

How to Predict Growth and Shrinkage of Corporations: Is There an Easier Way to Evaluate Companies against the Elliott Jaques' Strata?

By Sergey Ivanov, Ph.D.
The George Washington University

This discovery came from my work in 1996 through 2007 working with several corporations, especially one privately-owned business, which grew from 1996 to 2005, and in which I was involved. Having started working with Dr. Elliott Jaques in 2000, I noticed that certain companies grew, predictably. I took data based on the current potential capability of the CEO relating it with the size of the company. It struck home when I valued large companies based on my evaluation method against them being purchased by other corporations at almost exactly the price my method suggested they were worth.

Thus, the following method serves as an easy evaluation technique to understand if the company has just enough of Jaques' levels (the right structure to support and grow the business), not enough (too few levels), or too many, for effective functioning (the plague of most organizations).