

Choose an Employer Who Is Marching Forward

By Harrison Barnes

There are generally two types of employers in this world: the employer who is marching forward and the employer who is in retreat. There is also a third type of employer (for whom nothing is changing) that merits some discussion as well. However, for the most part, there are employers who are marching forward and employers who are retreating. What I'm about to share with you could be the most beneficial advice about choosing between employers that you will ever receive.

When I started my first job with a law firm, the firm was growing at a meteoric pace and had been around less than 10 years. Other attorneys in the firm worked like mad at all times. The firm was getting the most important cases in the area and, in fact, many of the most important cases in the country. The firm was attracting top graduates from the best law schools all over the United States. We were so busy, I knew several people who regularly slept in the office. This firm was also different from any other firm in the city at the time.

Attorneys wore shorts and sandals to work and some even chewed tobacco at their desks. Rumors of crazy drinking, drug use, and incredibly hard partying by many of the attorneys in the firm were quite prevalent. I don't think any of the attorneys in the firm were involved in any sort of outside organizations or sat on any boards-they were too busy to do so and, frankly, such things didn't matter. The work these attorneys were doing was also in the paper very often. It was a world unlike any other American law firm I'd ever heard of. It was a great place and they did really good work. This is an example of an employer "marching forward" and the absolute best place to get a job.

After about a year of working all the time, I told myself I needed a change. I went to another law firm across town that had been around for decades. Incredibly, I was able to almost double my salary in the process. This law firm was so white-shoe that on my first day they put a plaque on my door that said "Mr. Barnes." People whispered in the halls and there were strict dress codes. One time, a partner told me to polish my shoes better. This was a firm that had been used to doing certain things a certain way for a long, long time. There were people in the firm who'd had very distinguished careers in government and were on the boards of important companies and organizations.

This law firm had been around for over 50 years and was able to recruit the best law students, but when I got there I didn't have any work to do for over three weeks. During those three weeks, I also saw at least a couple of people quietly asked to leave. The strangest thing about the firm was that when I talked to associates and other young attorneys, they said that having any work to do was a privilege and had to be earned. They spoke about how you needed to get favor from certain people in order to get work. Most of the work this firm was doing was unimportant and certainly was not in the papers very often.

After about six months of being at the firm, I realized it was dying. Partners were being fired or asked to leave and the firm was very slowly wilting away. There was hardly any work going around in the office. Today, I don't think the firm is even around. This is an example of an employer in retreat and the worst possible place to work.

I once spent two weeks in Atlanta with our company's general counsel--a former fighter pilot. He loves to bring up military analogies for lots of things. I now find myself thinking in terms of military analogies as well from time to time. There are employers who are on the attack and gaining market share from rivals, employers who are in retreat and losing market share, and a few employers who are simply holding their own. Economics is a form of warfare, and business is warfare as well. If you're going to fight a war, it's important you fight on the correct side.

The employer marching forward is easy to spot--it's growing. Employers who are growing hire more and more people. They expand their offices into new territories and areas. Their revenues are increasing. They are enthusiastic about the future. Their cultures are defined by specific goals. They may also be somewhat disorganized. Typically, the employer who is marching forward has discovered a new way of doing things that is much more efficient than the way of doing things in a previous time. Some examples of companies you have probably heard of who have done this in the past are:

- -Google--organizing information online
- -Ford--producing cars that the average man can afford
- -eBay--organizing goods for sale online
- -Apple--inventing a way to organize songs and information (the iPod)
- -Facebook--coming up with a model that allows people to efficiently connect with others
- -Wal-Mart--bringing goods to areas all over the United States at low prices
- -YouTube--allowing people to share videos online
- -AT&T--allowing people to communicate over the telephone

When a company designs or invents something that's new and creates efficiencies, it's a time of great excitement. People want to work for companies that are creating efficiencies and doing things in new ways. Other companies also want to do work with businesses like these. The reason these companies are so popular is because they are saving people money (Wal-Mart), allowing them to do things they have never been able to do before (AT&T and Ford), or making something accessible and easy to use (Apple, YouTube, and Google).

Companies that create new ways of doing things become very popular with consumers and others because they enable them to save money. They also become very popular places to work because of their upward momentum and the possibilities this creates for people. You can see new companies starting all the time that change their industries and how the world operates. They are examples of employers marching forward.

Employers marching forward also have other characteristics that are worth mentioning here. They tend to hire more people. They tend to be excited about the future and where they are going. Established competitors will initially look at the employer marching forward with disdain. The employer marching forward is one who is excited about the future and the people working there typically feel the same way.

The workplace dynamics of an employer marching forward are unique. The employees working with such an employer typically work very hard. The work will be scattered around and people will be juggling multiple responsibilities. The employees inside the company will also have far more opportunities available to them than they are able to take advantage of because the rate of growth is so rapid. For example, in an online publication that's marching forward, advertisers may be calling the publication trying to advertise and be very frustrated that no one is calling them back. However, the people inside the publication may be so busy with other tasks, which are more productive, they don't have time to call back! This is what it's like in organizations that are marching forward. There are literally so many opportunities that people are chasing them around like crazy.

This year, I had the opportunity to work with students from the UCLA MBA program who were studying one of our companies. I overheard at least a couple of these students talking about how great it would be to work for Google. Everyone wants to be part of the next great thing. I have since heard that Google has instituted a hiring freeze. Notwithstanding, companies that are marching forward attract the enthusiasm of the best and brightest. This is just how it works. The best want to be with that which is growing.

The converse of the employer who is marching forward is the employer who is in retreat. The military analogy here would be the army has marched as far as it can go and now needs to hold onto the ground it has gained. Most employers who were at one time marching forward eventually stop marching forward and go into retreat. This is not always the case, but it usually is. When a company finds a new niche, space, or way of doing things, eventually others catch on and start attacking it with rival products. Products are imitated. Services are imitated. Word catches on and all sorts of people are attracted to working for the new company.

An interesting trend I've seen around Los Angeles, both from when I was a lawyer and from people I've met in the course of running my business, is the following: a group of people come along and start a company. They may be from a foreign country and haven't gone to school in America or have any connections. They start the company and get it off the ground simply by virtue of the tremendous value that their product or service provides. They may be engineers who have designed a new medical device. They may manufacture and import toys. They may be brilliant property investors. Regardless, their company thrives and it grows to great heights.

When a company grows due to business methods that are clearly successful, it begins to attract the interest of people who are more interested in preserving their own income and status than they are in creating value for others. These people include professional executives, lawyers, and accountants. While I hate to be so direct about this, you may want to call these sorts of people "professional bureaucrats." Professional bureaucrats are people who went to the right schools and have the right education. They know all the right clubs to belong to, the right clothes to wear, and have a view of the world that is, in most cases, based on distinctions between class and background. These sorts of people are most interested in preserving their income level, standard of living, and status vis-à-vis others.

The world of the bureaucrat is one that is defined by the organization for which you work, your background, and the security of your job. The bureaucrat rarely understands what makes the business tick. When bureaucrats come into an organization, they set up structures and procedures to protect their income stream and also to protect their status. They will set up a series of titles for various employees. They will set up reporting systems. The entire fabric of the organization will begin to change. The organization will become based more on being "protectionist" than on growing. I have seen this more times than I can count. Everything in the organization becomes centered on protecting status. That's what bureaucrats do.

In most instances, once an organization becomes overrun by professional bureaucrats it begins a slow process of deterioration and retreat. The reason for this is because the emphasis is now on protecting the interests of the bureaucrats rather than on growing the company. When the bureaucrats were first attracted to the organization (which was then marching forward), people both inside and outside the company more than likely believed it would never fail and would always march forward. Once a company begins to bring in professional bureaucrats and begins to bask in its achievement, it becomes disconnected with the markets or people it serves. The company then begins a period of slow (or rapid) decline.

Companies that are in retreat will also try to manipulate the market in every way they possibly can:

- -They may try to get legislation passed to benefit them.
- -They may decrease portions or sizes or offer less to increase profits.
- -They may constantly offer sales or special deals, or try tricking consumers.

None of these methods work over the long term. Eventually, even the most talented bureaucrats will leave to seek companies that are marching forward and will leave again when that company also goes into retreat. People and resources are attracted to companies and situations that create value, not destroy it.

In your search for a job, and in choosing between employers, you need to find an organization that is marching forward. The employer marching forward will provide you with the most important opportunities over the long run and the best overall career. You should also be aware that all employers go through different stages, and when you get in will have a real bearing on what happens to your career over time. The best time to get in is at the beginning of the growth cycle.

This is where the most opportunities typically are.

When looking for an employer, you should do everything you can to get a job with the employer who has just begun the march forward. Employers can march forward for decades if they are smart; however, most only march forward for a couple of years. In every economic market there are employers who are marching forward or beginning a march. It is your task to find this sort of employer.

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