of that growth. The way we solve problems as two people is very different than how we solve problems as four people. When we’re four people, we solve things differently than eight people. We’re constantly looking at how we do things relative to our size and scale.” --Greg Raiz, founder and CEO of Raizlabs

**3. Don’t be afraid to jump in and help.**

“We’ve built a company that we would like to work for. We have a very customer-focused,

team-focused environment. When something needs to be done, we all team up and do it: all hands on deck.” --Elisa Hamill, co-founder of and partner at LifeHealth

**4. Keep an outside perspective.**

“If you’re the founder of a company, you tend to fall in love with your product so much that you’re not willing to change it or look at what you need to do to grow.” --Cresta Pillsbury, COO of Shopper Approved

**5. Leverage your team in creative ways.**

“It is very hard for me to take personnel action quickly and my team members helped me make some tough decisions. At one time we lost our largest client due to their financial situation and I resisted taking any personnel action. We regrouped the team and were able to win additional clients leveraging the team that had just gotten freed up.” --Anurag Kumar, CEO of iTexico

**6. Don’t be afraid to admit to your failures.**

“Building companies is hard. CEOs don’t typically talk to each other about their failures and have



those failures. There were a lot of very hard times to get where I'm at. Entrepreneurs have to be resilient and have the conversations they need to build their business." --Greg Raiz, founder and CEO of Raizlabs

**7. Focus on doing your best and results will follow.**

"I firmly believe in karma: Our responsibility is to do our best today and the results will follow. If they don't, we all know we still did our part." --Anurag Kumar, CEO of iTexico

**8. Trust your team and take a step back.**

"Shopper Approved was my baby when we built it and I could not scale because I couldn't let go. I had to trust that the people I hired and trained could do just as well but I didn't want to lose the sale. Finally we got so busy that if I didn't let go, we were not going to grow. So I did and trusted my team. When I did let them go, we grew like 5x." --Cresta Pillsbury, COO of Shopper Approved

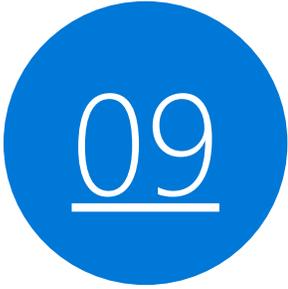
**9. Always be prepared for the call.**

"I've been very cognizant of that thin line between success and failure. There are so many talented entrepreneurs around the world who

have failed but they were days, inches, one phone call away from having things tip in their favor. I think about when I got that call and what if that call had gone to voicemail? Was I the first call? I am aware of how much timing and luck has to do with all of it. The advice I would give an entrepreneur who is about to hit that point is to have preparation meet luck and timing. When that call came for me, I was prepared to take the call and say yes and execute." --Brendan Mullen, president and CEO of MKS2 Technologies

**10. Identify and build differentiators.**

"We're an approved aggregator with Google. One of the challenges that we faced is that a lot of international competitors with a lot of money entered the market and were attending every single conference. We started to get into a price war and didn't want to just be a 'me too.' We went back to the drawing board and created a differentiator: we went local. When we did that, it really opened the door for us to way more business and we are no longer the 'me too.'" --Cresta Pillsbury, COO of Shopper Approved



# The Road to Rapid Growth: Lessons learned and a roadmap for future success.

Whether you are at the beginning of an entrepreneurial journey, on the verge of a breakthrough moment, or in a state of hyper-growth, making the preparations to sustain and manage your growth can be the difference between success and failure. Success is not just about plans and processes, but about tools, teams, funding, and learning.

Here are five key areas to constantly examine and prepare for as you approach your breakthrough moment:

## 1. **Funding.**

Determining whether to self-fund, take loans, or get funding from a venture capital or other investment firm is a challenge that every business owner faces. Hyper-growth can create a flurry of operational costs before the invoices are ever paid. Know where your money will come from and how you will fund your growth.

## 2. **Delegate.**

In a startup environment, it's easy to get buried in the details and take on everything as personal responsibility as a business owner. However, hyper-growth will not work when a small group of people are responsible for everything. Your success is built on your ability to build and trust your team to free up your time for building your growth strategy.

## 3. **Build a Team.**

Hyper-growth will require you to add talent. Identifying your talent gaps in advance,

recruiting the best team, and motivating employees will help you maintain momentum as you grow.

## 4. **Keep Learning.**

Building a network of resources and relationships will aid you in your growth journey as you approach new challenges and risks. Always focus on building skills to be the leader of a larger company.

## 5. **Select the Right Tools.**

While you may be able to manage a small company out of spreadsheets, new technologies, tools, and protocols are required for you to succeed during a period of hyper-growth. In an increasingly digital world, the technologies you select to connect with your employees, your customers, and prospects and your stakeholders will be one of the most important decisions you will make. Tools like Microsoft Dynamics 365 give business owners the ability to scale and succeed.

As you experience rapid growth, it's important to always keep your customers in mind. The way companies interact with customers today has evolved significantly from the past.

Angela Bandlow, Senior Director of Microsoft Dynamics 365 Product Marketing, explains this evolution: "It is an extremely exciting time for business owners. Technology has changed the way customers think about how they



engage with companies. They want answers on any channel at any time... Customer experience is increasingly a differentiator for brands. The competition is just a click away. Fortunately, technology has changed significantly to enable this [customer-centric] change. Every company should be thinking about this transformation for them to innovate.

**Looking at technology and figuring out it can help you rethink your business models and engage your customers during transformation can make all the difference."**

When on the verge of a breakthrough moment, entrepreneurs can be excited and nervous about the road ahead. With the right plans, skills, and tools, you can turn that breakthrough moment into manageable and sustainable growth.





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