

## Do good, give, Inspire!



Company executives delivered a one-day executive development program in Bucharest, the first in a series of programs with top business schools' faculty on topics addressing our mission: **"helping companies live their values"**.

The program was facilitated by Frank Cespedes, Senior Lecturer at Harvard Business School and by Radu Manolescu, Managing Partner at K.M.Trust & Partners and focused on strategic choices & value creation. We talked about adaptability and personalization as being the key ingredients in addressing the evolving needs of the stakeholders and how companies who excel at leading a diverse array of generations (motivated by very different drivers) will succeed and flourish.

Below are some of the key takeaways from the event:

### Key messages Frank Cespedes

#### 1. Strategy is about choice.

Strategy is about the choices that all companies make, implicitly or explicitly, in their attempts to achieve a competitive advantage in a specific marketplace. Choices are inevitable: if you don't choose, either your customers or competitors will choose for you, and neither group necessarily has your best interests in mind. So a firm must be proactive, thoughtful, and coherent in its choices about where to compete, where not to compete, and how to succeed in those areas where it does choose to compete.

#### 2. Start with the External, not the Internal.

In any business, value is created or destroyed in the external market with customers, not in internal meetings or in planning sessions. And whatever is true about the external market can change rapidly, due to technology, regulations, competition, and many other factors outside your control. But it is not the market's responsibility to adapt to your firm; it's your responsibility to understand and adapt to changing market realities. So to grow

profitably, you need processes in place that keep you in touch with customers, what they value, and how they buy--today, not yesterday.

### 3. Implementation is Crucial

In business, a great strategy that is not implemented effectively is not a good idea; it's failure. Conversely, an average strategy that is implemented effectively is success. Implementation is always crucial, but implementation of a strategy is an ongoing process, not an event or project management.

### 4. Implementing Strategy

Effective implementation of a coherent strategy has four core dimensions: a) It starts at the top with a shared vision by the leadership team about market realities and how we compete; b) Constant and effective communication by the firm's leaders to others in the organization, especially customer-facing people in your organization, about our strategy and its implications for product, price, and our value proposition; c) Managing core business risks in terms of changes in the market, key processes required to deliver customer value, and information systems; and d) Managing change.

## Key messages Radu Manolescu:

### 1. Understand the Context:

During these times where many large traditional companies fail to adapt and new ones are taking the lead (Waze, AirBnB, etc) technology can enable many dreams come true provided the right mindset is nurtured.

We live times when DNA sequencing is almost completely democratized and meat developed from animal cells will be easily accessible within a couple of years, times when AI, VR, AR are helping blind people see and those suffering from severe burns to heal faster/feel less pain.

### 2. Understand the mental model of leadership matching current context:

These times require different **MENTAL MODELS OF LEADERSHIP**, a leadership that has been evolving from the qualities of the person to holacracy/liberated companies\* and further, to a model linked more to an MTP (Massive Transformative Purpose/Shared Purpose/Large positive impact) and to a disruptive platform with a solid proof of value creation.

Machine Intelligence/Enhanced humans/Cyborgs - the near future model of leadership\*\*

### 3. Understand the mental model of followship:

As leadership does not exist without followers and engagement, the **MENTAL MODELS OF FELLOWSHIP** have

changed as well: the communication is not “one to many” anymore (newspapers, TV, etc) but many to many (social media), etc.

#### **4. Understand key differences between “Pipeline Business Models” vs “Platform Business Models”**

Plenty of the most successful, inspiring and attractive companies incorporate platforms, connecting people with ideas and skills to people who need them, platforms who encourage co-creation. When pipeline and platform businesses compete, the later almost always wins. \*\*\*

#### **5. VALUES\*\*\*\* come first for long term value creation**

There have been too many examples in the last decades of “successful” companies where greed, fear and lack of ethics have been the true names of their “values”, well hidden under “integrity”, “respect”, “excellence”, “customer focus”, etc. Enron, Lehman Brothers, etc are a proof of it while companies such as Gore, FAVI, Netflix, etc have not yet become a model despite their success over time (while really focusing on long term value creation **for their stakeholders**).

#### **6. You will get little engagement without:**

- focus on values, the right mindset and fit with the mission when recruiting
- providing customized retention & development to your key people

**Key message:** If employer of choice is a target, be an executive of choice! **Do good, give, Inspire!**

\* *Reinventing Organizations* (Frederic Laloux), *Freedom Inc.* (Brian Carney and Isaac Getz), *Delivering Happiness* (Tony Hsieh), *Good to Great* (James C. Collins), *Exponential Organizations* (Salim Ismail).

\*\*See *Homo Deus* (Yuval Noah Harari)

[https://www.ted.com/talks/hugh\\_herr\\_how\\_we\\_ll\\_become\\_cyborgs\\_and\\_extend\\_human\\_potential](https://www.ted.com/talks/hugh_herr_how_we_ll_become_cyborgs_and_extend_human_potential) and

[https://www.ted.com/talks/neil\\_harbisson\\_i\\_listen\\_to\\_color](https://www.ted.com/talks/neil_harbisson_i_listen_to_color)

\*\*\* <https://platformrevolution.com/>

\*\*\*\* *Return on Character*