

Why the success of a high growth business is never just down to the founder

Next week, we close the search for the fastest growing firms in Wales which will culminate in a glittering awards ceremony in Cardiff later this year where the achievements of some of the most entrepreneurial Welsh firms will be celebrated.

The Wales Fast Growth 50 recognises those group of high growth businesses that make a disproportionate contribution to jobs and wealth creation in the Welsh economy.

Since the project was established in 1999, the 674 entrepreneurial firms that have appeared on the lists published in the Western Mail are estimated to have created 48,000 jobs and generated an estimated £27 billion of additional turnover, much of which is spent in their local area.

One of the myths about entrepreneurship that the success of any high growth company is down to one individual, namely the founder. In fact, the myth of the entrepreneurial hero still holds sway in our imaginations and popular culture with individuals such as Richard Branson, Elon Musk, Mark Zuckerberg and Steve Jobs personifying enterprise, creativity and innovation.

Like all myths there is always some truth to that. Of course, their imagination and drive are seen as the driving forces behind disruptive companies that have changed the way we live, work and play. Yes, they are the ones who spot the opportunity, take the initiative, manage the risk, come up with new ways of doing things and establish new businesses that create employment and wealth in the economy.

However, having spoken with many of the founders of this year's fifty fastest growing firms in Wales over the years, the same clear message comes through about the performance of their business, namely that the success of the venture was not down to the individual entrepreneur in charge of the business, but rather the successful team of people working with them in the organisation.

Many of the firms recognised this year will be bringing their staff to the Fast Growth 50 awards to share in their success. In fact, not one of the winners have ever said when receiving their awards that it was all down to them and without exception, focus their thanks to those who have worked with them to create a successful business.

They have recognised, like many other successful entrepreneurs, that without the support of the team around them, growth would not have been possible, and many appreciate that one of the most important tasks for any business is to fully realise the potential of its workforce, thus maximising the competitiveness of that business.

However, this task is not as easy as it sounds as many smaller businesses do not have the time or resources to invest in developing formal evaluation methods for their staff even though this would be seen as the standard way of measuring individual performance.

In many cases, such formal methods do not result in strengthening an employee's potential but rather in highlighting how poorly the individual is performing, leading to lower performance and morale. Instead, successful entrepreneurs have suggested to me that more informal methods may work far better within smaller businesses in nurturing and developing employee skills.

For example, a positive step in understanding the potential of employees is to simply ask them what they like to do. The

downside of many staff promotions is that this results in removing people from the job that they enjoy the most and in which they have succeeded. It is critical to find the time to discuss what the real strengths of employees within the business and what roles they believe would be of most value to its future.

In fact, traditional roles may be hiding the real potential of different employees within the business and founders may need to look at them in completely different ways.

Also, what qualities have employees demonstrated, and how can these be translated into important business skills? For example, a receptionist who relates well with your suppliers may (with the right training and support) be better for your business as a customer relations manager.

On the other hand, by examining where a person is going wrong, new talents may be uncovered. For example, a business may have a bright young person who never completes projects he or she has developed. Whilst this may be seen as a weakness, perhaps that individual's strengths are best applied in generating new ideas whilst getting other members of the team to manage the projects.

Therefore, one of the key messages that I have learnt from working with the fastest growing firms in Wales over the last 24 years is that a business is never one person but an amalgamation of different individuals' skills and attributes.

More importantly, the best businesses take advantage of the talents of all employees, not just the one at the top, and ensure those talents are the foundation to driving growth, innovation and productivity.