

SMALL GIANTS

Companies That Choose to Be Great Instead of Big

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The Web site for this book is at www.smallgiantsbook.com.

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MAIN IDEA

Not every company founder wants to grow big, go public and cash out to live happily ever after. A growing number of companies and founders are choosing a different business trajectory altogether. These companies retain a narrow focus and attempt to become great at what they're doing rather than simply trying to get bigger all the time. They consciously and deliberately choose to stay private and closely held rather than face the scrutiny and demands of operating as a publicly listed company. And as such, these small companies or "small giants" are fast becoming an emerging force in the American business environment. They have their own distinctive soul or "mojo".

In many ways, the business press is slanted towards public companies, which actually make up only a small percentage of the entire business population. Most if not all of the widely accepted business axioms – like the belief "companies must grow or die" or the concept of "continually striving to get to the next level in sales revenues" – actually apply only to public companies. A private company can stay at the same size and generate healthy profits for its owners ad infinitum without any problems. The owners of a private company can create a great place to work or a business which provides them with a superb lifestyle rather than getting on the never-ending treadmill of needing to grow revenues and profits at all costs.

Overall, the small giants of the corporate world add some much-needed vibrancy and variety. They illustrate what can be achieved when a business avoids the traps of getting too big, spreading out too much or growing too fast. Small giants prove the concept of "success in business" is not quite as one-dimensional as most people believe.

The keys of success
for the small giants of the
business world

- ▶ 1 Resist the clarion call to grow too big or too fast
- ▶ 2 Keep ownership closely held in the hands of company insiders
- ▶ 3 Bond strongly and permanently with where you're located
- ▶ 4 Develop exceptionally strong links with suppliers and customers
- ▶ 5 Cater precisely to the needs of your employees
- ▶ 6 Build a company culture everyone feels fits you like a glove
- ▶ 7 Let your people do the things they feel intensely passionate about

Key #1 – Resist the clarion call to grow too big or too fast Page 2

Sooner or later, you will have to make a decision how far and how fast you want to grow. All your advisers will be encouraging you to grow as fast and as big as you can. Ignore their advice and make your own decision. It's perfectly alright to choose a different path.

Key #2 – Keep ownership closely held in the hands of company insiders. Page 3

If you don't retain ownership and control of your business, eventually you'll end up in a situation where the need to meet growth targets set by others outweighs your own aspirations. This is well worth avoiding. Own your own company, even if that limits your growth.

Key #3 – Bond strongly and permanently with where you're located Page 4

Small giants tend to bond so intimately with the places where they are located it's hard to imagine them being located anywhere else. These companies typically get shaped by the community where they operate because they have such deep roots and links.

Key #4 – Develop exceptionally strong links with suppliers and customers Page 5

Small giants work closely with their suppliers. They organize their entire companies around tailoring products to the individual needs of each customer. Their suppliers become a key resource in pulling this off and in achieving the level of excellence small giants aspire to.

Key #5 – Cater precisely to the needs of your employees Page 6

Small giants achieve what they do because their people love their work. They feel valued, appreciated, supported and empowered. They are enthusiastic about the future. This is the driving force behind what these companies achieve and the real "secret" of their success.

Key #6 – Build a company culture everyone feels fits you like a glove Page 7

Small giants create strong and pervasive company cultures. In effect, each becomes a haven for people who have a common vision of how they want to live and work. The culture of the organization has a strong and lasting impact on the people who work there.

Key #7 – Let your people do the things they feel intensely passionate about. Page 8

Small giants mix artistic expression with hard-nosed business practices. They succeed and endure because they blend both these critical elements into a company with soul. Small giants aren't just in business to make a buck – they genuinely want to make the world a better place.

