

6 ways to grow your business

By Verne Harnish, contributor • March 17, 2010: 4:44 AM ET

(Fortune Magazine) -- For almost 30 years I've been organizing, advising, and just hanging with leaders of the world's top growth firms. Dubbed "gazelles," these companies continue to hire even as the economy stumbles.

What makes such fast-track businesses tick? How do they prosper in the hardest of times? Here are six timeless strategies for doing just that -- in good times and bad. Whether you run a small or midsize business or manage a department in a larger company, these tips will work for you.

1. Get an edge

Find an underlying advantage of 10 to 30 times over the competition to dominate your industry. Barrett Ersek, founder of Philadelphia-based Happy Lawn, innovated a way to close sales in minutes instead of weeks using a proprietary mapping and price-quoting process.

How to figure this out? Look at your industry's biggest cost and time constraints and challenge the conventional thinking in those areas of the business.

2. Own a phrase

Brand is about owning a word or two in the minds of your market. **No confusion about what niche Trench Safety & Supply Inc. owns.** J. Darius Bikoff, founder of Energy Brands, coined "enhanced waters" as a new multibillion-dollar beverage category. Chris Krause is focused on "athletic scholarships" for high school athletes.

And how do you know if you own the phrase? Google it and see if your company shows up.

3. Hyperfocus

Align the entire company around a single measurable priority each quarter. Not 75, not five, but one overarching focus for the next 90 days that removes a significant bottleneck in the business.

One company needed to hire 16 specialists; another focused on doubling inventory turns; a third concentrated on its Google ranking. What about yours?

4. Control your cash

Growth sucks cash, so construct a business model that fuels your growth without the need of outside capital. Gift cards, advanced payments, tighter billing practices, and shorter sales and delivery cycles are a few of many strategies. And to stay focused, look at your cash position daily. You'll sleep better knowing the business can fund its own growth.

5. Write!

Flood the digital market space with blogs, white papers, YouTube videos, and Twitter messages that align with the phrase you own (check out The Shipping Bloke blog). Then enhance your authority by writing a book like Chris Krause's *Athletes Wanted*.

Published content is king in driving education-based marketing programs and in establishing you and your company as the authorities in your industry.

6. Pulse faster

If you want to move faster, pulse faster. The executive teams of the fastest-moving companies huddle daily, as if in constant crisis mode -- driving on priorities, metrics, and data gathered from the market.

Billionaires like T. Boone Pickens formally meet twice a day with their teams. And successful executive teams gather once a week vs. annually to get some talk time around the six strategies I've outlined for growing the business. It's about having a bias for action.

Verne Harnish is a consultant and creator of MIT's Birthing of Giants executive program.