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Reading time: < 3 minutes.

Value: Priceless

Hypergrowth!

It must be perpetually sunny in Cambridge since the optimists at the *Harvard Business Review* included "Managing Hypergrowth" in their most recent compendium of brilliance. Everyone reading this **Insight** who is in a hypergrowth market shout "Hooray!" Hmmm, seems strangely quiet. Next question: can the lessons drawn from a hypergrowth experience help companies which are facing the opposite-a down market?

Our Take

Managing growth in a high-growth market is certainly a trick. Managing to grow during a down market, though, is a more exacting test of business acumen. Interestingly, the requirements are similar in both situations because the keys to growth are largely independent of market conditions. Yes, if your industry is following the dubious path blazed by buggy whip manufacturers you may be in for a rough ride; however, even in an evaporating market talented leaders can find a way to build success.

Take a look at the article's five recommendations for managing hypergrowth, and how they apply (or don't apply) to a down market:

HBR's Hypergrowth Recommendation	Our Down-Market Recommendation
Focus First On Sales - It's a pioneer environment, so get out there and grab some land!	Focus First On Sales - Cost reductions are only temporary protection against market pressures. Revenue underpins all your efforts and winning customers now is the surest proof that you will thrive when the market turns around.
Innovate With Caution - If your eye is focused too far into the future, you'll miss the "now" market.	Innovate With Balance - Funding R&D and new-market efforts can be tough when money is tight. The key in down markets, is to dedicate resources to close-in efforts which will immediately drive up the Net Preference for your products, and fund a

	handful of mid-term adjacencies.
Standardize Structures and Processes - Inconsistencies across the organization could slow down your sales efforts.	Rethink Structures And Processes To Allow Growth - Usually some standardization is helpful, but the real point is to eliminate process steps which are inadvertently hindering growth efforts. You can't afford them in a down market.
Delegate Decisions To Field Managers - Bureaucracy unnecessarily slows down the decision process at a time when quick decisions are needed; further, managers on the front line are often more capable of making good decisions and are the ones who will have to live with the results.	Empower The Customer - What we need to do in down markets is let the drivers of customers' choices pervade how we do business. This does not mean giving away the farm. It does mean orienting all functions, behaviors and processes in our company around satisfying drivers of choice in a way which allows us to win more customers more efficiently.
Reward Action and Initiative - Fear of failure can engender paralysis while market opportunities are whizzing by.	Reward Action and Initiative - Fear of failure is all the more present when belt-tightening is in vogue and layoffs are in the news; there is a tendency to hunker down in hopes nothing gets worse when, in fact, the exact opposite behavior is needed. There was plenty of action during the roaring 1920s, but only a handful had the fortitude to stay in motion when the depression hit. Those few grew during the 1930s and exploded in the post-war era.

When the next hypergrowth opportunity hits, I hope we are all firmly strapped onto the rocket, enjoying the ride. In the meantime, we can use many of the lessons gained during high growth times to outthink, out-market and out-execute our competition.

To discuss how you can grow in today's market, call or email me:

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