

Why this entrepreneur changed strategies after hitting 100 employees



Liz Scott is the founder and principal of HR company Organizational Solutions (GLENN LOWSON FOR THE GLOBE AND MAIL)

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One hundred was a magic number for entrepreneur Liz Scott. But it also marked a turning point for her business.

When Ms. Scott, founder of Organizational Solutions, a Burlington, Ont. company that helps Canadian employers manage disability claims, reached the point where she hired her 100th employee, she knew it was time she got some professional support.

“At that time, I thought ‘what more can I do as an entrepreneur? How do you grow to that next level?’ At 100 employees, I had assembled a strong, technically competent team primed for more growth. I realized it’s going to take a slightly different management strategy. I needed that brainpower on how to exponentially grow,” said Ms.

Scott, who is not without brainpower of her own: She has a PhD in Industrial Psychology, a Masters in Engineering, an MBA and a degree in nursing.

Up until that point, Ms. Scott, like many entrepreneurs, had focused solely on her company’s mission: to reduce employer costs and ensure that employees on disability successfully return to work, resulting in lower human and financial cost for her clients.

Before launching Organizational Solutions, she worked as the director of risk for Frito-Lay, where she saved the Canadian operation significant costs before being promoted to the

role of North American director of risk. After time in the United States, she felt ready to return to Canada and start her entrepreneurial career.

Yet with her company’s success came new challenges, inspiring Ms. Scott to seek resources and support. She joined TEC Canada, a leadership development community of chief executives, entrepreneurs and business owners, where she benefited from group discussions and one-on-one mentorship.

“I have a theory that you can’t live long enough to make all the mistakes yourself. It’s wonderful to get together as a group and use each other’s ideas and thoughts. Soon enough you come across an issue that one of your fellow TEC members has already dealt with,” said Ms. Scott.

Some of the obstacles she encountered in recent years include complex interpretations of tax policy, which were far from simple snafus, ending with the company needing to understand provincial and federal tax regulations.

In another case, Ms. Scott was struggling to get staff to adopt the implementation of a new process. After conferring with the TEC group, she stopped trying to change the way existing staff worked and hired a new person specifically designed for that role. It worked – and she credits the group for their input.

“My TEC group has people with as many as 1,000 employees or a few as 60; the main thing is that you must be an entrepreneur committed to growing your company. If you want to be a one or two man show, there isn’t a lot of value. However, it’s extremely valuable to those that are driven to grow their business,” said Ms. Scott.



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Frank talk

Having a peer group as a sounding board, and a one-on-one mentor to talk strategy with, proved indispensable. Her company has grown in the past two years to almost 150 employees, with offices in Ontario, Quebec, Alberta and British Columbia.

“When you are an entrepreneur there are two things that count: confidence and courage. You have to have the moxie to say ‘I’m going to do this.’ You have to listen to the positive voices in your head and the supportive people around you. The other thing you need is a plan. Having a regular monthly



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meeting with someone like Ed allowed me to vocalize my plan,” she said.

‘Ed’ is Ed McClelland, Chair of Ms. Scott’s TEC group and a former CEO of finance firm Borg Warner. He has spent 18 years at TEC, where he is one of 15 chairs in the in the Greater Toronto Area. As Ms. Scott’s mentor, he said he usually sees her once a month to discuss topics she is wrestling with; helping her dig deep and get to the root of each challenge.

“My job is to ask questions. Sometimes, I have experience to share and I can tell her what worked and didn’t work,” said Mr. McClelland.

What mentees such as Ms. Scott need is a confidential place to discuss the challenges in her business, where experienced people can listen. In Ms. Scott’s case, Mr. McClelland observed that the experience of seeing others around the table facing similar challenges reinforced her confidence in her own vision.

“Often, when you start explaining your business, the answers are right in front of you. It’s probably one of the only places

where you can get really unfettered feedback. There are no business relationships, no axe to grind here,” said Mr. McClelland.

The group dynamic works well since some, like Ms. Scott, come with considerable educational accomplishments, while others bring skills in the form of lifelong business experience. The key is to show up every month and keep each other accountable.

“Usually people think it’s a network group that refers business to each other. After the first or second meeting, they realize it’s not what they expected. I tell them all it’s a leap of faith. It’s a success group, not a support group,” said Mr. McClelland. In Ms. Scott’s case, Mr. McClelland said he’s particularly pleased with her growth and the culture she’s developed for her company.

“She has so much integrity. Liz can clearly communicate her values and goals. She runs OSI with enthusiasm and drive. That’s what leadership is all about,” he said.
