

Is a Lack of Ambition Causing Businesses to Fail?



One of the main things that separates winners from losers in business, as in life, is their strength of ambition to achieve something and the high level of perseverance and commitment given to its attainment.

In business, there are two different types of ambition, both of which are required to support the long-term success and growth of a business.

The first is the Personal Ambition of the business leaders and the workforce and their combined determination to succeed. Typically, we see this type of ambition in those people who demonstrate having; a strong work ethic, a can do attitude, a passionate belief in the business and its aspirations and a desire to see both themselves and the business grow in stature and financial strength.

The second is the Business Ambition for the business itself as an entity in its own right. Typically, we see this as a business that has a very clearly stated, compelling, market tested and led combination of a; mission, vision and purpose, a strong moral compass, good ethics along with a culture of shared success supported by ambitious goals and objectives.

Now, of course, there has to be a strong synergy between the personal and the business ambitions. Indeed, it is essential that personal ambitions must be realised by the achievement of the business ambitions. If personal ambitions become primary to the business ambitions this risks business underperformance or failure. In my experience, when business ambition is primary and both types of ambition are in synergy, they become a powerful force and success is almost a given. When either or both are lacking, or at odds with each other, poor performance will inevitably follow.

Now, you would like to think that at the very least all business leaders would have a high level of personal ambition, but is that true? Personal ambition is often at its highest amongst start-ups and early-stage companies where the business founders are more often than not highly motivated and excited by their new venture. Sadly, it is not always the case that personal ambitions are well aligned to a strong business ambition. Having worked with many start-ups and early stage businesses the absence of a market tested and market led business ambition is one of their weak points. Business ambitions should not be wish lists based purely on assumption or hope, sadly too many are.

From start-up and over the first few years, if the business struggles to achieve its targeted growth, then personal ambition may start to wane and be tested. It is at this point where the true strength and synergy of both personal and business ambition come into play. Even faced with difficulties those with combined strength in both ambitions will most likely

persevere and resolve the problems, taking whatever actions are needed. On the other hand those with less of a compelling business ambition and weaker personal ambition may simply give in and remain stuck at a low level or indeed allow the business to fail. Given the high failure rate of businesses in their first five years, it is easy to assume that there is a lot of failed ambition of both types.

Scale up businesses by contrast nearly always exhibit real strength and synergy in both ambitions and that plays a big part in their ability to grow and to attract customers and investors.

Perhaps, at least for me, one of the saddest cases of ambition, of which I have seen many, is that of the long established SME. A business that has grown in the past and succeeded over many years often creating a good sized company, but that has now stagnated or started to decline. Here it is very common to see weakness in both ambitions.

In terms of personal ambition it can be because the business leaders suffer from burn out and fatigue. There is nothing easy about starting and growing a business, over time it can take its toll. Quite often it's because they have already achieved all they set out to. They have accomplished their personal ambitions and are happy to settle for what they already have. This is why we see so many of these established larger SME businesses being sold, merged or even closed as the leaders seek to get out. So too we see workforces no longer highly motivated and just plodding along with little ambition for change.

Some business ambitions may become less relevant over time as markets change. Business ambitions need regular reviews and if necessary updates, even possibly the need to pivot. Failure to review may mean they are no longer fit for purpose. The combination of weaknesses in both ambitions are often at the root of stagnation and decline in these larger SME businesses.

We all know that you simply can't stand still in business. Businesses don't stand still for long before they decline. Similar to the planes circling around London waiting to land at Heathrow, they can only hold that pattern for so long before they need more fuel.

Fuel in business is ambition of both types. Ambition is what fires up the engine of growth and feeds it to maintain an upwards trajectory. A shared business ambition is what holds a company together and motivates the workforce. Having a business ambition from which workers can see their own personal ambitions being met inspires people to work harder, smarter and to innovate.

Now as an outsider, it's quite easy to spot these things and to know what ideally needs to be done to turn things around. However knowing what needs doing and then getting it done are two completely different things and rarely compatible. How do you start to get a business leader and their top team to re-inspire themselves and find that new spark of personal ambition? How do they develop a new business ambition which they are 110% behind and revved up to achieve? How do you then change the culture of the business so that all the workforce are equally motivated to achieve the new ambition and become fired up to make it happen?

I strongly believe that poor ambition in its two forms underlies many of the UK's issues of business failure, underperformance and poor productivity. The world of business in the UK is under attack from both Government actions and a malaise in the general public. But strong and ambitious businesses are the answer to many of the UK's problems. Only they have the ability to boost the economy and provide the wealth needed to support the state. Only they can make the UK somewhere overseas investors want to invest in, and attract the very best of the world's skilled workforce. Only by having strong growing businesses can we offer well paid and meaningful jobs and give our young people hope for the future.

Okay, so we do have a good number of these types of businesses, we have many world class companies doing all the right things. But there aren't enough.

This article was inspired by the section called Ambition in my book 'The Four Pillars of Business Growth' – now available on Amazon and also on the corresponding section in our online training programme PurePitchDeck.com.

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