

BEST PRACTICES FOR NAVIGATING RAPID BUSINESS GROWTH

An Interview with Brian Briggs, President of TIC Gums



Today's business environment is constantly shifting, driven by factors such as advancing technology, changing customer behaviors, and growing competition. How companies adapt to these shifts can be the difference between success and failure.

Such is the case with TIC Gums, a leading worldwide provider of thickeners used in cosmetics, food (gums), and pharmaceuticals. Established in 1909 and operated by the third generation of the Andon family, the company's products include acacia, agar, guar, and pectin. Despite being more than 100 years old, TIC Gums has overcome the challenges of rapid growth by finding the right balance between people, processes, and technology.

Following is an exclusive Q&A with Brian Briggs, President of TIC Gums, who shares insights on how the company has doubled in size over the last five years and anticipates doubling its size again over the next five years. The interview was conducted by Chris Helmrath, Managing Director of SC&H Capital.

Q: *As an international company, TIC has experienced rapid external and internal change. How have you managed through both types?*

A: Going through rapid growth is always a challenge for businesses, and it's been true at TIC as we've moved from being a small company to a mid-sized, international company.

During the transformation, one of the key things we did is focus on finding the right balance between bringing in too much process and structure and not bringing enough. If too much, the entrepreneurial spirit of the business is damaged, and it can lose its edge. If not enough, the business can't effectively scale and loses its edge by disappointing customers.

Q: *What have you found to be the keys to establishing that balance?*

A: One of the best approaches is to take a step back and observe what's going on in your business. Where are bottlenecks occurring, and why? If they are occurring because there is too much bureaucracy, pull back on the process. If there is not enough process, put a process in place.

Also, listen to your customers and suppliers. They'll tell you how you're going through this transformation and if you're supporting the appropriate process level. Further, dig deeper than the initial feedback. If a customer says you're not as responsive as you used to be, ask follow-up questions to understand the root cause.

Q: *In addition to listening to customers and suppliers, how have you utilized and worked through employee feedback during rapid change?*

A: Employee feedback is essential. But, keep in mind that when you talk to your internal team, an easy answer is that there are too many processes in place. And that may be the correct answer, but maybe it's not. It could be that you have the right processes in place, but you don't have enough people or the right kind of people to make the processes work effectively.

Also, being directionally correct in management is better than being specifically incorrect or specifically correct. Directionally correct allows you to move the business forward while you work on refining the balance. By actively managing this aspect of growth, you can quickly adjust.

STORY BEHIND THE SUCCESS

Q: *Speaking of employees, you've mentioned that the right types of people are critical to achieving customer intimacy. How have you ensured you have the right teams and entrepreneurial spirit in place to succeed?*

A: Ideally, you should grow and develop your existing team to help navigate through the transformation. While change can make employees uncomfortable, it gives them the opportunity to make decisions, enter new areas, and grow professionally and personally. Some of my best team members are people who seize and navigate through that opportunity.

Other team members get overwhelmed. Many times, it is because their skill set is a good fit for what the business was, but not for the role going forward.

Other times, employees are good in their role, but not ready to take on a management position. They may be a good manager for a small group of people, but aren't ready to handle a larger team, much less one that's spread geographically or internationally. If these employees are valuable to the organization, a transition from manager to individual contributor may be the best answer.

Q: *Is this challenge especially common with fast-growing small businesses?*

A: Absolutely. People go through a business maturity curve of their own, and in most of the small businesses I've been associated with, employees are utility players who have a hand in all parts of that business. As the business matures, you need specialization.

For example, someone may have started out handling customer service issues as part of their job responsibilities. But as the business grows, you may require a full-time customer service person. Employees who value the utility role may find that focusing on one area of the business puts them in a silo or takes away some of their power.

You should be aware of this challenge and address it by talking to employees about their business needs upfront. Doing so can help employees adapt and understand how to best make things work for them and the company.

Q: *Since the required skill sets and experience must also change during a business transformation, how have you balanced the value of growing and developing your existing team with the need for new employees?*

A: On one hand, you have employees with institutional knowledge who understand your culture and what it took to get where you are. But, if you try to rapidly transform your business with all existing employees, you can miss out on experiences and ideas that managers from other larger businesses can bring to the table. You can end up recreating the wheel or going through issues that easily could have been avoided.

On the other hand, if you try to build a new team of managers, you run the risk of alienating your existing employee group. So, the best path is to create a marriage between these two groups to develop a balanced team.

Q: *In your career, you've run several international entities, serving in important roles within public, privately-held, and private equity-backed companies. What are some of the lessons you have learned for day-to-day success?*

A: I've learned that if I have a great team, I can execute even on a mediocre business plan and achieve great results. I've seen great business strategies fail because the team was mediocre. If you have a great business, but a poor team, the long-term result is not going to be good.

Transforming a business focuses on people, processes, and technology. Always remember that in the correct order. I have experienced several companies that thought technology would solve everything. You're constantly bombarded in the executive suite with tools and technology; however, you must determine what's going to help you reach your goals.

And, the way to do that is to have good people who can assemble requirements; understand the business needs; evaluate the technology to find the right fit; and implement it, automate it, and scale it. If you have great people, they'll come up with great processes, and they will implement great technology.

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STORY BEHIND THE SUCCESS

Q: *What are some of the tools you would encourage privately-held businesses to use to help them see what “great” could look like?*

A: One thing I’ve seen with privately-owned businesses is that you’re so embedded in your business that you have blinders on. So, I encourage people to network. I know there’s never time for it, but it’s good to push away from the table, go spend some time over cocktails or in a session, and get a chance to talk to other people and see what they’re doing.

In addition to learning about great new ideas you’d like to try, you get to meet new people, new firms, and new resources. Then, if you decide you want to make some changes, you don’t have to recreate the wheel. Some quality references are already out there for you.

Also, try taking time during the week or month to see what else is going on, whether it’s looking online to see what firms are publishing, reviewing resources such as the Harvard Business Review, or attending a training class at a university. After all, in today’s digital age, there’s a lot of information easily at our fingertips.

Q: *Are there any final tips you’d like to share for businesses experiencing rapid growth?*

A: Make sure you have good partners. As with your employees, the skill sets and expertise you need from your partners must evolve with your business. In many cases, your existing partners can step up and provide different services, service levels, and expertise if they are managed to do so.

In other cases, the expertise required to navigate through international business,

mergers and acquisitions, and rapid growth needs to come from new, more experienced partners. One downside I’ve seen in some privately-owned businesses is that many times, the management has been in that business for a long time and may never have seen what “great” looks like. So, they stay with the status quo too long.

You need to ensure that your business maintains a sense of urgency to execute on strategy. As with most of what we have talked about today, you must find the right balance. And, for growth-oriented companies, achieving that balance—and your strategic business goals—requires partners who can successfully guide you through a business transformation.



To learn more about how to most effectively capitalize on strategic growth opportunities and maximize shareholder value, [click here](#) for insights and best practices from the SC&H Capital team.

About Brian Briggs

Brian specializes in driving businesses through transformations, including merger and acquisition activity, initial public offerings, and rapid organic growth. He has served as a senior-level executive for various companies in the public and private sector, and joined TIC Gums three years ago. He has served as the company’s Chief Financial Officer, Chief Operating Officer, and President (current). Learn more about TIC Gums at www.ticgums.com.

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