



# Building a Great Company: Chasing Organisational Performance

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PERSOLKELLY Consulting Group, in collaboration with the American Chamber of Commerce in Korea (AMCHAM Korea), hosted an interactive workshop led by Boris Groysberg, a Professor of Business Administration at Harvard Business School.

On March 6, 2023, PERSOLKELLY Consulting Group, in collaboration with the American Chamber of Commerce in Korea (AMCHAM Korea), hosted a virtual workshop titled “Building a Great Company”. The workshop was led by Professor Boris Groysberg of Harvard Business School and attended by more than 20 executives from key industries in the Asia-Pacific region. The session provided valuable insights, and for those who were unable to attend due to maximum capacity, we have summarised the key findings here. We hope this summary will also be useful for those who were able to attend and would like a refresher on the workshop.

# Background of the Workshop

As we enter 2023, CEOs and business leaders in Korea and around the world are facing unprecedented challenges. These challenges include economic uncertainties, the risk of global recession, geopolitical tensions, supply chain disruptions, workforce challenges post-COVID-19, regulatory hurdles, and technological disruptions. As leaders, they have a **critical responsibility to steer their companies through these challenges and emerge stronger.**

The workshop, led by **Professor Groysberg of Harvard Business School (HBS)**, was designed to help CEOs and executives **identify the real drivers of organisational excellence.** By focusing on what really matters, leaders can better set their vision, communicate their goals, and plan strategies to achieve them. The two-hour workshop focused on the key drivers of business performance and provided insights for lasting business success. The workshop proposed a “4+2

formula” for sustainable business success based on extensive research by Professor Groysberg and his colleagues at HBS.

# Introduction of the Speaker



**Professor Groysberg** teaches courses on talent management and leadership in the school’s MBA and Executive Education programmes. He has received numerous awards for his

research addressing the challenges of managing human capital in small and large organisations worldwide. His work focuses on how companies can achieve a sustainable competitive advantage by engaging their employees in the implementation of corporate strategy.





# Key Takeaways:

## 1. The lines between the key factors that determine business performance are blurred.

Is it the economy? Is it the industry? Is it the company? Or is it the executive? Long-term research shows that while all factors can play a role, the company is the most important factor.

## 2. The 4+2 formula is a framework for sustainable business success based on extensive research by Nitin Nohria, William Joyce, and Bruce Robertson. It identifies four primary and two secondary practices that differentiate the highest-performing companies from the rest.

## 3. The performance differences between the winners and losers are enormous: the winners generate total shareholder returns of over 900%, while the losers generate only 60%. Research into the causes of these enormous performance differences led to the 4+2 formula.

## 4. The Four Primary Practices are:

- **Strategy:** clearly communicated, focused, and aligned with purpose, mission, and values.
- **Execution:** effectively execute strategy by establishing clear goals, defining roles and responsibilities, and consistently meeting customer expectations.
- **Culture:** develop a culture that values high performance, accountability, innovation, and continuous learning.
- **Structure:** design an organisational structure aligned with the strategy that simplifies and makes effective decision-making, collaboration, and communication.

## 5. The Two Secondary Practices are (Any 2 of 4 Secondary Practices):

- **Leadership:** effective leaders set the vision, communicate the strategy, and inspire and motivate their teams to achieve their goals.

- **Talent:** attracting, developing, and retaining top talent that aligns with the organisation's purpose, mission, and values and has the skills and abilities needed to effectively execute the strategy.

- **Innovation:** continuously seeking new ideas, technologies, and business models to stay ahead of the competition and drive growth.

- **Mergers and partnerships:** use mergers to gain access to new markets, customers, technologies, and talent to strengthen your competitive position and drive long-term growth.

## 6. Business leaders often pursue strategic initiatives that do not improve performance because they confuse cause and effect or confuse general requirements for success with specific decisions. For example, striving to be the biggest player in the industry or building a strong brand may be mistaken as the cause of success, when in fact a company can only become the biggest or have a strong brand if it is already performing well. Being big or having a strong brand is not in itself a reason for great performance. Leaders must be selective to avoid the mistake of seeking change that does not lead to improved performance.

## 7. Achieving exceptional business performance requires both a high-performing business and an exceptional leader. Business leaders committed to sustained high performance should prioritise developing the next generation of leadership talent. If the company fails to attract, develop, and retain capable leaders, it is unlikely that superior performance will be sustained over the long term.

# About Us

PERSOLKELLY is one of the largest workforce solutions providers in the Asia Pacific region, spanning over 45 offices across 13 markets including Australia, China, Hong Kong, India, Indonesia, Malaysia, New Zealand, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.

PERSOLKELLY is a joint venture established in 2016 between PERSOL HOLDINGS and Kelly Services to cater to the rising workforce employment needs of the emerging Asia Pacific market. Our reach, scope, and scale of operations have set the industry standard for cross-border recruitment and holistic workforce solutions.

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