

### Don't Just Scale: Evolve

Pat Alacqua

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How Entrepreneurs Can Lead Through Growth, Complexity, and Change.

Pat Alacqua is a seasoned entrepreneur, leadership guide, and author. He has navigated the Entrepreneur to Enterprise(https://www.patalacqua.com) journey through his own ventures from startups to turnarounds. Today, he works with leaders to help them tackle challenges and move through the growing pains and complexity of next-level growth.

In this interview with EIX, Alacqua shares insights and frameworks from his new book, "Obstacles to Opportunity: Transforming Business Challenges Into Triumphs," (https://www.patalacqua.com/book) focused on helping leaders think clearly, plan more effectively, and lead through change.

# **Discovering His Own Path**

EIX: Please tell us a little about your own career background and how you developed a passion for helping entrepreneurs grow their businesses.

I didn't take what I call the traditional route. I skipped college and jumped straight into business. First, it was a small residential concrete company with my cousin. We didn't have a clue what we were doing, but we had an uncle who'd done it before. He mentored us through every mistake and helped us learn how to think through what was ahead. That was my first real experience seeing how much faster you can move when someone's already walked the road you're trying to travel.

That stuck with me.

Not long after, I co-founded a company called I&D Inc. It became a global trade show and events business, servicing companies exhibiting there. We built it from a three-person startup, which we later renamed Nth

Degree, into an internationally operated company. We learned so many lessons the hard way: how to lead through chaos, how to build systems that support scale. We battled traditional competitors -- much larger companies that didn't like losing customers as we grew. We navigated through cash crunches, and learned how to reposition when the market shifted, and how to turn complexity into something repeatable. Eventually, we sold the business after building a leadership team that could carry it forward.

After that, I bought a struggling youth sports academy with a group of investors and led the turnaround. We created a new business model and scaled it into a nationally recognized player development brand. Other larger companies around the country started copying us, based on how we did things and what we were building. That's when I really started to see the pattern. The same core challenges kept showing up, just in different industries, with different names.

And that shift is what led me to focus more on helping other leaders build something sustainable on their own journeys. It is what brought me here.

Today, I work with entrepreneurs and growth-stage leaders. I've lived the transitions they're going through. I know what it feels like when a business starts to outgrow the way it was built. I know how important it is to recognize that what got you here is often not what will get you to that next level of growth. My passion isn't just helping leaders scale their companies. It's also helping them become the kind of leader their business needs next.

# Why Growth Gets Messy

EIX: Growing a business can seem like a chaotic. messy process. How can entrepreneurs make sense of the growth process?

It is chaotic. But that chaos is usually a symptom of progress, not failure for a growing business. Most



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growing pains don't show up because something's going wrong. They show up because something's working. You're moving forward. But what used to work isn't working anymore. That's what makes it messy.

The real issue is that most leaders try to solve problems without stepping back first. And that's where the confusion kicks in. If you're reacting to every challenge as if it's isolated, it's hard to know what to fix. Sometimes even just knowing what to focus on becomes difficult.

What I've found is that most of the challenges you'll face can be traced back to the stage of growth you're in. And that's where the *Entrepreneur to Enterprise Pathway* comes in. There are five stages that help bring structure to what feels like chaos.

Each stage represents an overarching challenge you'll need to solve before the next. Inside each one are the obstacles that show up along the way. There's a natural sequence to these stages, but growth isn't always linear. Some challenges will resurface later, and others like culture or foresight need attention across multiple stages.

Here's how I break it down:

- Recognizing Customer Needs. The challenge is figuring out what the customer really needs and how to communicate and deliver value in a way that stands out.
- 2. **Managing Resource Stretch.** As traction builds, time, people, and capital start to stretch. This is where leaders need better systems, clearer priorities, and more support.
- 3. Instituting Professional
  Management. Hustle gets you started, but it doesn't scale. At this point, structure, management systems and leadership depth become essential to keep growing.
- 4. Adapting Organizational Culture. As the company evolves, the culture does too. If you don't lead that shift intentionally, you risk losing the very things that made you successful in the first place.
- 5. Anticipating Future Challenges. This is where things tie together. Effective leaders learn to operate with one foot in the present and one foot in the future. Solving today's problems while staying alert to what's coming next. That

mindset allows you to adapt early, pivot when needed, and build the kind of resilience that carries you through every stage of growth.

When leaders can zoom out and identify where they are on that path, everything starts to make more sense. You stop trying to solve everything at once. You can identify the real challenge, not just the symptoms. That gives you the clarity to lead forward with more focus, confidence, and speed.

# **Leadership Has to Evolve**

EIX: How do different stages of growth call for different skills or decisions from entrepreneurs?

One of the biggest misconceptions in business is that if you just keep working harder, everything will scale with you. But each growth stage doesn't just bring a new challenge. It also requires a new way of thinking. A new way of leading.

What worked at one stage can actually hold you back at the next. The way you think, prioritize, and make decisions has to keep evolving. You can't lead a growing business with yesterday's mindset.

Earlier, I shared the five stages most businesses move through. Each one represents a shift in both the business and the leader. Here's how I see that play out.

- Early on it's about clarity and decisiveness. You need to figure out what your customer really needs and focus fast. The ability to place a smart bet and move quickly matters more than perfection.
- As the business gains traction, things stretch.
   Time, people, and capital all start pulling at once. You have to shift from doing everything to building systems. That requires prioritizing what only you can do and letting go of the rest.
- Once you start adding structure, your role changes again. It's not just about hustle anymore. It's about planning, delegation, and aligning a team that can execute without needing you in every decision.
- As your company grows, so does your influence.
   Culture doesn't just happen. It's shaped. And your communication and actions become just as important as your strategy. Leadership here is less about direction and more about tone.
- And eventually, you need to lead with foresight.

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That's where the real shift happens. You have to learn to lead by solving what's in front of you while staying ready for what's next. The way you manage evolves too. Most businesses start by managing activities, then budgets, then objectives. But the most resilient companies are managed by assumptions. They build around what they anticipate will happen, and plan for when to pivot and adapt early.

At every stage, the business is growing. But the leader has to grow faster. That's why I say scaling isn't just a strategy. It's a shift. And that shift starts with self-awareness. You have to recognize who your business needs you to become next.

#### Netflix vs. Blockbuster

EIX: Could you share with us some specific examples of people or businesses that dealt with growth-related challenges and how they handled them?

One example I often share with leaders is one that still holds real weight when we talk about growth-related challenges. And with today's streaming wars still dominating headlines, the story of Blockbuster and Netflix remains just as relevant. These two companies faced the same shift in their market but made very different decisions in how they responded. We all know where each ended up.

Blockbuster, once the dominant video rental chain in the U.S., had thousands of stores nationwide and was the go-to source for movie rentals before digital platforms emerged.

Netflix started as a mail-order DVD rental service but evolved into the global streaming giant we know today by betting early on digital content and original programming.

Both companies hit a major inflection point as consumer behavior began to shift. Blockbuster didn't recognize or accept the urgency. They stayed committed to their existing model, failed to invest in streaming, and resisted making the cultural and strategic changes required to evolve. Growth stalled and they faded.

Netflix, by contrast, leaned into the challenge. They anticipated the shift, aligned the organization around a new direction, and committed to innovation. They invested in technology, content, and culture. They put

themselves in position to adapt before the pressure hit. It wasn't just about strategy. It was also about leadership, mindset, and timing.

It's a pattern I've seen play out across industries. The challenge itself doesn't determine the outcome. It's how quickly and effectively leaders recognize the moment they're in, align their team, and take meaningful action.

I always ask the leaders one question: Would you rather have Blockbuster moments or Netflix moments? You have a choice.

## **Choose Small, Evolve Anyway**

EIX: Sometimes entrepreneurs face choices about whether to grow as well as how to grow. What advice would you have for entrepreneurs who prefer to keep their businesses at a smaller scale?

It's a real choice, and one that deserves more respect than it sometimes gets. Not every entrepreneur is trying to build a big company. Some are building lifestyle businesses. Others are growth entrepreneurs. Each path comes with its own rewards and its own challenges.

But there's a fine line between choosing to stay small and slipping into stagnation. Just because you don't want to grow in size doesn't mean you can stop evolving. You still need to grow in efficiency, customer experience, and strategic clarity. If you don't, the market will move past you, even if your goals haven't changed.

The advice I give is simple. You can choose not to scale, but you can't afford to stay still. Every business, at any size, has to keep adapting if it wants to stay healthy. So if you're choosing to stay small, make it a disciplined choice. Not a passive one.

The best entrepreneurs, regardless of size, are clear on what they're building -- why it matters, and how they'll keep it strong over time. That clarity is what sustains a business. Not just growth for growth's sake, but thoughtful, consistent alignment between your vision and how you run it.