

Help and Promote Expansion

By [Harrison Barnes](#)

Whenever I speak to other business owners and ask them how they are doing, one thing I hear over and over is the following: "Things are going well and we are expanding."

In fact, I hear this statement so often, it is difficult to believe. It is as if the people believe that the only sign of a successful business is if it is expanding.

The funny thing about this is that I get this response even when I know the opposite is really what is occurring. Companies state they are expanding even when they are laying people off. Today I read a press release from a company that was in the process of mass layoffs and it mentioned that the company was still in the process of growing and expanding. I read the following recent story about layoffs at another company:

Word has been spreading that there were mass layoffs...

CenterNetworks has the story, saying they've received several unconfirmed reports that there have been mass firings at the company's New York City offices. The story also points to several comments on Twitter, including some from an employee who posted comments from the conference room where the layoff notices were given.

Product Manager Derek Tumolo also posted on Twitter that at least eight people were fired, but other rumors are suggesting the total is much higher. There also are reports of visibly angry people on the street and security guards stationed outside the company's headquarters.

Further, a comment from "Tucker" left on Cheezhead's own article notes, "Not sure if this story still holds true. Heard that massive layoffs just this morning. Seems really contradictory to what they say in the Crain's piece."

We're keeping our ears open for more official information and will update this post accordingly.

UPDATE: After requesting a confirmation or denial of the mass layoffs, we received the following statement from Lou Casale [COMPANY NAME REDACTED]...:

While demand for our service remains strong and we continue to grow, we regularly assess our business and the economic environment around us to ensure we remain a healthy, strong, growing company. Given the current economic environment, we have made some adjustments, which includes a reduction in workforce. [COMPANY NAME REDACTED] is taking these steps to position the company for long term. <http://www.cheezhead.com/2009/04/15/layoffs-at-theladders/>

The company at issue is a good company. It is just like most companies in that it is trying to portray constant growth in the face of hardship.

There is something about the concept of *growth* that is incredibly important to people, which is why people talk about it on an ongoing basis. Even when companies are laying people off, they talk about the fact that they are expanding. This entire mentality seems extremely strange to me--that we are so focused on *growth* and how *large* an organization is as a measure of its success.

A couple of years ago our company had more than 750 employees. The managers in the company seemed very excited about the number of employees we had and the fact that we were growing so rapidly. Interesting to me is the fact that at that time the company was not all that profitable--not with so many employees. In fact, many companies and their managers seem to believe it is more important to be expanding and growing than to be profitable and to have a company that runs like a tight ship and is built for long-term stability.

We are programmed to believe that expansion is the most positive thing and that not expanding is equivalent to dying and contracting. Here are some instances where we see evidence of this mentality:

- Religions talk about the fact that they are gaining followers and take great pride in this.
- Companies talk about their expansion, and take great pride.
- Groups talk about how they are getting new members and are therefore becoming stronger.

There is a belief out there that if something is expanding, it must be good, and if it is not expanding, there must be something wrong with it.

Businesses are generally either growing or contracting. It is very rare that any organization just remains the same. And businesses that seek to remain leveled are usually really contracting. Expansion is always considered the most positive thing. We expect companies and organizations to be growing because this indicates that the organization is well received in the world.

In order to expand, an organization, business, or government generally needs to have a product, ideology, or service that is in demand. Providing something that is in demand brings the opportunities to expand. There must be at least some positive public response to what an organization is offering, and due to this positive public response, more people are interested in joining, purchasing, converting, and so forth. There are numerous products, organizations, and ideologies out there that are very good but that, for whatever reason, have been unable to expand.

I spend a lot of time in Malibu, California, and in my time there, I have had the opportunity to meet numerous extremely wealthy people--people who live in homes that are worth \$25 million or more, fly around on private jets, and have vacation homes all over the world. Most of these people sell some sort of product, service, or ideology. Yet it is not just that they sell a product, service, or ideology; it is that they have been able to dramatically expand this product, service, or ideology.

The service might be a little pizza, hair shampoo, a restaurant, a tequila, it might be a type of radio station, it could be a

religion (my next-door neighbor has his own religion), beauty products.... It could even be a **law firm**. Whatever the product, service, or ideology is, the person has managed to EXPAND its reach to more locations and more people throughout the world. It is rare, for example, that the people I meet who are superrich, with their private jets, and so forth--have a product that is just sold in Los Angeles, or even just in California. Instead, these people have created a way to market and sell their product throughout the country and, in most cases, the world.

Generally speaking, it is not the product itself that is that great. Rather, it is the ability of the entrepreneur(s) or business owner(s) to take a small local demand and expand it to a larger market. This is where the real skill lies. I like to spend time in malls because inside of malls you can see the products and services that have managed to expand. In most cases, these products or services have originated in large cities like Los Angeles and New York. The reason I think this is the case is that rent is extremely expensive in larger cities, and businesses need to do their work extremely well and efficiently to survive in these markets. Those that are able to survive in the largest markets are most often the services, products, and ideologies that are best able to deliver using exceptionally well executed organizational methods.

It is the ability to expand that product, service, or ideology that is most significant, not the offering itself. Anyone can open a steakhouse that serves steaks and salads. Not everyone, however, can open a Ruth's Chris Steak House, with outlets all over the country. Expanding requires tremendous organization and skill. A budding religion cannot expand unless its leaders have incredible organizational and management skills. A service cannot expand unless its leaders have organizational skills. It is the ability of the company to organize its product and service that is most significant in business, politics, and life. If the business organizes properly to meet the demand for what it has to offer, the company will grow stronger and will be more likely to survive. If it does not organize properly to meet the demand, then it will likely die off.

Countries are another example of organizations seeking to expand and grow. So are groups that support ideologies such as democracy, socialism, Islamic fundamentalism, Christianity, Communism, Mormonism, and so forth. Through expansion, each group believes it can increase its influence, and therefore its power. Wars are generally fought by groups seeking to expand their influence. Wars are generally won when the ideology that the war seeks to expand is met with enthusiasm by the people the war is against. When the ideology is met with indifference or hostility, the war is generally lost.

- It would be very difficult for an Islamic nation to take over the United States because the majority of the United States is not Muslim and most people have no interest in that ideology.
- It would be next to impossible for Americans to go into a Muslim country, for example, and conquer it. The "American ideology" simply would not sell in a predominantly Muslim country, just as the "Islamic ideology" would not sell in the United States.

Each of these hypothetical examples could be viewed as an attempt to "sell the wrong product in the wrong place."

If, however, there were a huge demand for Islam in the United States due to the ideology being accepted by most Americans, then it might be relatively easy for an Islamic country to take over the United States. Back when the British were colonizing many countries, before the British government would arrive on the new land, Christian missionaries often showed up and converted people in the country to the new religion. When the British government eventually showed up, the people were much easier to colonize and to win over, because they had already converted to a common religion. Islam, Catholicism, capitalism, democracy, and other methods are all ideologies that have generally expanded and been successful in their expansion in cases whereby the product/ideology was appealing to the audiences that they expanded into. Russia, for example, very quickly converted to capitalism, when it became an option. The people were ready for this shift, and they wanted it. It would be very hard to make a comparable switch in the United States over to communism, however, because the substantial majority of the people in the country are not ready for and do not want it.

In Nazi Germany, when the Germans marched into some of the first countries they took over, they were met with little resistance. The territories conquered arguably were people of "Germanic" descent and they shared similar social philosophies with the Nazis. It was only when Germany attempted to conquer areas that did not share its political or social philosophies (such as France) that it started to get into serious trouble. Without an audience interested in what Germany was "selling," the Germans were destined to lose the war. So too was it with the Romans, the Ottoman Empire, and other governments and ideologies throughout history that have come up against the wall in their attempts to expand into places where they were not welcome. So too was it with the United States in Vietnam and in Iraq.

When any organization or ideology is expanding, there will always be forces in the market that want to slow down the expansion or to stop it completely. These forces are generally competitors and others who are accustomed to working under one ideology, or business model, and are trying to protect their territory. Therefore, you will see:

- Dictatorships attacking signs of democracy.
- Communist countries attacking democratic countries.
- Small businesses attacking large businesses as impersonal.
- Large businesses attacking small businesses as inefficient.
- Companies that make handmade products attacking those that mass produce them.
- Companies that use "natural" ingredients attacking those that do not.
- Organizations that employ well-trained workers attacking those that do not.

Organizations and individuals are constantly doing everything in their power to find and create demand in order to spur expansion. At the same time, there are constant forces out there trying to slow the expansion.

The entire world of business, politics, and religion is a tension between expanding and contracting. Certain things expand while others contract. When something is expanding, it is growing and when something is contracting, it is considered to be dying. If a product or ideology is considered to be beneficial and in demand then it will be poised for expansion. If a product is not considered to be beneficial, then it will not be poised for expansion.

In business, companies are continually reinventing themselves in an attempt to come out with products and services that are considered *more* beneficial. Religions are also continually reinventing themselves to appear beneficial. The Catholic Church, for example, has made many changes in the 20th century in an attempt to continue to appear relevant. There is a giant struggle amongst religious groups--and many types of organizations--over being relevant to people and not being relevant to people.

What does all of this mean to your career and life? In business, religion, and politics, nothing is ultimately more important than being on the side of expansion--not contraction. All types of organizations want people around them who are going to help them expand.

- When you see the résumés of strong managers, they often discuss how they "grew" a division.
- Candidates for a chief executive officer, chief operating officer, and so forth always talk about how they have "grown" a department, for example.
- The résumés of salespeople always mention how a candidate has increased sales and performance.
- A candidate for a [marketing job](#) might emphasize the role his work played in helping a company or product expand.

Employers and all organizations are interested in those who can help them expand and grow. Everything for employers is about expansion. Everything for most religions and political parties is about expansion. Life is about expansion and to most of us, the very ideas of expansion and growth seem necessary to our survival.

True expansion only occurs when there is a genuine demand for the product or ideology seeking to expand. Many people can create demand for a product or service by virtue of their skill; however, this is generally "artificial demand," which does not really "hold" for the long term. For example, after September 11, 2001, General Motors sold a ton of cars with its "Zero Percent Interest" and "Employee Pricing" sales, which were advertised aggressively. While the public may not have been as enthusiastic about General Motors cars compared to other cars on the market, GM was able to expand in a quick and short-term manner, with aggressive advertising. In order to expand, most businesses must keep the phone ringing and people coming through the door. Advertising is one way they accomplish this goal.

If you go to almost any town in the U.S., you will probably see a billboard for a personal injury attorney somewhere on the road. I have yet to encounter a decent-size town where I do not see this. Some of these attorneys who advertise on billboards are excellent attorneys; however, many of them are not. Despite being horrible attorneys, these are the most recognizable attorneys in the cities and towns in which they live, and they are therefore considered the top attorneys. It is all because of the "artificial demand" they have created for their companies through use of the media.

Good services are able to expand easily and to *hold* their expansion. For example, McDonald's is a fast-food restaurant that people seem to really enjoy. This fast-food restaurant went from one location to tens of thousands over the years, and very few of them have closed. When the business expanded into new markets, it discovered there was a genuine demand for its products. Other restaurants that attempted such expansion may not have been so lucky. The reason for this is related to (1) the popularity and demand of the product (often based on a perception of *value*), and/or (2) the ability of the restaurant to manage its expansion.

Business is about expansion. Expansion can occur when the product is so good that it catches on virally (such as Google did--in a very short time), or it can occur through advertising, whereby the perception of demand and value can be artificially boosted (as in the GM sale after September 11 example). Your job, in every company or organization that you work for is to be on the side of expansion. The more you can contribute to expansion and growth, the more job security you will have. The more you can show potential employers that you can help them expand, the more likely it is you will be hired.

One of the most important keys to securing and holding a job is being on the side of and assisting with expansion. The more you can assist with expansion and can be seen as someone who will make this happen, the better career you will have.

THE LESSON

You will greatly benefit your career by helping and promoting your company's expansion. A common belief is that expansion is fundamentally positive, and a lack of expansion is fundamentally negative. You must be on the side of expansion rather than contraction in every area of your life. All employers seek people who will help them expand, and the more your ability to contribute to this expansion will provide you increased job security and a greater likelihood of being hired.