

## Synergizing Growth in A Multi-National Enterprise

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**Abstract:** *The findings of the study suggested that growth is the goal of synergy exploitation. Growth is typically seen in forecasted and realized revenues at a suitable profit margin. Growth synergies, when experienced, will improve financial performance depending on the revenue opportunity. To ensure profitability, revenue must be pursued with a margin in mind. Each organizational leader needs to be able to stimulate revenue locally and globally. Twenty-three propositions were extracted from the participants instigated by a precipitated event that contributed to theory on growth leadership in a multinational with a global supply chain. The result is outcomes that are influenced by growth leadership. These are described in detail and are useful for understanding the achievement of sustained corporate advantage across shortened product and service life-cycles.*

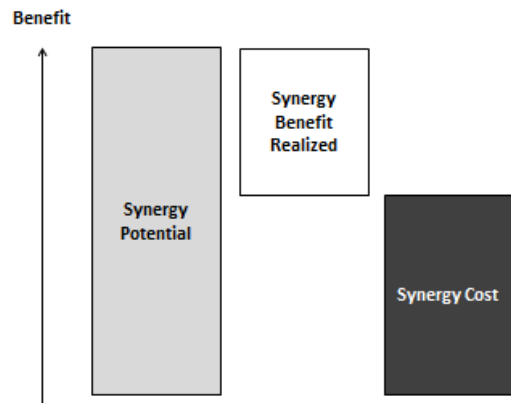
**Keywords:** *growth leadership; market synergies; competitive advantage; growth synergies; life-cycles; sustained advantage.*

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### I. Introduction to Synergies

The importance of exploiting synergies in multi-unit firms has been emphasized by researchers for decades as part of the decision-making process regarding mergers and acquisitions (Larsson & Finkelstein, 1999) and for cross-business collaboration in multi-business firms (Ansoff, 1965; Martin, 2002; Porter, 1985). The etymological roots of the word ‘synergy’ are in the Greek word ‘synergia’, or ‘together work’ (Boyd & Headen, 1978, “Synergy”, n.d.). The term is refined further by Fuller (1975) in three ways; (a) where combined action is favored over the sum of individual actions, (b) where the behavior of whole systems is unpredictable in relation to the behavior of each part, and (c) where the cooperative behavior of two or more stimuli results in a different or greater response than the sum of the individual stimuli. Ansoff (1965) is credited with bringing this concept of combined action into strategic management. He describes the effect of synergy as the effect of a whole being greater than the sum of its individual parts while understanding that there is a cost associated with combining the parts (Sourabh, n.d.). Martin and Eisenhardt (2001) further define cross-business synergies as “the value that is created and captured, over time, by the sum of the businesses relative to what it would be separately” (p. 3). Other scholars express the value added by synergies between dimensions in a business structure. A substantial contributor is cross-business unit collaboration. Most research suggests that the differences between firm performances are attributable to industry or business level effects (Rumelt, 1991); however, more recent studies have suggested substantial corporate effects (Bowman & Helfat, 2001; Roquebert, Phillips & Westfall, 1996). Furthermore, a more recent study by Anand and Byzalov (2007) suggests that cross-business synergies do exist.

Actual synergy realization typically does not equal synergy potential. The actual synergy realized is rather the difference between synergy potential and synergy realization costs, as illustrated in Figure 1. Critical factors in achieving synergy benefits include tacit knowledge, expertise, the presence of mature and relevant processes, a close match in products and markets, financial strength, a clearly communicated vision and strategy, a suitable reward system, leadership efficacy, and the ability to create and sustain growth momentum (Loomer & Harington, 2003). Synergy generally enables the increased application of underutilized strengths (Bellis, 2012).



*Figure 1. Realized synergy advantage.*

This figure illustrates the value of a synergistic opportunity that is exploited.

## **II. Growth Synergies**

The exploitation of growth synergies can lead to profitability, pricing power in the market place, the ability to leverage strengths, and scalability with minimal cost. Growth synergy has been neglected in the literature. However, operative synergies, prevalent in the literature, represent sustained performance advantages of multi-business firms that leverage operative resources across businesses that exhibit relatedness. According to Mueller-Stewens and Knoll (2006) they are typically prioritized on corporate agendas. Unfortunately, growth synergies are typically explored through the lens of product and service diversification. Empirical studies typically use operative synergies for describing the impact of relatedness, as described by the presence of similar activities and shared resources at various points of the value chain (Davis & Thomas, 1993). Relatedness is discussed at length and may also exist between business units of diversified firms (Amit & Livnat, 1988; Berger & Ofek, 1995; Christensen & Montgomery, 1981; Grant & Jammine, 1988; Lang & Stulz, 1994; Ramanujam & Varadarajan, 1989; Rumelt, 1982; Simmonds, 1990).

## **III. Market Synergies**

Conglomerate power, also known as market power synergies, are profitability-based advantages of multinational firms that are exploited by leveraging relatedness across businesses and market power resources (Dutta, Dutta, & Das, 2011; Martin & Eisenhardt, 2001). Market power resources include all sources the firm uses for reducing competition and increasing prices. This synergy is achieved through several means, including mutual forbearance, complementary products, reciprocal buying and selling, bundling, and predatory pricing (Bernheim & Whinston, 1990; Grant, 1988; Karnami & Wernerfelt, 1985). Predatory pricing occurs when a firm drives competitors out of the market by selling product or services at below market rates and conceding profits in one or more business for enabling another business to gain revenue or market share. Short term losses for long term gain are deemed tolerable. This tactic may also deter new competitors from entering the market. Bundling is selling the products together to extend the monopoly power of one business into another related business. Bundling may also be considered to be a form of predatory pricing. Reciprocal buying and selling happens when a potential customer is a supplier to another business. The firm establishes an advantageous buying and selling relationship to gain revenue in a supply chain. Mutual forbearance and collusion are similar. This beneficial economic situation occurs when multinationals keep prices high through regular contact with multi-market competitors. For example, a product may be ceded to a competitor with the understanding that a concession is made for another product. Or, a predatory pricing scenario for a product may be enacted by a market leader in a competitor's market when the leader encourages a competitor to retreat from a market they recently penetrated that is dominated by the leader. Multi-unit businesses with substantial market share are at an advantage, as single-unit firms are not able to exploit these opportunities for corporate advantage. Market power

synergies can contribute to corporate advantage; however, anti-trust laws and other factors may restrict opportunity exploitation (Devos, Kadapakkam & Krishnamurthy, 2009).

#### **IV. Sustainable Growth**

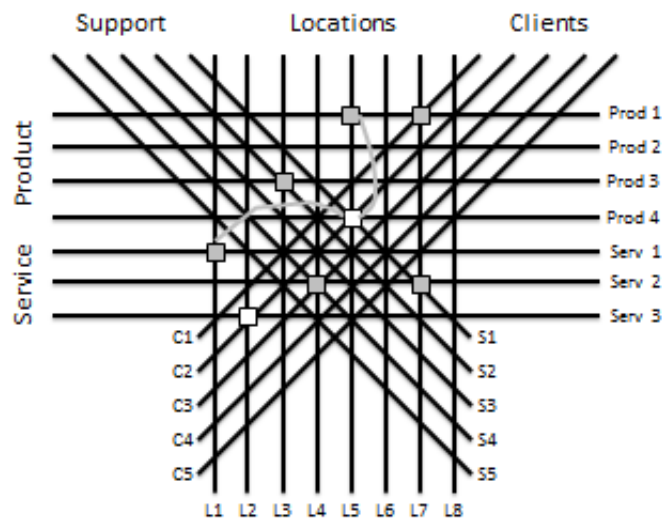
Corporate initiatives are dedicated to growth synergy opportunities; however, the sustainable realization of growth synergies has received little attention in literature, despite often being identified as a goal for managers (Amit & Livnat, 1988; Bettis, 1981; Eisenhardt & Galunic, 2000; Martin, 2002; Palich, Cardinal, & Miller, 2000; Ramanujam & Varadarajan, 1989), thereby ultimately leading to unrealized value (Goold & Campbell, 1998). Specifically, research on diversification concerned with operative synergies explores the strategic rationale of related diversification (Davis & Thomas, 1993; Tanriverdi & Venkatraman, 2005), but does not reveal anything about realization. It assumes that cross-business synergies are observed in organizational constructs and that they are easily realizable when in fact they are complex and difficult to achieve. With the exception of Martin (2002), research is too empirically immature to provide adequate insight into growth synergy realization from resource combination, or the unique and timely combination of the elements of the synergies previously discussed.

Synergy realization costs include both direct and indirect costs. Direct costs could include the cost of coordination and control, while indirect costs may relate to the need for a compromise or an adaptation (Campbell & Goold, 2000). Coordination costs may be visible in costs associated with collaborative linkages between business units (Porter, 1985). This could include management time, the cost of a designated liaison, the cost of an embedded team, the cost of integrating sales forces, human resource related costs, marketing costs, moving costs, culture assimilation costs, costs of standardization, the cost of outsourcing, or costs associated with the installation and maintenance of enterprise resource planning (ERP) systems (Loomer & Harington, 2003; Zhou, 2011). Business level managers may spend a significant amount of their disposable time meeting and negotiating with other business managers for coordinating activities, problem-solving, and making decisions. Resources for exploiting opportunities may not be easy to share due to specialization, for example (Teece, 1980). Corporate costs may increase for the same reasons if escalation is needed (Hill, Hitt, & Hoskisson, 1992; Michel & Hambrick, 1992). Furthermore, corporate-level behavior may be unproductive due to self-interest. For example, disruptive technologies that self-cannibalize, or inequitable intercompany pricing, may be deliberate in the business in order to prop up a favored unit or help penetrate a new market. Corporate managers may not be capable of resolving conflict as they are not fully aware of the situation and do not have the needed operational skills for understanding the impact of a decision. These managers typically do not have to deal with collateral damage wherever it may occur. This damage may lead to less than optimal decisions, frustrating and alienating business unit managers (Goold & Campbell, 1998; Gold & Luchs, 1993; Michel & Hambrick, 1992; Vancil, 1980). Business unit managers may also be frustrated by imposed decisions and the requirement to resource share (Beer, 1964; Fleishman & Harris, 1962; Gupta & Govindarajan, 1986; Tannenbaum, 1962,) or redeploy (Capron, 1999). This overall organizational inertia introduces waste that results in additional cost and smaller profits.

#### **V. Competitive Advantage**

When competitive advantage creates a higher economic value for the firm than its rivals can produce, cross-unit synergies contribute to corporate advantage (D'Aveni, Dagnino, & Smith, 2010). The opportunities, as represented by box shade variation in the organization map in Figure 2 below, can be discovered through SWOT analysis, internal performance reviews, competitor analysis, or addressable market analysis. The opportunities are located at the nodes, where they naturally reside as these are the dimensional factors that would enable the exploitation of the opportunity.

An opportunity could be an immediate client need, a servicing issue to be resolved, margin inadequacy, a capital expenditure (CAPEX) enabled sale, a filler for a capacity shortfall, or revenue that could be experienced through a critical support function that has been missing. One opportunity could lead to another. For example, the exploitation of C2/Prod 4/S1/L5 could lead to a further opportunity with Prod 1 at L5 and Serv 1 at L1. The link preserves the attachment to any lines at the primary opportunity. Synergistic linkage will enhance profitability and minimize investment to realize the opportunity. The priority of exploiting the opportunities at the nodes could relate to the magnitude of the opportunity, the investment needed to exploit it, or the profitability of the opportunity, as examples.



*Figure 2.* Growth synergy opportunities prioritized at the nodes. This figure illustrates the relatedness of opportunities and the capability of the model to be used for linkage.

## VI. Sustained Advantage

Opportunities can be prioritized based on corporate growth and synergy value. A resource-based view of cross-unit synergy creates three conditions by which competitive advantage is sustained (Barney, 1991; Conner, 1991; Peteraf, 1993; Wernerfelt, 1984). First, the synergistic resource needs to have value. This happens when these resources are relevant to key success factors of the business (Grant, 2005). They enable the firm to reduce threats to profitability and exploit opportunities available in the environment (Barney, 2007). In the end, these resources need to contribute to the firm’s ability to meet customer needs and expectations at a fair price, better than the competition (Collins & Montgomery, 2005; Rose, 1990). Second, the resource needs to be in short supply. If the resource is widely available, the potential competitive advantage erodes (Grant, 2005). The best outcome for competitive advantage is that the resource is rare and valuable (Barney, 2007). Finally, synergistic resources must be difficult to imitate, in order to be a source of sustainable competitive advantage. This is enhanced if competitors have neither the financial capability nor time to obtain them (Grant, 2005; Barney, 2007). This situation may be enhanced through the existence of intellectual property protection, historical conditions, timing disadvantages, the inability of the competitor to assemble the needed resources, and the existence of socially complex phenomena that cannot be sufficiently influenced (Barney, 2007). To optimize growth synergy choices, firms need to balance potential incremental value with the associated coordination costs. This must be accomplished with a view towards complexity, consideration for the overall coordination capacity constraints, and an understanding of the opportunity itself so that it can be optimally applied horizontally as well as vertically. Furthermore, the application needs to be accomplished with consideration for the impact of synergy realization on specialization, which may result in a loss of competitive advantage. Organizational capability like managerial expertise, knowledge creation, and adaptation to offset limitations, also need to be taken into consideration (Capron, Dussuage, & Michell, 1998; Hill *et al.*, 1992; Nelson & Winter, 1982). All things considered, firms need to understand and optimize coordination costs that arise from managing complex interdependencies between business units (Zhou, 2011).

### Dis-synergies.

In a discussion about synergies it is important to understand the opposite concept as it produces a counter or negative influence. ‘Negative spill-overs’, or ‘contagion’, that may spread from one unit to another

through integration or collaboration, thereby reducing overall value, may also be referred to as dis-synergies. There is persuasive support in the literature that synergies and dis-synergies exist (Bloch, 2008; Falk, Schepers, Hammerschmidt, & Bauer, 2007). As explained earlier, synergy is a micro-level phenomenon that is typically defined as savings arising from economies of scale or scope that can be exploited. Conversely, dis-synergies occur when related diversification strategies result in internal transaction costs that outweigh realized economies of scope (Besanko, Dranove, & Shanely, 2000; Jones & Hill, 1988; Martin & Eisenhardt, 2001). In some situations, resources do not have synergy potential, or they are not realized, or may not be realizable (Gruca, Nath, & Mehra, 1997). Synergy realization should be measured in terms of outcomes such as revenue enhancement or creation, rather than just cost mitigation (Martin & Eisenhardt, 2001). Dis-synergies occur when an integrated entity does not have the potential for realizing better performance than the two entities would if operating independently. This contagion effect from unit consolidation or collaboration may come from, but not be limited to, the allocation of work to two entities with slack capacity, deploying systems or talent to an entity that does not need it, and cross-selling or bundling to increase consumer acceptance and sales. Brand value can be tarnished by product or service liability, an inability to fulfill orders due to volatility or congestion, increased costs to meet spike demands from unexpected success, capacity issues that drive poor execution or divert attention, and the inability of resources to use existing systems (Berger, Hanweck, & Humphery, 1987; Gruca *et al.*, 1997). In addition, resources may not be critical for the value chain, sufficiently flexible or substitutable, and may have a fixed capacity. Flexibility, on the other hand, comes with constraints such as; a large acquisition cost, coordination costs may be excessive, they may force miss-alignment, culture, or value shifting to accommodate, and the resource may not be unique to the firm (Barney, 1986; Berger *et al.*, 1987; Deller, Chicoine, & Walzer, 1988; Ghemawat, 1988; Hill & Hoskisson, 1994; Prahalad & Hamel, 1990). Additionally, research on synergy strategy does not provide insights into the actual value of the realization of these synergies, even though there are persuasive arguments and evidence for their existence (Shaver, 2006).

In summary, the author has briefly introduced and defined synergy types, the substantial empirical component of this study. Synergy total potential value is the difference between the cumulative synergy potential across business units minus the synergy realization expense. Similarly, realized synergy value is the total value of realized synergy minus the realization cost. Realization cost can include controlling cost, coordination costs, and cost associated with compromise or inflexibility. Additionally, if cross-business unit synergies are either a source of competitive advantage or if they contribute to the firm's ability to realize synergies, they contribute to corporate advantage. The type of resources, and similarities between common key success factors across business units, relates directly to their exploited value potential. This value is enhanced through complementarities between resources and activities. Most commonly, operative synergies are thought of as leading to cost reductions exclusively. The author, on the other hand, intends that synergies are thought of in the context of incremental revenue. Finally, synergies may become dis-synergies, or negative synergies, over time in the event that the market changes, invalid assumptions are enacted, or through technology shifts.

## **VII. Quality of the Research**

Creswell (2014) describes validity in qualitative research as being the determination of whether the findings are accurate from the standpoint of the author, the participant, and the readers of an account. In this case, language and meaning are the data. Creswell (2014), in parallel with Lincoln and Guba's (1985) approach, offers qualitative researchers eight possible strategies for checking the accuracy of findings; triangulation, member-checking, rich descriptions, clarification of bias, the use of negative or discrepant information, prolonged time in the field, peer debriefing, and the use of an external auditor. The author selectively used these strategies to ensure data validity with a focus on triangulation, peer debriefing, and member checking.

Endogenous validity refers to the validity of established causal relationships (Yin, 1994; Lamnek, 1995) or internal logic of the research (Punch, 1998). This was achieved by establishing a clear thematic focus that guided the case selection, abstracting and comparing, conducting peer reviews of causal relationships, and by having an open and comprehensive explanation building. A thematic focus was evident in a clear definition of an overarching research theme (cross-unit synergies), a narrowing research focus (unit operative synergies), and a specific research question (the sustainable realization of growth synergies as evidence of performance) along with a compatible case selection in which the constructs of interest could be discovered. Continuous abstracting and comparing (Strauss & Corbin, 1990, 1996) occurred as the author continuously compared data sets to build higher order constructs, preliminary results to emerging data to confirm or refine results, and observed causal patterns within the existing literature. This improved the validity of causal relations (Yin, 1994). Peer reviews of causal relationships were discussed with research colleagues for the purpose of capturing and testing additional perspectives based on experience in the field. Additionally, it enabled the validation of internal consistency and theoretical relevance of the author's arguments. The final technique for internal validity

was through open and comprehensible building of explanations and causal relationships. The results were documented in such a way that the reader could reconstruct the causal relationship (Mayring, 1996). Openly, the author indicated initial ideas, deducted assumptions, and challenged potential inconsistencies.

Exogenous validity refers to the generalizability of research results critical for robust theory development (Sutton & Straw, 1995; Weick, 1995) and depends on the research approach (Yin, 1994). Single case study empirical findings are difficult to generalize. Yin (1994) emphasizes that case studies do not allow for statistical generalization. More specifically, it is difficult to make inferences about a population based on empirical data collected in a sample. While issues of generalizability from case studies is severe (Denzin, 1989; Yin, 1994), single-case studies are recognized to be substantial from an evolutionary perspective (Stake, 1995). Single case studies can also provide new ideas and new thinking paradigms. They can help modify existing theories by exposing gaps and helping to fill them. There are several facts about this study that support the author's conclusions that the findings and propositions will be at least somewhat generalizable. Several of the constructs can be confirmed as being present in existing literature, indicating general theoretical relevance of the research (Eisenhardt, 1989). The findings were confirmed through consultation with participants, who are operationally capable with varied experience in the industry, suggesting the potential transferability of the claims. Finally, the findings were somewhat generalizable due to the continuous comparison of similarities and differences within case items across different levels of analysis.

Reliability refers to the possibility that researchers can replicate the research activity and produce the same findings (Eisenhardt, 1989; Yin, 1994). A challenge for this replication is the attribute of qualitative research, in that it is bound to the context in which it is conducted (Lamnek, 1995), including time. Reliability in qualitative studies is best served by presenting sufficient information so that the reader can draw his/her own conclusions (Yin, 1994). The author attempted to ensure reliability through the explicit disclosure of the research design, including a detailed description of the research process, case selection criteria, interview guide, and methods for collecting and analyzing empirical data.

## **VIII. Data and Analysis**

The purpose of this qualitative phenomenological research study, using Moustakas, (1994) modified van Kaam method, was to explore the real-time experiences of stakeholders, or co-researchers, as they lived and influenced events occurring around them. Awareness is a transient experience (Freeman, 2000) that may involve exerting influence, letting go, and redirecting energy and attention (Depraz, Varela, & Vermersch, 2003). It also involves being present physically and mentally in daily life. Stakeholders have to anticipate events, make sense of existing environments, and exert influence over future trends. Weick (1995) suggests that sense-making is a retrospective cognitive process that explains unanticipated events. He also suggests that events in a socially-created world both support and constrain action. Weick, Sutcliffe, and Obstfeld (2005) later suggest that individuals form both assumptions and conscious anticipations of future events. By examining sense-making and the development of mental models through actual lived, shared experiences, this study captures the subjective processes that have been largely ignored in the context of the influence of synergies on revenue growth and successfully achieving desired outcomes in a multi-unit firm. Using the experience of stakeholders, the author presents a conceptualization of how individual participants in this study made sense of their lived experience. This was an ongoing process for participants as they refined their understanding of lived experiences and established new equilibriums.

The research included individual textual descriptions as well as composite descriptions concisely oriented and illustrated in a theme map structure. Moustakas (1994) suggested that the integration of textual and structural descriptions into a composite description, such as a relational table, is a path for understanding the essence of an experience. The composite description is an intuitive and reflective integrative description of the meanings and essences of a phenomenon, of which the entire group of individuals is making sense. The participants create meaning through their awareness of the environment, reflection on their experiences, consultation with others, focused response to an enquiry, and iterative refinement to these enquiries.

## **IX. Coding**

Data collection was facilitated by an interview protocol with specific questions oriented in a sequenced schema. Participants were solicited as volunteers from a pool of leaders based on a willingness to share information about the transformation of the sub-division. Each volunteer co-researcher participated in the growth personally. Following each question, the participants' response was determined to be linked to the question asked and was determined to be meaningful prior to continuing. An answer could trigger a clarifying

question, or a question formed to solicit a more fulsome answer, if needed. The additional information modified the answer and once again was determined to be fulsome or not. The data was given a reference number (ex. RV313) and added then to the data sheet and coded. The first two letters refer to the person and the numbers refer to the entry from the person. Sub-code themes were also determined and grouped by code and sub-code. The data was surveyed by the author, who, due to personal experience, was able to apply an “analysis for good” (ANOG). Depending on results slight modifications were made as needed to reduce the noise in the data and ensure completeness and clarity. This was accomplished by consolidating like data points and simplifying others by stripping out noise and redundancy in the answers. The data was then re-sorted and generalized through categorizing. A pivot-table was used to extract themes in the wording. The raw data was then posted in a table. In some cases, most of the themes were unique in which case a table was not used. From this data, dependencies, relationship, and the sequence of events were determined and organized into a theme relationship map. In some cases the data collected appeared as though the participant was confused about the question. In these cases the author followed up with the participant and then added the newly acquired information to the raw data previously collected.

The raw data was collected from each participant for each data domain and sub-domain in the sequence in which it is presented in this chapter to promote a progression of thought. The data is separated into exogenous and endogenous domains as well with selected focus in both areas. In some cases, like roles, the participants offered information on themselves while commenting on data provided by their peers. Patterns that emerge in the data are presented as textural responses (what happened), structural responses (how did it happen), or composite descriptions (what the group experienced). Data responses that occurred most frequently within the theme category were given more significance and were typically mentioned first. Data was interpreted into theme patterns. These were broken into themes and then concisely into propositions, or findings of the study. Data items that referred to individuals, functions, line of business, locations, systems, or company names were obfuscated, eliminated, or given a pseudonym. The propositions, or findings, were formed and listed numerically. Within each proposition, a two-word summary was formed along with a statement that sums up the finding. For example, a central theme, norm strategy, or trigger may have emerged from the data as a result of coding. This data could then be categorized or filtered through the constructs being discussed that may include the strategic frame, horizontal strategies, or a narrowed scope as examples. This was the beginning of the theme map, or the outermost layer. The layers could then be elaborated on by breaking the outermost layer into sub-layers until it was reasonable to stop. This theme map was created to better describe the themes in the data and to show relationships and sequences between unique data items. With the methods understood, now on to the specific themes from the study as described by the findings.

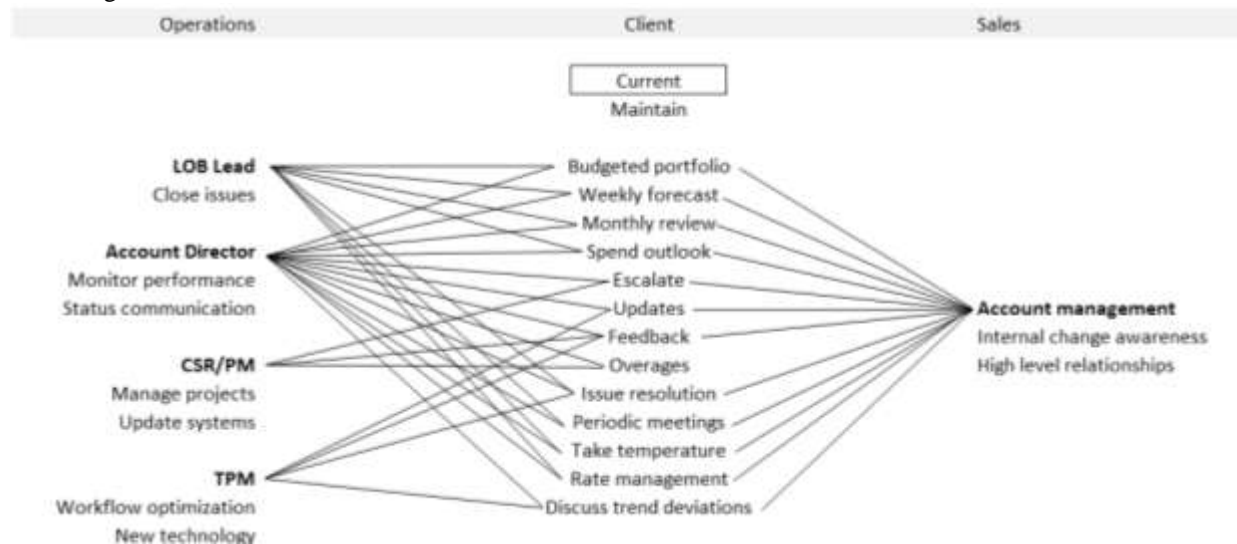
## **X. Findings**

The findings of the study suggested that growth is the goal of synergy exploitation. Growth is typically seen in forecasted and realized revenues at a suitable profit margin. The role of those who are ‘outward’ facing is outlined in three categories, each of which is profitability oriented. Synergy is also clear in the figures, as collaboration between the parties indicated is necessary for the realization of profitable growth. The role of each entity is listed below their name. The responsibilities are shared between them in a collaborative way, as indicated between the sales and operational entities. These themes emerged in the data when organizational leaders were asked about the roles of each function. A total of 73 themes emerged from the data with regard to five roles. One role was the line of business (LOB) lead. This is the person who is in charge of a set of products. The second is the account director (AD), who manages the client from the operations side of the business. The third is the client service representative or project manager (CSR/PM). This person manages the work through the facility and connects with the supply chain up and downstream. The fourth is the technical project manager (TPM). This person is technically skilled in the product and the workflow. The fifth person is the account manager (AM). This person manages the client on the sales side of the business. The last person is the sales manager (SM). This person is primarily in charge of bringing in new business/clients.

### **Client Growth Scenarios**

Sustaining the profitability of an existing client is reflected in Figure 3 below. In this case the revenue stream and its associated profitability need to be sustained. The LOB lead is tasked with making sure that service issues are resolved for the client in such a way as to not compromise profitability. The AD is primarily responsible for communicating the general status of work to the client. The AD also monitors performance levels and communicates internally and externally as needed to course-correct. The CSR/PM is responsible for managing projects through the workflow. This may include dealing with issues and exceptions proactively, as well as reactively depending on their ability to discover potential problems. The CSR/PM is also typically

responsible for updating the ERP with status-related information. The TPM has the technical information at hand with regard to product, workflow, and infrastructure. The TPM optimizes the workflow prior to introducing new product and while product is running to ensure profitability. The TPM also introduces new technologies to improve processing efficiencies and reduce waste. The data suggested that AMs are best at seeing changes internal to the client. These changes may enhance revenue opportunities through proactive actions. It was also expected that AMs know decision makers in higher positions at the client. The synergistic tasks include activities regarding the budgeted portfolio, producing the weekly forecast, hosting the monthly review, acquiring a spend outlook from clients, escalating issues and opportunities as needed to those who can influence the situation for the better, updating clients regarding organizational changes and capabilities, gaining and disseminating valuable client feedback, optimizing the ability to charge for overages without retribution, resolving issues that produce negativity in the relationship, conducting informative periodic meetings with clients, taking the temperature of critical personalities, managing the rates and their structure, and discussing trend deviations from expectation so as to take a proactive position. These synergistic tasks are best executed with a high level of collaboration.



*Figure 3.* Maintaining current client. This figure maps maintaining current clients as a theme category into descriptive and related sub-groupings.

The second way that a multinational can increase profitability exogenously is to assist existing clients to experience growth. Leveraging existing knowledge and talent for additional revenue is highly synergistic and therefore, profitability enhancing. In this case the data suggested that the LOB lead is critical for closing the deal, validating the pricing, dealing with issues, and agreeing with the validity of the rate card structure. The AD needs to monitor performance for issues and provide status on the fulfillment of the new additional work. The CSR/PM can help to embed pricing structures in the ERP system so that they can be exploited with the new work. Getting this right from the first invoice is important for the brand. The CSR/PM staff may also see opportunities for growth that should be passed on. Exploiting these opportunities in existing supply chain BUs is highly synergistic. The TPM provides subject matter expertise to the workflow design enhancements needed to accommodate the new volume or product. The AM in this case needs to cross-sell as well to exploit existing workflows. As clients discuss upcoming opportunities, the AM should relay these to the right parties. The sales tools that are used to measure the revenue performance of the client are the responsibility of the AM. This should include a ‘funnel’ that indicates the pending work type that is in the pipeline for their client. Knowing the performance and rates of competitors helps the AM know pricing positioning. The synergistic actions shared between these functions include the approval of the rate structure for the new work, the establishment of pricing strategy, education of the client and internal operations on requirements, obtaining feedback on expectations prior to and during expansion, discovering new opportunities to augment client income, fulfilling requests for proposals (RFPs), updating the client as needed on status of the ramp-up, interpreting the impact of megatrends and life-cycles on the business, upselling other services to augment revenues, and discovering services that are not being exploited by the client, but that could be leveraged. The organizational design enhances the collaboration of these functional areas to encourage increased revenue and profitability from existing clients.



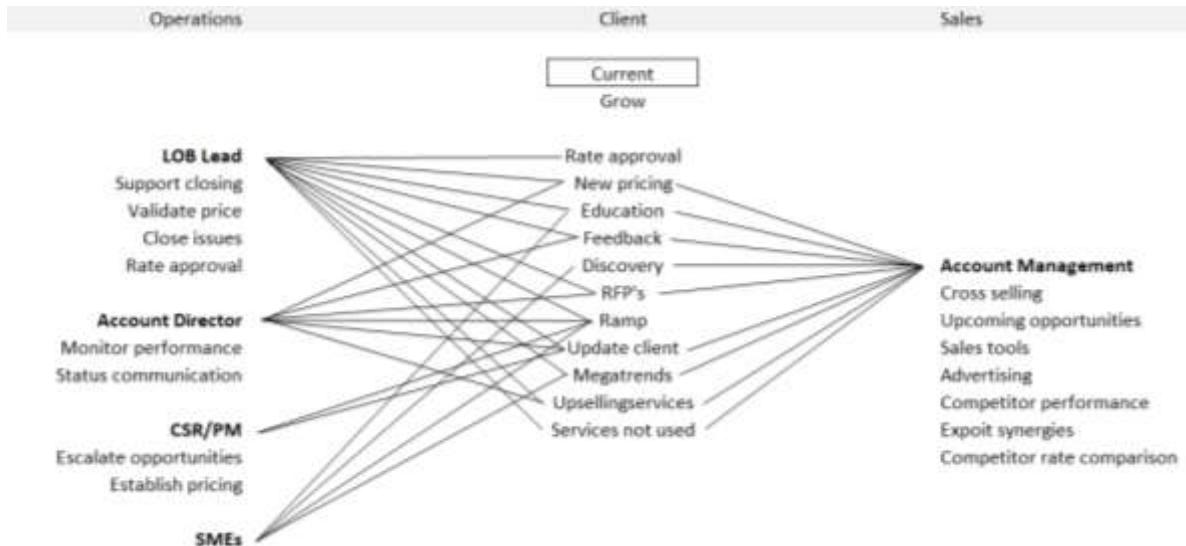


Figure 4. Growing current client. This figure maps growing current clients as a theme category into descriptive and related sub-groupings.

The last use case is related to enhancing profitability from new clients. This is illustrated in Figure 5 below. In this case the LOB lead, according to the data, needs to push for closure on the deal. If there are any unresolved issues they also need to be closed. The LOB lead is responsible for the LOB P&L and so must approve the rates. The AD is charged with making sure that the client has been integrated fully. The status of the on-boarding process needs to be communicated as applicable. The CSR/PM is also responsible for the integration of the client by making sure that orders begin to flow. When issues are discovered regarding pricing, they must be escalated. With any new business, workflows need to be determined as part of the pricing activity. The TPM is knowledgeable and can convey this along with the testing to validate that the workflow makes perfect product. This may require the introduction of new technology to increase workflow performance. The AM can assist with acquiring new clients by sharing leads with SMEs. The AM can assist with cross-selling to other parts of the supply chain to close the deal by enhancing or bundling it. The existing contact list that the AM has may be helpful for referrals. The AMs should also be involved in the penetration strategy. The last function is that of the SMEs. They search out new clients and help to cross-sell to optimize revenue acquisition from prospective targets that want a one-shop-stop for products and services. The sales tools should point to opportunities and be available to report on trends and the pipeline with the chance of occurrence. The sales team can exploit supply synergies by selling into existing capabilities. The client may be attracted to the company through strategically placed advertising. The SM is critical for obtaining competitor based information. This includes a variety of data points important for analysis, including rate cards. The SMEs establish and maintain fruitful relationships with clients. They should be seen as opportunities for education as well. The list of synergistic opportunities in this case includes engineering opportunities to create new sales, initiating conversations with decision makers, realizing the support needed to acquire a new sale, closing opportunities before they disappear, rigorously pursuing contacts, approving any new rates and their structure, rolling out the pricing once it is agreed to, on-boarding the new client physically and financially, establishing new pricing line items and rates, listening for feedback during the transition, discovering new opportunities in the form of technology or client, embedding the new customer into the company's service culture, completing competitive RFPs that are profitable, and managing the volume ramp-up for the clients products. Collaboration in the organizational structure is conducive to attracting and capturing new revenue.

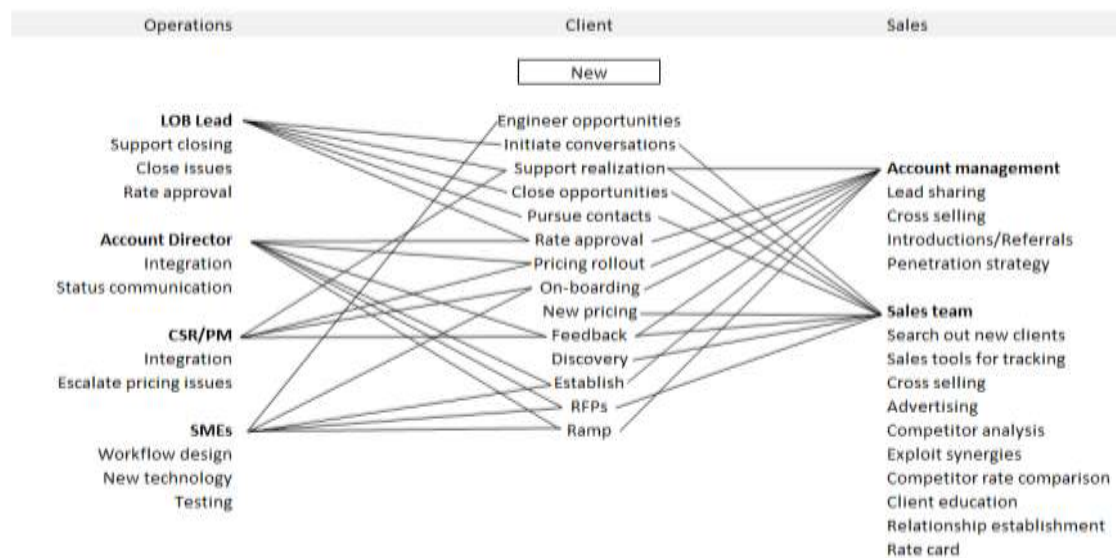


Figure 5. Growing new client. This figure maps growing new clients as a theme category into descriptive and related sub-groupings.

In summary, the data suggests that a collaborative organizational structure is conducive to maintaining existing clients, extracting new revenue from existing clients, and acquiring new clients. The requirement for collaboration in each of these three cases validates the need for a nimble and effective structure. Distinct positions have responsibilities and there is a segregation of duties; however, all members of the organization can participate in sustaining and creating profitability. The following propositions summarize the key findings of this section:

**Proposition 1** (duty segregation): Role definitions in an organization are required to ensure accountability; however, synergistic tasks are shared optimally and selectively by all outward facing employees to maintain the profitability of existing revenue streams.

**Proposition 2** (synergistic tasks): Synergistic tasks are shared by functions critical to the execution of these tasks and the associated rewards.

**Proposition 3** (profitability super-additive): Enhancing the revenue from a client through additional income streams that are synergistic is a profitability super-additive.

**Proposition 4** (collaborative strengths): Operations and sales achieve mutually beneficial profitability goals when they collaborate around their strengths, filling the company's pipeline with sustained corporate advantage.

**Proposition 5** (ideation-ramping): Acquiring new business revenue requires collaborative action, starting with sales lead ideation and ending with the achievement of billable volume ramping-up at optimized margins.

#### Revenue Growth

Growth synergies, when experienced, will improve financial performance depending on the revenue opportunity. With cost controls, this will turn into an enhanced contribution margin. To ensure profitability, revenue must be pursued with a margin in mind. Each organizational leader needs to be able to stimulate revenue locally and globally.

*"[I will] partner with both inter-divisional and extra divisional resources ... to capitalize on synergistic opportunities and coordination of business strategy to motivate revenue capturing opportunities along the ... supply chain."* (RH102)

The desirable attributes of capacity revenue growth potential relate to (a) adjacent markets, (b) a growth strategy, (c) portfolio diversification, and (d) profitability enhancement activities. Additional data (for a) suggests that it could be possible to transform existing products, services, and infrastructure to penetrate adjacent markets with products that are synergistic to the existing portfolio, infrastructure, and workflows. Additional data (for b) suggests that growth should be considered in the context of local markets, across geographic boundaries, with the goal to increase market share, and in regards to new business opportunities. Additional data (for c) suggests that diversification should be pursued with two interests in mind: expanding the product and service offering and creating next-generation products to stay ahead of the industry and penetrate or create new markets. Additional data (for d) includes the ability to pursue profitability enhancement by billing for line items that are not being used and also through consistency and integrity in the rate card itself. Pricing

schemes may not be appropriate. Billable items that were previously given away for free may need to be considered for invoicing to enhance profitability as illustrated in Figure 6 below.

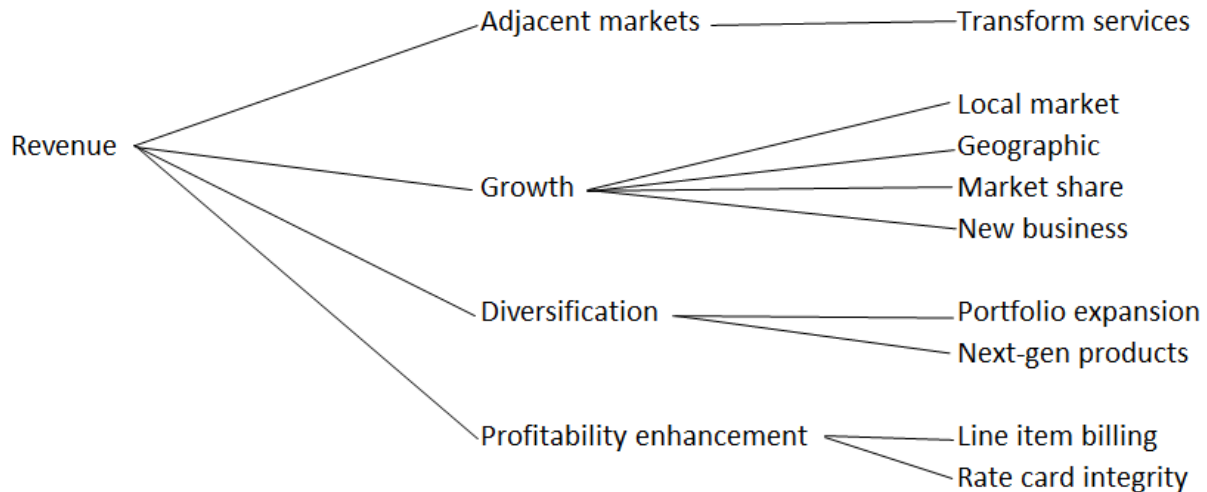


Figure 6. Revenue theme map. This figure maps revenue as a theme category into descriptive sub-groupings.

In summary, the data suggests that a multinational will need to transform their services and mindsets to capture revenue in other sectors. Addressable markets need to be understood, especially with regard to profitability opportunity. The product portfolio may need to be expanded to include products that will be needed by clients. Getting in on the beginning of the product or service life-cycle provides the opportunity for enhanced profits. This, however, needs to be balanced against development costs. During a billable life-cycle a billing strategy must be optimized to harvest as much profit from the associated LOB. The following propositions summarize the key findings of this section:

**Proposition 6** (adjacent revenue): When existing workflows and infrastructure can be used to deliver new products and services to an adjacent, new, or similar market in a different geography, there may be an opportunity for synergistic profitability.

**Proposition 7** (structured pricing): Pricing structures applied after the ‘jump-off point’ in the life-cycle of a product or service may need to be reviewed to include line items that previously were discounted or given away as loss leaders.

#### Synergistic Growth Themes

Next, the author will discuss the main themes that emerged from the data regarding synergistic growth. The research participants indicated that strategic planning was critical to the achievement of growth. Geographical leaders need to participate in the strategic planning for their location and for the overall organization.

*“[Location leaders] communicate growth strategies and capital expenditures to mesh with strategy for [the] division and with worldwide operations heads to ensure location service parity where applicable.” (RV58)*

An entrepreneurial culture enables the achievement of market growth within an addressable market, which should be known. Geographic leaders need to support sales initiatives and operationally handle large/bulk orders and other typical or atypical sales initiatives on request. Sales and operations need to pursue revenue opportunities together, including the negotiation of contracts, special quotes, and location-specific opportunities. This is natural in a culture of entrepreneurs eager to contribute to sales strategies. New products can enhance the revenue of a facility; however, every product has a life-cycle. This must be understood for each product or service and exploited dynamically within the life-cycle. The 33 rich data descriptions resulted in 23 themes, as presented in Table 1 below.

Table 1  
*Growth Themes*

Growth	Count
Strategic planning	6
Increase market share	3
Drive growth	2
Capital investment	2
Higher volume	2
Addressable market	1
Market opportunities	1
Handle large initiatives	1
Support sales initiatives	1
Entrepreneurial culture	1
Contribute to strategy	1
Growth strategies	1
Life-cycle exploitation	1
Negotiate contracts	1
New product development	1
New workflow	1
Pursue opportunities	1
Business development	1
Contract negotiation	1
Location entrepreneur	1
Pricing negotiation	1
Product profitability	1
Special quotes	1
Total	33

The theme map in Figure 7 further explains dependencies of growth achievement. Market opportunities and the size and nature of the addressable market need to be understood before they are exploited. These will likely be unique to the location. The local organization through an entrepreneurial culture needs to be energized around opportunities, large or small, in order to capture market share. Strategy is critical to growth through an entrepreneurial culture while providing security in a potentially positive future. This strategy includes the execution of planning and contracts. New products can be introduced locally.

*“[Location leaders] participate in an entrepreneurial role to develop new products and services with sales to meet new customer expectations and demand.” (RV36)* This requires the creation of new workflows to accommodate new products. Revenue opportunities exist during the life-cycle of products and services; however, the contribution of strategy relates to deployment timing. Pricing and workflow efficiency may need to growth during any product or service life-cycle to harvest as much revenue as possible from the opportunity. Regardless of the strategy, profitability is the goal.

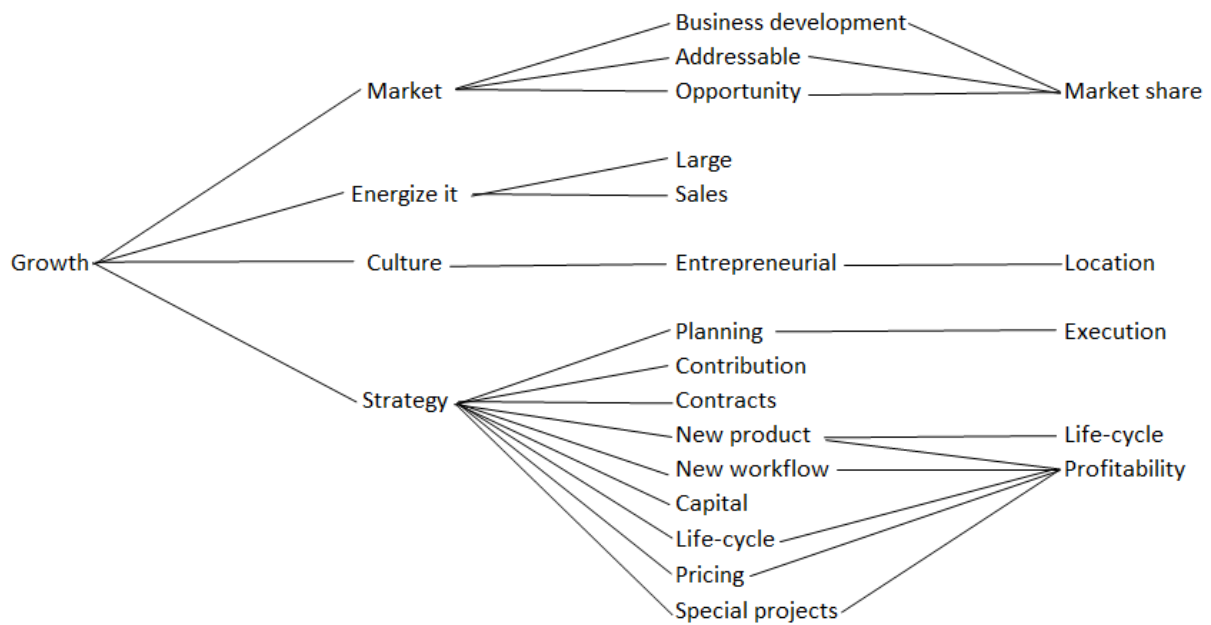


Figure 7. Location growth theme map. This figure maps growth as a theme category into descriptive sub-groupings.

In summary, the data suggests that growth is dependent on how the location addresses the local market, as well as larger multi-facility markets. Gaining and keeping market share is the goal. A focused energy is needed to break through loyalty and routine barriers. The opportunity for a one-time bulk order may be a gateway to a client that could provide sustained advantage. An entrepreneurial culture will discover, recognize, and exploit an opportunity. Nonetheless, strategy is necessary to penetrate markets and seize opportunities. The ability of a business unit to be nimble with workflows may allow for additional profitability. The following propositions summarize the key findings of this section:

**Proposition 8** (aggressive entrepreneurialism): The addressable market can be exploited by an entrepreneurial culture armed with their own aggressive growth strategy.

**Proposition 9** (dynamic pricing): A service and product life-cycle strategy enables maximal contribution to margins when dynamic pricing plans are executed timely.

**Proposition 10** (nimble action): Profitable opportunities, relentlessly pursued through searching and strategy execution, are exploited through nimble action.

#### Synergistic Leader Experiences

This section discusses organizational leader growth management experiences that contributed to growth during a precipitative event in the case company. Consulting past experience is a way to find meaning and to develop a plan of action. Change agents shared and reflected on change practices that helped them to be successful during growth activities. The 140 data line items were bifurcated between positive aspects of the activity that enhanced the ability to achieve desirable outcomes and negative aspects of the activity that created inertia or compromised the achievement of desirable outcomes. There were 94 data line items that were positive descriptions of experiences as outlined in Table 2 below. In this case, the raw data was broken into eight themes, however, only the top themes will be discussed. These were then quantified into frequency of occurrence as indicated. The top positive aspects of synergistic growth management are now discussed individually.

Table

Positive Growth Management Themes

Themes	Count
Planning	32
Communication	17
Behavior	12
Inspiration	10
Cohesion	7

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Execution	7
Capability	6
Relationships	3
<hr/>	
Total	94

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*Positive Synergistic Experiences.* The situations where growth management was executed effectively, based on feedback from the organizational leaders who had experiences with growth management activities over the precipitative event, resulted in desirable outcomes that were achieved on time. Thematic aspects of how these activities were managed could be categorized as predictive,

*“Involving lower and mid-level management in the planning [as] they can have valuable inputs.” (S23)*  
proactive,

*“Bringing ... groups ... together and the associated move to [location] worked because it was handled quickly and openly; once it was time to announce it to the staff... we pulled everyone into conference rooms and laid out the plan... it got all the employees on board quickly and then everyone was invested and took a piece of the effort to help.” (S27)*

and reactive.

*“...being the owner of [functional areas] made things simpler... since I had a hand in every piece of the puzzle, I had the ability to make tweaks and changes where changes were needed and there were no toes in the way to step on... in the end, once we knew it worked, the hand off to [name] team was painless.” (S89)*

Social and tactical theme categories also emerged from the data. It was beneficial for organizational leaders to share and discuss these experiences, so that all of the leaders could benefit from each other’s growth leadership experiences. Again, the frequency of occurrence of themes does not necessarily imply weighting. Each theme was individually mapped and the top themes will be discussed below.

*Planning.* Not surprisingly, the most frequently occurring driver of growth success was planning. Within this proactive code section, a number of comments came up that were interesting as represented in Figure 8 below. The organization leaders indicated that significant attention needed to be given to planning, including critical aspects such as rigor, requirements, constructs, involvement, inputs, and buffering. The data suggested that there should be broad involvement to get buy-in; however, it should be understood up front that not everyone is going to get on board. Additionally, the execution team should be small for quick decision making. The team may be allocated by category or by sector. The opportunity discovery process is critical for the development of a fulsome plan. Organization leaders indicated that discovery should be focused, quick, and thoughtful. All the relevant information should be gathered, including service level agreements (SLAs), specifications, and contractual agreements. The planning activity should include the units involved but also consider external dependencies. Attention should be given to make the plan easy to execute with a detailed timeline for the transition. The plan should include exploiting redundancies, working with a centralized service model, not reinventing processes that already work, not creating new silos, and making sure that infrastructure continuously needs to be aligned with workflows when they are moved. Participants in the research indicated that a phased rollout is easier for participants to absorb; however, the workflows must be capable to create deliverables within the specifications prior to a significant migration of work. The strategic framework must be robust and not be subject to prioritization based on emotional judgments or noise. The integration plan should be budgeted such that the P&Ls are not damaged during the transition. This does not otherwise incentivize stakeholders to make the change. Capacity must be considered also, through the allocation of accountability to make sure local capacity, or outsourced capacity, is available. The plan must optimally preserve the quality of life of the participants, while maintaining business continuity for clients. There must also be provision for adequate training, including skills needed for new workflows.

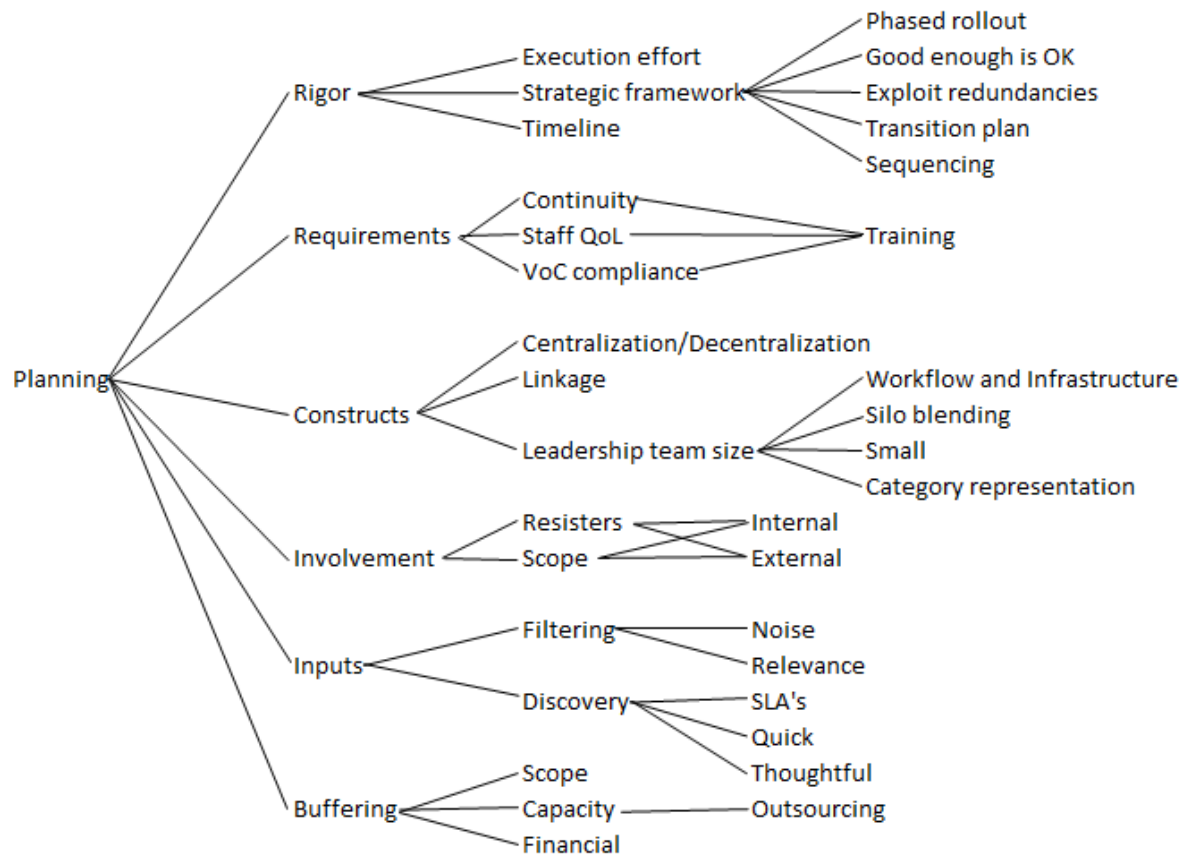


Figure 8. Positive change: planning theme map. This figure maps planning as a theme category into descriptive sub-groupings.

In summary, the data suggests that planning is critical to change management. Solving the problems before they occur takes the stress out of the growth process. There is a high return on investment (ROI) on the energy and time used in planning. Planning is best done when requirements are understood. This could be the vision state. There will be those who resist always and a strategy needs to be in place to deal with this. The scope needs to be optimized so that project leaders do not ‘bite off more than they can chew’. Some buffering is needed. Typically this is not considered and results are worse than anticipated. The growth would have happened more smoothly if there was provision for a buffer. The following propositions summarize the key findings of this section:

**Proposition 11** (planning rigor): Rigor during the planning phase of a project, which includes exploiting existing capabilities and a sequenced rollout, will likely reduce the effort and time needed to execute the plan.

**Proposition 12** (transitional capacity): The provision of transitional capacity and cost allowance within a defined project scope can accelerate results achievement and mitigate change fatigue.

**Proposition 13** (transitional organization): A holistic vision of the detailed organizational design built for achieving requirements encourages a focused transition.

*Communication.* It was important to organization leaders that the overall plan and the overall strategy are both clearly outlined to the stakeholders affected.

“*[There is a need for the] communication of the overall plan and timeline to the plan.*” (S8)

“*[There is a need for] communication on new roles and people involved.*” (S13)

This could happen in the form of an official announcement that should include a rationale showing the mutual benefit of the growth. Furthermore, there should be the opportunity for questions, answers, and input from stakeholders. The presentation has to come off as being credible. It has to make sense and be logical. This will help the event to be an easy sell.

*For starters, all the process owners were on board with this initiative which is always helpful. This means, the information (... specs, workflow, documentation) I needed to move this forward was available.... It made sense logistically and it was an easy move so the idea was easy to sell.* (S70)

Having gone through reactive panic-driven change activities in the past, organizational leaders felt that it would be important to begin with the communication as early as possible. It is beneficial when leaders are able to contact other involved growth leaders or participants early to keep from having to rush the planning activity.

Both participants and team members needed to be informed. The change leadership team needed to evangelize the vision and be available for information and to provide input. This information and input may also come from clients. The information about the plan needs to be available ongoing. Organizational leaders need to promote the benefits of understanding the plan and will need to ensure that the actions to be taken are clear. The communication in general needs to be open and free flowing to garner trust and buy-in. These points are illustrated in Figure 9.

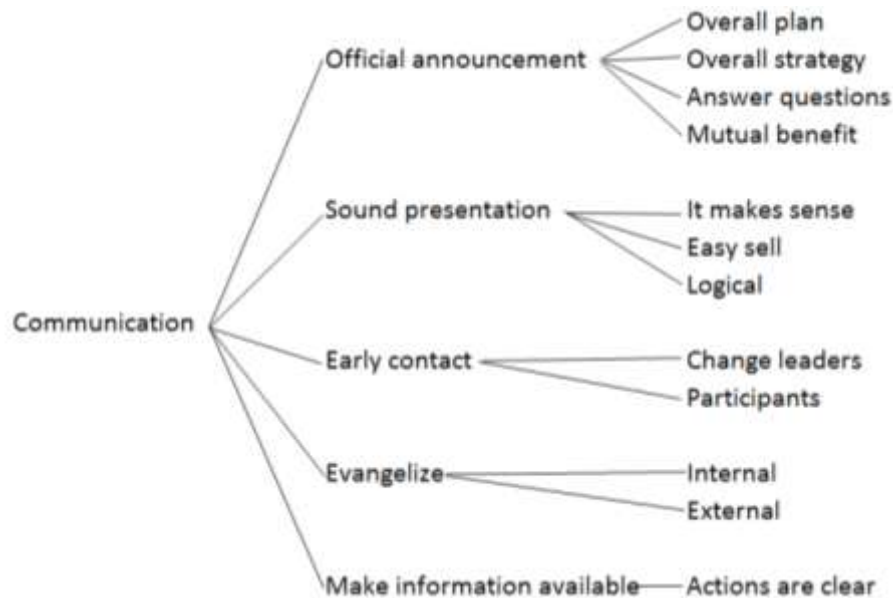


Figure 9. Positive change: communication theme map. This figure maps communication as a theme category into descriptive sub-groupings.

In summary, the data suggests that communication is not just the delivery of a message. It is rather a strategy that includes a positive message delivered at the right time. Unwanted information is filtered. In the meantime, the positive action is evangelized to stakeholders, including clients as reflected in survey results.

*“Many times suggestions are offered which we take into consideration and are valued by our [functional areas].” (CS50)*

In the end, those that do not want to resist will only need clear instructions. The following propositions summarize the key findings of this section:

**Proposition 14** (communication integrity): The integrity of the communication strategy, including the nature of the content and the timing scope, can reduce change inertia.

**Proposition 15** (situational communication): Communication is situational in design, dependent on the current timeline, location, and on relevant audiences.

*Behavior.* Achieving constructive behavior and reacting proactively to disruptive behavior, thereby keeping it from spreading, were critical to plan execution. These theme is illustrated in Figure 10 below.

*“Fear and anxiety are high and participants are always guarded around a change agent because even effective agents are seen as disruptive of the normal flow.” (S125)*

The attitude of an organizational leaders should be one of assistance and support. This attitude should also be appropriate to the situation. It should be made clear that cooperation and collaboration are mutually beneficial and bi-directional. The data suggests that leaders need to recognize the good in others and the good that is realized from positive outcomes. They must be goal oriented, resilient, and tenacious. In some cases existing behaviors are appropriate for the realization of growth. These should be recognized, encouraged, and rewarded. Leaders indicated that the speed of responses to behavior was important. This related both to reactive responses, to observable situations, and to proactive responses to situations that could be predicted. To minimize change inertia, disruptive and inappropriate behavior should be mitigated quickly. This includes disruptive attitudes, fear of growth, resistance to actions, and personal attributes that create inertia. Organizational leaders need to model the behaviors needed to create success.



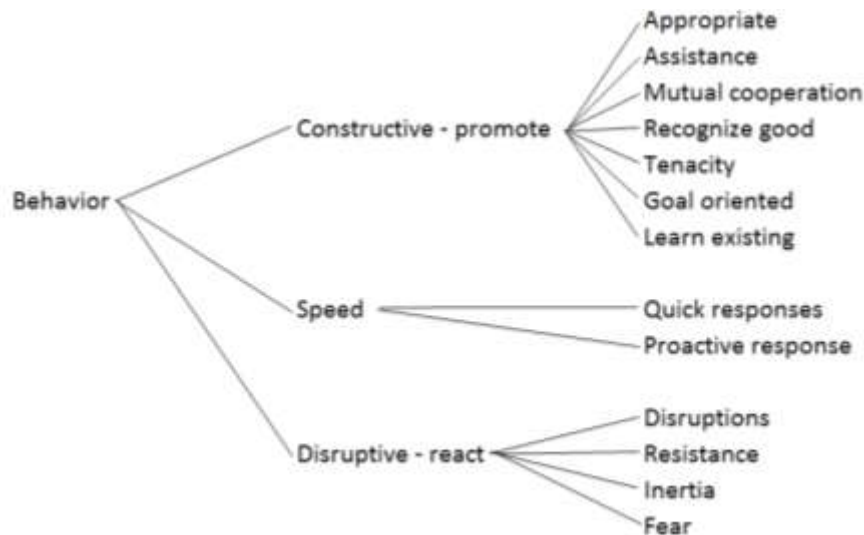


Figure 10. Positive change: behavior theme map. This figure maps behavior as a theme category into descriptive sub-groupings.

In summary, the data suggests that behavior control is important to leaders of growth. The constructive approach should be the default. Reinforcing good behavior might catch on and create positive momentum. In the case that this is not likely, then more aggressive means are needed. Responses to issues need to be timely for confidence to be gained. The following propositions summarize the key findings of this section:

**Proposition 16** (immediate reinforcement): An immediate awareness of constructive behaviors gives a growth oriented leader the opportunity to reinforce positive attributes as they occur.

**Proposition 17** (effort mitigation): An acute awareness of inertia-producing behaviors gives a growth leader the immediate opportunity to mitigate an excessive effort requirement.

*Execution.* Organizational leaders indicated that execution related to how human resources were treated. This included how they were inspired to make the transition and achieve growth goals. It was related to the nature of the relationships.

*My successful projects typically ended up being all about attitude – both mine and theirs. I also need to be able to recognize that not everyone is going to get ‘on board’ all the time – and that’s ok too. I send a message when I keep moving towards the goal, without backing off (or getting my feelings hurt) when the reaction is not completely positive. Change is hard for people. It isn’t about me and my delivery (or ability) most of the time. It speaks more to their fears. (S143)*

The capability of the operation was important for growth realization as was cohesion within the team. Additional information was provided that related to how product and services were introduced to the manufacturing environment to assure performance that met expectations from the start. Workflow management had to include design and testing, an examination of the first article to ensure compliance, on-going periodic tests at appropriate intervals as part of the quality plan, and then lastly, the exporting of a mature process to all relevant locations once the performance becomes predictable and mature. The data regarding the human aspects of execution that emerged from the study will be discussed more fully in the next few sections.

To get everyone, including P&L owners, invested in the growth activity, the organizational leader needs to be a source of inspiration.

*“[I was] helping people understand the benefits and positive experience of the changes.” (S110)*

This includes having a belief in the mission and exhibiting an attitude that everything is possible within the prescribed timeline. Leaders need to sell the benefits of the growth activity. This, along with conveying the positive experience that will result from the growth, will help garner buy-in from stakeholders. Even so, there will be stakeholders that will have a high level of sensitivity and anxiety. This may be driven by the magnitude of the growth they will need to endure and how disruptive it is to entrenched routines. Leaders need to be aware of these concerns and plan for them. Finally, the sequence of activities driven by dependencies and activity duration need to have the attention of the growth leader.

Leaders need strong relationships to achieve desired outcomes. Growth leaders suggested that trust, credibility, professionalism, and a strong core team were critical.

*“...have a single management team of two or three (united in the plan and strategy) to cooperatively disperse the talent, [integrate] process and tools into [business units] and deploy a load-balanced, sensibly equipped unit for each customer.” (S77)*

These relationships provide the capability, trust, and resiliency needed during a transition. There also needs to be a significant amount of cohesion and alignment within the team. When these relationships are strong and autonomous, leadership teams can push the organization forward quickly.

In order for a leader to be successful during times of radical growth in a moderately dynamic market, the capacity of the operation and the human resources component needs to be capable. Ideally in a multinational organization, the facility needs to have a 24-hour service scenario even if it means that increased shift coverage is hired. This ‘always on’ perspective makes it possible for additional capability to be available to transitioning business units and it makes it possible for operational issues to be remedied quickly.

*“Adding temporary support help[ed] the team to go through [the] transition.” (S19)*

This availability also helps with quick turn-around times and overall business continuity. The business unit should be load balanced to avoid capacity shocks that could compromise progress along the transformational roadmap. When a new business unit is created, it should be deployed with capacity that is also load balanced. Otherwise, it will experience an extra measure of needless stress, retarding the rate at which it will mature. Staff recruiting is very important to the business. Training should be immersive and happen within the business unit. A too conservative posture on training will add to effort waste, task complexity, and will create rework. The staff should be augmented such that the capacity is on the high side during the introduction of the new production work, or whatever the growth activity is that will happen as previously discussed. Training needs should be assessed and facilitated as applicable; however, if work can be achieved without additional headcount then this preserves capacity that would have otherwise been redirected to training. The data regarding headcount and load balancing showed that an awareness of the SLAs in play are critical to know. They should be achieved from the start while volume throughput is low to avoid negativity. The pace is then set as the volume increases. The implications of the pace should be thoroughly understood and introduced during times of negotiation, as overly aggressive SLAs can compromise profitability potential. Each business unit needs to absorb all SLAs as operative norms into their business unit. Additionally, comments from leaders suggested that thorough rate negotiations lead to profitability. It is worth the effort. From here the multinational is able to exploit training and focus on the recruiting effort, assuring that the best people are hired.

Cohesion within the team and external to other teams is critical to the speed of growth achieved. The plan must be designed to preserve business continuity during any transition.

*Part of the success was the continuity between the two teams. We didn’t just off-load the work, but created an extension of [the team] in [location]. They do things like we do things in [location]. (S155)*

Business continuity may be affected by the dispersion of talent and tools. Decision making involves dividing the processes so that more people could be involved without affecting anyone who already had large tasks to perform. The data suggested that every stakeholder needed to have a piece of the plan to perform. A cohesive team will have a united front with regard to the plan, strategy, and organizational goals.

With execution comes the need for workflows to function as expected. Deliverables need to be within specification tolerances before they are delivered.

*“[Function] spec tests ...this is the first thing that needs to be verified...can the facility meet the spec requirements?” (S93)*

The data that emerged from the leaders, as illustrated in Figure 11 below, suggested that the roadmap for workflow development and maturity has three critical milestones; (a) pull in ‘first article’ products by type, (b) pull in the rest of the product types individually, and (c) push the workflow out to all business units. Once a workflow proof of concept (POC) has been set up and tested for a deliverable spec, the ‘first article’ to be shipped must be inspected rigorously before any delivery can be made. When the reliability of the deliveries is at a suitable level, other specifications can be introduced to the workflow. Synergies between product specifications allow for a variety of deliverables to be executed within the workflow; however, the scope of deliverables needs to be specified so as to not stress the workflow. This leads to a risk for the introduction of non-conformities. When the workflow is mature on the designated variety of specifications, it can be exploited in as many business units as possible. A workflow development plan with these steps can optimize synergy, utilization of resources, and positively influence profitability.

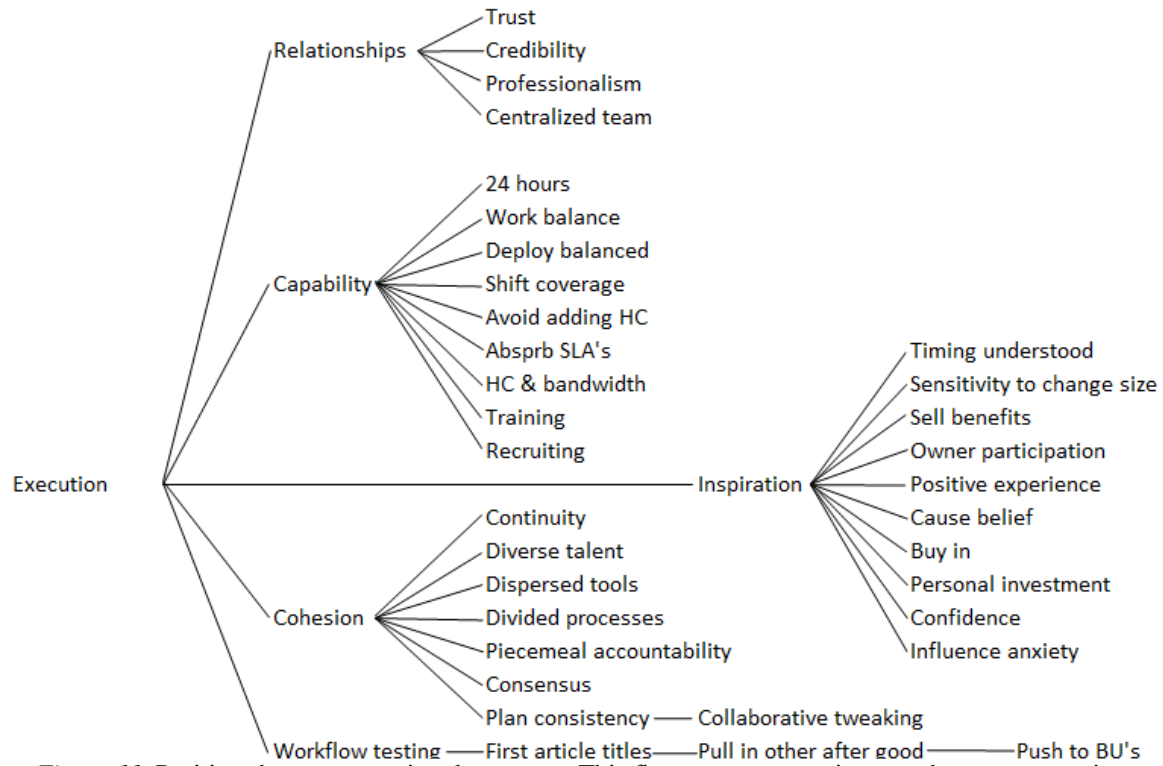


Figure 11. Positive change: execution theme map. This figure maps execution as a theme category into descriptive sub-groupings.

In summary, the data suggests that for positive change experiences to happen, the leader of the growth initiative needs to inspire. This includes the ability to sell the situation, as well as to sense the environment. A lack of awareness can inhibit growth as much as a charismatic pitch could push it along. The relationship that the growth leader has with the stakeholders will relate to the outcome. The capability and robustness of the plan will influence the plan outcome. A sequence of activities is important for deploying a workflow into production. Typically plans that are growth oriented have increases in capacity and the reduction of redundancy associated with them. The data suggests that positive growth comes from meticulous planning driven by a keen awareness of the environment. The following propositions summarize the key findings of this section:

**Proposition 18** (vision ideation): Transition execution performance is significantly dependent on stakeholder’s belief and participation in the growth vision ideation process.

**Proposition 19** (stakeholder relationships): Achieving capability requirements is as much about understanding requirement details as it is about the relationship that stakeholders have with growth oriented leaders.

**Proposition 20** (unity-diversity): Unity, as seen in consensus, consistency, and continuity, is partly achieved through diversity of talent, tools, and processes.

**Proposition 21** (maturity acceleration): A phased workflow rollout needs to be structured around a validated ‘right-the-first-time’ ideology that accelerates maturity and achievement within the deployment scope.

**Proposition 22** (burden support): The ability to execute is driven by the degree of support given to change agents to complete change activities, which are typically a challenge beyond their existing work burden.

**Proposition 23** (motivated engagement): Stakeholders are motivated by personal engagement in change driven by respect, participation, and interest in the intended outcome.

## XI. Conclusions

The purpose of this qualitative phenomenological research study was to explore opportunities for synergistic growth using a single case study of a multi-unit firm by examining how a multinational organization could realize growth in a dynamic market. During the study twenty-three propositions were listed as theory building elements for growth leadership in a multinational. Growth leadership is critical for timing in dealing with business opportunities. For example, recent studies have begun to suggest that products and services are experiencing shorter life-cycles (D’Aveniet *al.*, 2010). For the purpose of this study the phenomenon or object of the analysis was the precipitating event that led to permanent cross-business collaboration within the multinational. The unit of analysis on which the phenomenon was studied is the strategy and leadership

elements that result in sustainable desired outcomes. Sustainable outcomes are achievable across multiple product life-cycles if growth leadership within the sequence of life-cycles is optimized to achieve revenue opportunity.

## **XII. Contributions to Theory**

The primary contribution of this article is new empirical insights about the effects of leadership on growth realization in a multinational. These results are, therefore, relevant to the achievement of sustained profitability and competitive advantage by focusing a multi-unit firm on business unit capability and growth. Twenty-three propositions were extracted from the participants instigated by a precipitated event that contribute to theory on growth leadership in a multinational with a global supply chain. The result is outcomes that are influenced by growth leadership. These are described in detail and are useful for understanding the achievement of sustained corporate advantage.

## **XIII. Limitations and Future Research**

The author attempted to develop generalizable theoretical findings based on the empirical results of a case study. Even so, this study encountered several limitations concerning theory and empirical study. The limitations were as follows:

There are some weaknesses regarding the generalizability of the findings. The single case study approach was based on approximately twenty in-depth interviews. Given that the phenomenon under investigation is novel and complex, this methodological choice seems reasonable. The research method mandates that in-depth observation is required for collecting and analyzing the resultant holistic data (Eisenhardt, 1989; Miles & Huberman, 1994; Siggelkow 2007; Yin, 1994). The choice of a phenomenological case study using a qualitative approach is affirmed; however, the generalizability of results is not exact due to the context of the case. The context is defined as a moderately dynamic environment, a large size organization with a multi-national organizational structure, and a business with a relatively low degree of relatedness within a vertically integrated value chain. Other firm-specific factors, such as company history, may influence the exactness of the generalizations. The author understands that comparative case studies within similar contexts would help better ground evolving theories.

The author anticipates that the limitations will stimulate further research as organizational performance is significantly complex and situational. These limitations are meant to stimulate further thinking. By studying the distinctive features of growth leadership, the author hopes that interest has been sparked on researching aspects of growth performance that have not been covered.

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