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Evolution and Revolution as Organizations Grow

Larry Greiner, Harvard Business Review, 1972

Why growing businesses hit the same walls, and why the fix for one stage causes the next crisis.

The big idea

Greiner argued that organisations grow through a series of calm phases, each ending in a crisis. The way of working that drives growth in one phase eventually becomes the problem that holds the business back. Get through the crisis and you move to the next phase, until that one runs out of road too.

The famous example

Greiner's original model had five phases of growth, each ending in its own crisis.

PHASE 1	PHASE 2	PHASE 3	PHASE 4	PHASE 5
Creativity	**Direction**	**Delegation**	**Coordination**	**Collaboration**
Crisis of leadership	Crisis of autonomy	Crisis of control	Crisis of red tape	Crisis unknown

The informal, fast-moving start-up that works with twenty people starts to creak at two hundred.

Why it matters

Growth isn't a straight line. Knowing which phase you're in helps you see the next crisis coming, and stops you treating a growing pain as a sign that something has gone badly wrong.

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Read the original
Greiner, L. E. (1972). Evolution and Revolution as Organizations Grow. *Harvard Business Review*, 50(4), 37–46.

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