

MindSpring

Empowering Minds, Unleashing Potential



A 3 Step Approach to Accelerating Business Performance



Over the past few years we have been asking CEO's the same question, "over the last 10 years, has your organization consistently: A) exceeded its promises to shareholders B) kept its promises to shareholders or C) did not achieve its promises to shareholders. Not surprisingly, the majority were in the C category, a few B's and maybe one A.

So the question is: why are most organization mediocre, some average and only a few truly outstanding? What it is that makes the difference? The consistent answer I get is that the difference is "people" both at the Board and in Management. The conceptual leap of faith that is made is, because it is people, the solution must be leadership development.

As a result there has been no end to the amount of time and money we are spending on leadership development but are we truly getting back our returns? Ultimately, leadership development must translate into an order of magnitude difference in business performance. Is leadership development delivering its promise?.

To help get around the conceptual leap of faith, We have developed a simple 3 part framework to help organizations understand the drivers of performance in much clearer terms.

Drivers of Performance

1. **Acumen** - this is simply defined as the mental capacity to convert resources into results. The dictionary defines acumen as "the ability to make good judgments and quick decisions, typically in a particular domain." If you want to run a business, your organization must be permeated with people of acumen. Acumen is needed to be a street vendor, an SME owner or CEO of a large organization. Acumen is about the know-how to use money in order to make money. This may sound crude but it is reality. Without acumen, businesses will go downhill, sooner or later. Acumen is prerequisite to business viability.

2. **Leadership** - Having acumen doesn't not mean having a productive business. It just means producing results. The next step after being able to produce results, is to be able to drive -

productivity, more specifically people productivity. This is where "leadership" capabilities come in. Leadership is the ability to set the direction, engage people, institutionalize values and behaviors and bring the best out of others. Leadership is about leveraging people, talent in order to get the order of magnitude impact into performance. However, leadership can only stand if it is underpinned by acumen.

3. **Infrastructure** - Once one has the acumen and the leadership in place then one needs to think of scalability and this is where infrastructure comes in. It is the systems, policies, processes that allow an organization to scale up revenue faster than cost be it domestically, regionally or globally. All of the CEO's I have spoken to have in place talent management, performance management systems, incentive pay, leadership development to varying degrees. They have the infrastructure but not the results.

Where businesses have gone off track is that they have invested heavily in infrastructure ahead of leadership, and leadership ahead of acumen. It is easy enough to understand why. Infrastructure is easier to understand than leadership, and leadership is easier to understand than acumen.

For the next 10 years, the economic crisis of the west will present unprecedented opportunity for organizations in the east to gain dominance, but it will require acumen to do. This may be a good time and reason for CEO's to take stock of the "available acumen" in their organizations and if it is insufficient, this is the time to develop it.

Produced by

MindSpring Group Sdn Bhd
Dr Ashraf Iqbal
Founder & CEO
ashrafiqbal@mindspring.com

Shah Mohammad Ali
Fintech and Digital Banking
shahali@mindspringgroup.com

Contact Us:

 contact@mindspringgroup.com
 www.mindspringgroup.com