

Process and strategies of growth in medium-sized fast-growing firms

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Our work aims to go beyond the concept randomness of growth, taking into the picture considerations about the firm's strategy to explain the firm's growth and the diversity in growth trajectories that we observe in the market. Based on the Penrosian model, we understand firm growth as nonlinear, discontinuous, proactive, managed organisational change with time-varying costs. Our scope is twofold: (i) to study the growth process-timing, direction, and magnitude of within-firm changes over time-and to check if and how some organisational key aspects (managerial cost and financial constraints) have a significant impact on it. (ii) to check the presence of structural differences in growth processes, looking at how patterns of change vary across individual firms by size and age. We base our analysis on a sample of Italian small-medium sized fast-growing firms (defined as firms with at least an episode of growth higher than 20% in a three-year cohort from 2009 to 2013) and adopt longitudinal models to determine what changes occur and how evolution unfolds. The use of fast-growth firms as units of analysis in the period 2008-2013 -during financial crisis- is motivated by the fact that they allow us to focus on a sort of "industrial elite".