

## MANAGING FOR RESULTS AND DOUBLE DIGIT GROWTH

George Weissman the former president of Philip Morris who was the pioneer in transforming Philip Morris from a local non entity to a global giant was once told by a reporter "George when you talk about your time at the company its as if you are describing a love affair" he chuckled and said "Yes, Other than my Marriage it was the passionate love affair of my life. I don't think many people would understand what I am talking about, But I suspect my colleagues would".

Members of this distinguish gathering, it is indeed an honor to be talking to you on the given topic "Managing for results towards a double digit growth". I wouldn't want you to bear the pain of listening to the intricacies of the second part of the topic "towards a double digit growth". It would take a man living within a blanket or let me add within a cuckoos nest to be thinking of moving towards a double digit growth when most of us here are fighting to save ourselves from a double dip-recession, but Manage I will for results and nothing else.

The crux of my speech today will revolve around three main principles. Clichéd as it may seem it has to be understood that no business will survive in this environment if it isn't managed right.

The survival of the Fittest, a cut throat market, differentiate or die are all- but widely used terms in todays' business world- and if we are to survive it is imperative that we manage well towards nothing other than a secure bottom line. Profits and nothing else has to be foremost in the minds of any manager because it is profits and only profits that will secure the business, its employees, and its development in both the long and short term.

That being said the question that will raise in most of your minds will be "profits- yes, But how.?" and a tad bit of my experience managing people around the world I hope would help you come to terms with answering that very important question.

The three main Principles that my ideology are based on, I am afraid are very common terms too. You must have heard these, day in and day out from the time you'll began your tertiary education or from the time you began to grasp the main elements of business. The three main principles that needs to be adhered to when running a business are

- a) A solid internal Structure – this includes having the right people at the right places, a motivated workforce so on and so forth
- b) An uncompromising attitude towards serving your customer – The external element because realistically this is where the profits lie
- c) an Unwavering resolve to be nothing but the best in your chosen field – which in turn supplies you with a secure a bottom line

I will take you through each of them to the best of my ability within the time allocated to me.

The story I recalled at the start of my speech about the former Chairman of Philip Morris is ideally the best or might I add the most solid internal structure a company should strive to achieve. The time at the work place should indeed be a love affair between the company and the employee. It should transform from being a place where people work to place where people would do anything to work for.

It is people within the work place that really drives everything that is about that place. Much has been said and written about the virtues of a motivated workforce. But let me tell you that motivation is in the real world confined to text books and leadership seminars. In reality it means much more. Its human emotion that we are talking about. A very complex issue than what the leadership or motivational gurus preach of.

And it stems from the basic human ideal of feeling “belonging”. The human being is such that he needs to feel a sense of belonging towards whatever he is working for.

The basic example of family will illustrate my point. An individual is most loyal to his family. This stems from the fact that his identity is con current with that of his family. He seeks solace at times of need and rejoices in times of happiness with his family. It is because he feels safe within the environment of his family. He feels as a part of them. And he will leave no stone unturned to make sure there is bread and butter at the end of the day on the table for his family.

You might be thinking oh well “it’s a blood relationship how can you draw an analogy between the two?” Then lets move further towards your school- the institution where you received your education. Even in this day and age of globalization how many of you have witnessed arguments between two grown and successful men about “how my school is better than yours?” think about it. It is this sense of human emotion – the emotion of belonging that is at play and they will fight to achieve the best and stand by it in times of joy and despair because of this sense of belonging.

The moment this sense is instilled within your workforce nothing can stop them from doing their best for the company.

Then comes the rest. Having the right people at the right jobs, doing exactly what they are good at doing. They need to be also doing not only what they are good at but what they like to be doing.

Once the crux – the sense of belongingness is achieved the rest is about allocation. Before we get too carried away with the emotion let me tell you that the honest truth is that neither results nor resources exist inside the business. They both exist outside. There are no profit centers inside the business. Only cost centers.

The basic matter is that we are doing economics. There are economic tasks that any business has to discharge for economic performance and economic results. There are three dimensions to the economic task.

- a) the present business must be made effective
- b) Its potential must be identified and realized
- c) It must be made into a different business for a different future.

Well you can do this by going off site for two days, pull out a bunch of flip charts, do break out discussions and come up with a deep understanding of business. Well you can do that but you probably will not get it right. It would be like Einstein saying " I think its time to become a great scientist, so I am going to go off to the four seasons this weekend pull out flip chart and unlock the secrets to the universe"

It doesn't work that way. It takes time and effort. A lot of time and effort.

Al Lopez the baseball legend once said "Managing can be more discouraging than playing, especially when you're losing because when you're a player, there are at least individual goals you can shoot for. When you're a manager all the worries of the team become your worries."

The maximizing of the internal to make sure the external is satisfied will be the key for any business looking at yielding results. It is indeed the managing for results and managing well that will make your company a cut above the rest.

This brings me on to the second point- The external factor. The uncompromising attitude towards serving your customer. The business platform runs mainly around a lead. A lead has to be converted into a customer; once a customer the very same lead needs to be valued at how much does he make for me.? Then if you are smart you will look into what other methods can you serve him with?

This very same lead will develop in to a business in itself, you will serve him with everything you possibly can, this in normal sense is called the turnaround and then the key will be to retain him. Then automatically the other steps of the ladder falls in place. The turnover the margins and finally the profits take care of itself. The key components as you may see is identifying a lead, converting it into a customer and retaining him. The rest is plain sailing.

Results do not depend on anybody within the business nor anything within the control of the business. They depend on some body outside.

- a) The customer in a market economy
- b) The Politicians within a controlled economy.

It is always somebody outside who decides whether the efforts of a business become economic results or if they become so much waste and scrap.

And the third-

if you really have understood what I have said will really take care of itself. Business is money. If you don't make money however motivated your workforce is even if they are willing to not take their salaries for months – something I highly doubt given the economic constraints of the country today - and the turning around of a million leads wont make any difference, if you aren't making money.

We have heard stories of great companies trying to come to terms with bankruptcy -and super ideas being just ideas- is almost a day to day happening.

The management of funds within the company is imperative. Handling of the treasury is not everything – It is the Only thing if you are to survive. IF your funds are not managed well then the whole platform falls apart. It is the funds that give you the money, your employees the money , the power to invest, the power to research are all but virtues of solid treasury management.

The company, in order to make the cash flow streaming needs to be reflective, Needs to have the best mission and vision that would get the best out of them and serve the best to those who ought to be served. A company needs to ask itself “do we really understand what we can be the best in the world at.? as distinct from what we can just be successful at. It has to ask itself - Do we really understand what really drives our economic engine including our economic denominator? And most importantly understand what best ignites our passion.?

Once these three questions are answered -mind you it takes the best of the best managers to get the correct combination -the profits will be a matter for the accountants.

And all of the above encompasses “managing for results” Managing is first and foremost.

The first two ideals are all about managing and as you see a component of the third is also about managing and the results in reality will take care of itself.

I hope all of you gathered here today would take something back home. I didn't want to bore you with a long list of technical jargon although it would have made my job very much easier. But if I have ignited something within you that would get you thinking, I will be satisfied knowing that it was a job well done.

I will leave you with those very words in the movie Any given Sunday given with such grit by Al Pacino. It is true when he said that “you have to be willing to die in the fight if you are to have any chance of winning”

Ladies & Gentleman, I hope you enjoyed listening to me as much as I did watching you listen to me.