Think Like a Startup, Scale Like an Enterprise: Balancing the Best of Both

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Despite the intrinsic differences between startups and enterprises, one thing is certain: The pace of change in today's market is so fast and volatile that companies of all sizes risk their survival unless they become more disruptive and innovative.

While there is no silver bullet to success, your organization can learn from both startups and large enterprises. You can take the agility of a startup and combine that with the organizational attributes of larger enterprises to help build your company. Let's take a closer look at the elements you should focus on from startups and enterprises.

The importance of thinking like a startup

Thinking like a startup means prioritizing innovation. Innovation can come from anywhere, anytime. Employees in all job functions and levels should be encouraged to develop innovative ideas and given the support needed to implement them.

Cisco offers an example of encouraging innovation like a startup. In 2015, Cisco launched its Innovate Everywhere Challenge, a companywide, cross-functional innovation competition that mirrored real-life startup practices. Employees from all job roles and levels were encouraged to form teams and

pitch their innovative ideas for business process improvements, new digital solutions and more. Teams with the best ideas were given funding, mentorship and time off from their regular job functions to make their ideas a reality.

One of the most successful projects to arise from the challenge was LifeChanger, which helps people with disabilities work remotely by leveraging voice, video and collaboration technologies. Numerous employees with disabilities gained access to meaningful employment through LifeChanger.

Some ways to encourage team innovation in your business include:

- Build better teams. To begin thinking more like a startup, leaders should emphasize cross-functional teams, think outside of functions, and break down business-unit silos. This will ensure that you tap into the best and brightest ideas. Companies that prioritize diversity and inclusion have an edge: Teams with different backgrounds and perspectives tend to produce the most valuable ideas.
- Communicate clearly. Enable transparent digital communication among teams and stakeholders. This could involve setting up internal communication apps, establishing a mentor network, and encouraging anonymous employee feedback.
- Don't be locked into set ways. Leaders must be flexible. Encourage rapid prototyping for solutions; validate concepts with potential customers early, pivot fast, and take risks to boost productivity. If an idea doesn't pan out, empower teams to learn from failures and move on to the next idea.
- Emphasize innovation. Understand that innovation is in everything: innovation should be integral to how a company conducts day-to-day business, not just an approach to developing new products. Focus on people – not just technology – when incubating new ideas.

The importance of scaling like an enterprise

Just as thinking like a startup is critical, scaling like an enterprise is a vital way to ensure your business's success. Large enterprises embody a core set of

strengths, resources and partnerships that can accelerate innovation – including their ability to quickly scale and get products to market.

Some ways to encourage enterprise-like scaling in your organization include:

- Establish ecosystems for success. Most successful enterprises actively build their ecosystems, leveraging vertical, horizontal and local partners to ensure their solutions' scalability, mass customization and reach. They also know how to set their sights on clearly defined, broader goals, understanding that innovation is about more than delivering a cool new app or futuristic device.
- Be outcome driven. Enterprises focus on the business outcomes and value at stake instead of taking a scattered approach driven by passions that can be fleeting or change over time. Plus, they have established customers, partners, and marketing channels to broaden their innovative ideas' exposure and credibility.

How to think like a startup but scale like an enterprise

As you take the best characteristics from successful startups and enterprises, the next step is igniting a startup culture by engaging and challenging employees to innovate. Here's how to do that:

- Open innovation to everyone. Extend innovation programs to all employees across departments, levels and roles. From there, encourage inclusion and diversity of perspectives, and empower employees to make decisions and tap into their inner entrepreneur.
- Recreate a startup-like environment. As employees innovate, support their ideas with mentor networks, angel investors and other resources that an actual startup would use. This will help lead your internal innovators through the four phases of a lean startup: ideation, validation, funding and development.
- Use gamification to make innovation fun, and introduce rewards (such as [discretionary bonuses](#) or time off) as incentives. Additionally, look for opportunities to secure publicity for the innovative ideas or solutions your employees create. Highlighting employees' accomplishments is extremely rewarding for them. It spurs further engagement and

innovation from other employees and can bolster your company's brand reputation.

- Appoint a champion. Designate an internal champion to lead your innovation initiatives, and attain buy-in from higher-ups all the way to the C-Suite. Most importantly, your champion can help you discover existing, untapped talent by engaging as many employees as possible and sharing what your programs have to offer.
- Customize for each culture. One size doesn't fit all when it comes to innovation, especially for global companies. All stakeholders have different personalities, priorities and passions. And there will always be polarities of tension between established and startup practices in a big company. Therefore, customize and balance your program's approach to stimulating employee innovation, blending the startup and large enterprise mindsets. As innovation expert and author Michael Docherty advises: "Embrace the power of AND," referring to the required blend of more than one approach to innovation.

Compete in an age of disruption

If you combine the best attributes of a startup culture with the scalability of an enterprise, competing in an age of disruption is far less daunting. The goal is to transform your organization and its culture by empowering and inspiring employees – regardless of role, rank or region – to innovate.

Then, provide a wealth of resources, training and incentives while nurturing their innovation to bring big ideas to market. If your employees are free to innovate anytime, anywhere, you'll improve your entire organization – and change the world while you're at it.