



Just A Moment...
Business Commentary

Building a Great Company

by Leon A. Enriquez

What's your business philosophy? Is it about building a great company? Is it about giving value to customers? Thereafter, everything else should be aligned so as to be totally supportive of this goal.

Ask any successful entrepreneur, and he will tell you that a great company is built on two distinct elements, namely, passion and vision. These are especially vital in the early days. The passion has to be about the business, the product, the market, and ultimately, the customer. This needs to be a long-term passion.

“A great company is built on a vision. An entrepreneur needs to take a holistic view of building a company. The basic focus is to build a great company to bring value to the customer,” said Sanjiv Sadhu, chairman of *i2 Technologies*.

For instance, vision should be value-based. Vision can be best addressed by the question: What does delighting your customers actually mean? For example, just take the top 50,000 companies in the world, and they would all say the same thing. Which company doesn't have a value statement that says: ‘We do great stuff for our customers?’ Yet, what does that mean?

Sanjiv Sadhu puts it this way: “We, as a company, are going to deliver US\$50 Billion in value to our customers in the next five years. The idea is to deliver hard, measurable, tangible value.”

Business Fundamentals

After the dot-com crash, a company's health is measured by certain business fundamentals that must apply across the board to the way the business is viewed. Obviously, there are measurable values upon which a company's operations must be based and judged. In order to justify its existence, one way is to show a profit for its business activities. Anyone who forgets this fundamental is doomed to failure.



To ensure the long-term survival and growth of a company, it is crucial to have people who are passionate about the business – through the up cycles and down cycles – and who truly enjoy their work. The rewards, e.g., IPO or stock options, would therefore be a by-product of their passion rather than the principal reason for being with the company. Distinct fundamentals include great products, and great people who are passionate about the product and market.

In a typical company setting, there are three kinds of employees, namely:

1. The first group of employees are those who are passionate about the market that the company is going to be in, passionate about the product, about the technology, about serving customers, and delivering value.
2. The second group of employees are those who are largely financially driven, and whose motivation centre around monetary rewards.
3. The third group comprise employees who are somewhere in-between the highly passionate and the largely financially driven, i.e., they have some sense of passion but in the end, their decision will still be guided by financial gains. This monetary gain is more important to them than whether they enjoy the work that they are doing.

The kind of thinking of the company's founders determine, in turn, the kind of people you hire, and certainly, the kind of teamwork you create. It sets out the expectations. It goes to the heart of how you reward your people.

Sanjiv Sadhu, notes that the crucial components to building a great company and delivering actual, measurable value are the following fundamentals:

- ◆ Clearly articulated values;
- ◆ Great people;
- ◆ Great products;
- ◆ Giving as much priority to customer satisfaction and to sales;
- ◆ Building the right kind of infrastructure and processes; and
- ◆ Sharing the credit and the rewards with the employees of the company.

Adopting these fundamental principles will help you as you labour to shape the future of your company during these difficult times.

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