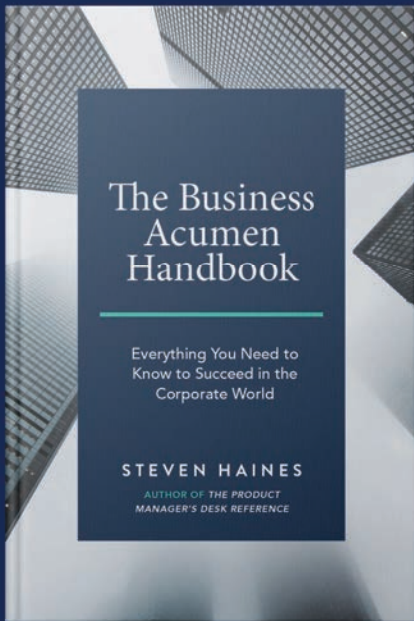




The Business Acumen Handbook

Everything You Need to Know to Succeed in the Corporate World

—————▶
AN EXECUTIVE SUMMARY



My hope for you in this book is that you'll gain an appreciation for the interconnectedness of the parts of a business, so that you can recognize the signals as various situations arise and figure out what to do to get things done.

STEVEN HAINES

The Summary in Brief

INFORMATION AND RESEARCH FINDINGS from professional organizations and business publications increasingly point to an area that requires attention and cultivation: business acumen.

Ask twenty people to explain business acumen, you may get twenty different responses. This variation represents a learning opportunity for business leaders, and anyone whose contributions help an organization achieve its strategic goals. After all, if the right people, with the right level of business acumen, are in the right roles, the company can excel in chosen markets. Wouldn't it be great if, at every level of an organization, there existed a common understanding of its structure, products and markets and how departments depend on each other, how cash flow works, and how to assess performance? Wouldn't the firm benefit greatly if more people understood the strategic and financial impact of decisions they made? They can, and they do this now.



TO PUT THINGS IN PERSPECTIVE, WE START WITH A SOLID DEFINITION:

Business acumen is a portfolio of skills, behaviors, and capabilities needed to support a company in the achievement of its goals and strategies.

The Business Acumen Handbook by Steven Haines was written to help people who work in any functional department of a company to gain a holistic, systemic understanding of how the business works, and how each person can contribute effectively to the goals of the firm. It's for anyone just starting in their business or managerial career, or for any person who needs to fine-tune their perspectives on how the interconnected systems of a corporation works.

In This Summary, You Will Learn:

- The crucial components of business acumen.
- Why you want to optimize interdepartmental dynamics.
- How to improve market and product insights to advance strategy.
- How to develop your own career.

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INTRODUCTION

Why Business Acumen Matters



Today, all emerging leaders and managers must understand what's needed to help the company fulfill its strategic intent, and business acumen excellence can pave the way.

But now studies find the vast majority of leaders believe a lack of business acumen on behalf of all corporate employees limits a company's ability to reach strategic goals.

As Steven Haines explains in his book, *The Business Acumen Handbook*, people who are either new to a company or shifting roles usually struggle to catch up with a moving train. Emerging leaders and managers also need to sharpen their ability to pivot from the work in front of them to other areas. *The Business Acumen Handbook* helps people adapt no matter their position in an organization or at what point they are in their careers.

As customer problems tend to trump the daily plan, not everyone is adept at shifting their focus. This book teaches people how to stay focused on the big picture, cultivate relationships across the firm, and contribute to the advancement of the firm's goals. As Haines explains, it's not simply a matter of subject-area expertise, but an individual's ability to understand various dimensions of a business that are in play as situations arise.

In other words, leaders want people whose perspective expands beyond their desk and department floor. They want people who solve problems, make decisions and contribute daily with results that benefit the bottom line. To do this, not only do people need to excel in their areas of expertise (domain), they have to possess a great degree of business acumen. Otherwise, their ability to contribute to an organization as a whole is limited. When domain expertise and business acumen intersect, however, careers advance and companies grow.

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STARTING OUT Assessing Your Business



The book outlines seven areas that contribute to business acumen with each one involving several individual characteristics. A total of 38 traits are covered.

For example, one of the areas focuses on the right mindset for optimum performance. The multiple traits involved with this type of mindset include strong critical, strategic and systemic thinking skills. These pages show the reader how to develop these traits.

Another group of traits centers on the individual. How does one earn credibility? How do employees develop confidence and the managerial courage required to stand up for their convictions? The book delves deeply into all 38 characteristics that are key to improving individual and organizational performance and explains why the two are interdependent.

The book also includes a tool to help the reader to assess their current level of business acumen, as well as actionable, purposeful ideas for applying assessment results in the workplace. Readers can appraise strengths, weaknesses and emerging threats to their ability to excel in an era of digital disruption.

This disruption makes the need for business acumen across all levels of an organization an almost desperate one given the reported lack of it. Disrupted industries are constantly the topic of business news outlets, with household brands increasingly supplanted by startups.

The Business Acumen Handbook helps readers develop a life-long discipline of learning, which is so important since all specialties require a learning mindset to succeed in today's economy. Without this mindset, individuals risk career stagnation and businesses risk survival. *Talent management leaders may be interested in BAI's comprehensive competency assessment to augment the self assessment contained in the book.*

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The vast majority of leaders believe a lack of business acumen on behalf of all corporate employees limits a company's ability to reach strategic goals.

The self-assessment can be found at;
<https://assessment.business-acumen.com/s3/BAI>



2

Finding Your Way Around the Organization



SPEAKING OF DISRUPTION, gone are the days of a company's c-suite going through the motions of organizational change, posting an organizational chart in some conference room somewhere. Leaders need to work with every level of management to guarantee change is taken seriously.

"One of the characteristics that separate good managers from others is a thirst for organizational knowledge," says Haines. "How they 'get' its people, processes and purpose."

Not to dismiss the org chart -- these charts are critical in providing organizational clarity and keeping projects on track. With this context, the book outlines techniques designed to help you get

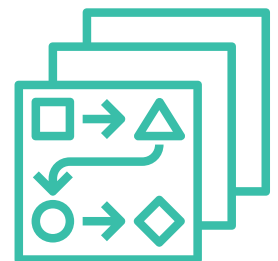
your bearings and develop an uncanny ability to get around an organization to get things done. Rather than thinking, "this is how our company is supposed to work" and handing a document down from leadership, successful business people learn their way around, understand where information sits, and figures out how to harness the energy of the cross-functional team.

To further help readers with their exploration of the company, The Business Acumen Handbook defines five organizational structures and the author guides readers along a path that helps them understand the structure in which they work, how they fit, and how they can establish both the formal, and informal networks to communicate and collaborate.

Cross-Functional Effectiveness is Crucial

Haines understands organizational structure can't stand up to poor communication. While an org chart directs how work might flow, it's up to knowledgeable business people to make that happen. To contribute to goal attainment, the book clearly indicates how clear communication between departments determines any initiative's success through the synchronization of work between all the departments that touch a project.

Readers find support in learning how they can leverage both organizational charts and informal social networks to identify cross-employee dependencies that allow the effective completion of work. These dependencies become clear when every person understands the purpose of every department, the flow of communication and how the work of each department relates to an organization's mission.



Communication Counts

The book lays out strategies for people in terms of how they can communicate up and down, and across the organization. As the author explains, taking the time to build relationships is not just a nice side-benefit to the work day, it influences organizational success tremendously. "People become more apt to help one another instead of fearing power plays over mistakes and retreating into department silos to avoid blame," writes Haines.

The Business Acumen Handbook helps people support and contribute to collaborative cultures that are built on the level of transparency required to help teams cross department boundaries.

Otherwise, says Haines, people try to avoid conflict, which almost always results in dysfunction. "As a business grows and it has adopted these practices, it will experience conflict as an opportunity to make sense of obstacles by seeing all sides and adopting a more objective perspective."

The stakes are high, as an organizational structure that doesn't trust its people to work together effectively and communicate fearlessly often results in poor products, systemic breakdowns and costly redundancies.

Leaders want a level of organizational management that is one of discovery: It's not a one and done exercise. Leaders need to learn how and when to fine tune the process as conditions change. Most importantly, says Haines, they need to instill a culture of communication and support that empowers employees to reach across department boundaries and care about each project's success.

So How Do We Do This?

Several reports in recent years tell the same story: The business world is desperate for a serious uptick in soft skills. Success is often defined today by how well employees collaborate. In fact, a Google survey of its management found soft skills ranked number-one as the skills most lacking by employees – STEM skills came in dead last.

Steven Haines has helped many businesses foster a climate of openness and shared understanding with their teams. "Whether it's mistrust caused by a generational divide between employees or a lack of transparency from leadership, I've seen team dynamics transform from dysfunction to firing on all cylinders with the right training."

Middle-Management and the EQ Crisis

Few are as aware of the issues a lack of soft skills creates than middle-managers. They witness every day how productivity suffers from consistent miscommunication, siloed teams and power struggles. Haines guides people through the many aspects of improving the emotional intelligence (EQ) of a team.

Teams with a high EQ are the byproduct of a culture that realizes morale is as great a priority as meeting deadlines and budget projections. Some startups are known for emphasizing culture from day one. But then they scale and join everybody else who is so busy fighting for market share, culture becomes a back-burner issue.

Haines helps rebuild these cultures -- and create ones where they never existed -- with training that covers every aspect of what it takes to possess a high EQ. What does active listening look and sound like? How do teams create buy-in and resolve conflict? What are the foundations of collaborative aptitude and how does an organization measure it? These are just some of the topics I address in my sections on communication," he writes.

Change Starts at the Top

From front-line employees to c-suite occupants, individual behavior often reflects the culture. In large corporations, several sub-cultures exist, resulting in some people wishing they worked in a different department – one where they know people are treated better.

If leadership demands soft skills take precedence throughout the company, and more importantly, leaders model these skills, every employee knows what behaviors are expected and which ones will not be tolerated.

THE BUSINESS ACUMEN HANDBOOK COVERS SEVERAL TOPICS RELATED TO THIS BEHAVIORAL TRAINING:

1 **The Art of Giving Feedback:** What improves motivation? What kinds of delivery kill it?

2 **Curiosity:** Asking questions the right way teaches others to trouble-shoot, look at problems from all angles and learn how to collaborate better. What are those questions? How should leaders follow-up once input is gathered?

3 **Relationship Goals:** They determine the retention of employees, customers, vendors and anyone else vital to the success of a business. What should these goals be? How do businesses reach them?

Haines understands relationships are the lynchpin to business success. “Soft-skill development and boosting our EQ create better relationships and heal troubled ones. The idea these areas are less important than other business skills is antiquated and extremely expensive when employee turnover and customer service become problems.”

The belief that “you’re either a people person or you’re not” is no longer true, as companies that engage in training in these areas see positive change. Job seekers have plenty of resources to learn what kind of culture potential employers have cultivated. What will they learn online about your business?



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3

Leveraging Processes to Get Things Done



Understanding an organization's structure and interdependency of departments is a good start to becoming a better manager.

The next step involves going deeper with your knowledge of processes.

Why is this knowledge important, for every key stakeholder? "Whether it's because process steps are not known, or because the process is not fit for its purpose, the result is still the same: a poorly produced product, an unsatisfactory customer experience or reduced profit for the business," Haines writes.

This chapter explains how to discover who owns the business processes for your company, as well as a general hierarchy of processes that exists in all companies. "Processes matter," writes Haines. "Managers have a duty to care about how work is carried out and completed."

He goes into important detail about three types of control levers that businesses can employ in order to streamline operations. These levers address problems before they happen, while their happening and how to improve processes in the future.



Measuring Success with Consumer and B2B Clients

We all know several processes come into play from the moment of customer contact to the point of purchase. Whether you're working for a B2B company or direct-to-consumer, both qualitative and quantitative metrics must apply to the end-user experience. Haines outlines how every process, from marketing to accounting, involves several steps crucial to qualitative success related to the customer experience and quantitative success related to the bottom line.

Walking the reader through the multiple layers and steps related to the quote-to-cash process, Haines outlines how to make this process run more smoothly. "Through working in or consulting with large, complex companies I've learned that executives want business managers to view business through a critical lens," he writes. "Furthermore, they want managers to examine processes with an eye toward reducing waste, improving efficiency and saving time and money."

"You should be able to consider possibilities to enhance, improve or revise a process to make it work easier, faster and more efficient."

Six steps to improving process acumen are discussed in this chapter, as well as character traits that contribute to its success. "When you master this knowledge, you'll have the wherewithal to prioritize your own work and help others if they get bogged down."



4

Mastering Markets



Data is everywhere, and business people must harness a trove of market and customer data in order to gain credibility with others - and to put “market first” in decisions that affect the firm’s success.

“Learning how to identify your target customer and what motivates them is how businesses create products and services tailored toward the customer’s wants and needs,” writes Haines.

It’s important we know our customers beyond the dimensions of age, income, profession, gender, etc. These attributes are important, of course, but customer awareness is so much more. What motivates someone to act, whether they’re buying a new product or canceling a monthly subscription?

Haines breaks down the art of understanding consumer motivation. He helps businesses create an experience or product the individual desires. How do we know where to start? “It begins with creating a customer profile that becomes a detailed characterization of their daily journey,” Haines writes.

Data analytics is making a science of this art, but taking the time to interact with customers in person still nets highly valuable results. Businesses need to spend time in-market, knowing how to observe behavior and what to ask people about what motivates their

decisions. When interacting with customers, either in person or online or on the phone, listening is most important. Listen for the emotion behind their words.

Finally, there’s a story you want your customers to know about your business. Even more so, you want to create avenues to hear the customer’s story about their experience with your brand.

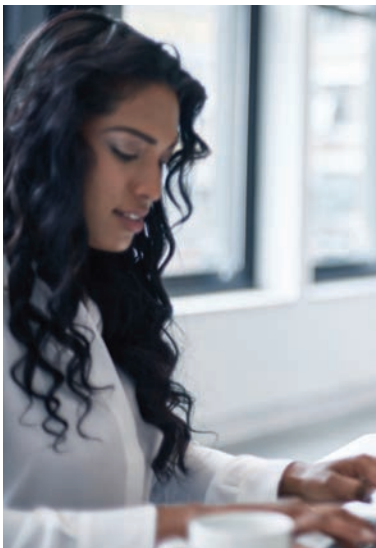
“The key to customer interviewing is to help people call upon their experiences and allow them to talk,” writes Haines.



Market mastery begins with creating a customer profile that becomes a detailed characterization of their daily journey.



When interacting with customers ... listening is most important. Listen for the emotion behind their words.



The Customer Awareness Endgame

The Business Acumen Handbook provides templates for focusing on the customer insight development process, understanding different market segment dynamics, visiting customer sites (for B2B companies) and analyzing the competition. This chapter explains your goals for each of these initiatives and how to achieve them.

Throughout a marketing campaign your goal is to create a Customer Value Proposition that details the perceived benefit a customer will experience from using your product or service. This chapter helps you take the steps necessary to developing this proposition, which will involve factors unique to each business.

The business acumen it takes to drive customer awareness, whether in the consumer or B2B arenas, requires a level of market intelligence that must be shared across all disciplines in a company. "Your goal is to speak the same language with others in your organization regarding a market, fully understand it, how to connect with it and discern how your work will ultimately affect the consumer," writes Haines.

5

Setting Direction with Strategy



Can you explain your company's strategic goals and the reasoning behind them?

Here again, Haines emphasizes how important it is that people take it upon themselves to not only understand a company's strategy but to figure out how they can best contribute to it, and most importantly, adapt when market changes require a shift in strategic thinking.

"Good business people realize there are unexpected bumps along the way and adapt with aplomb," writes Haines. "This is the essence of strategic planning and execution."

In this chapter the foundation of a strong, effective strategy is discussed, as well as the various dimensions of the planning process, analytical techniques that allow a business to pivot with agility and how to transform data into a model for the future.

What information matters most? How do we develop an action plan out of it? These are other questions answered to help managers sharpen their strategic thinking.

The cross-functional teams mentioned earlier play an intricate role in creating goals that follow four key steps in developing an effective strategy. These steps include linking goals to anticipated market changes and establishing tracking metrics to determine success.

"I cannot reinforce this enough," says Haines. "The best goals and plans will be rendered useless unless these four items can be carried out."



We Have a Plan. Now what?

He guides the readers through the necessary steps to thoroughly analyzing a business's core capabilities, vulnerabilities, and market opportunities. From this, he ensures that this process requires a team. He states: "When your cross-functional employees are involved in the process, everyone is inspired to move in the same direction – and collectively, maintain the equilibrium required to execute."

There are several considerations to make regarding whether this equilibrium is happening: Is every level of staff engaged with the planning process, from executives to the front lines? Does every decision consider how it will affect other departments or possibly interfere with their objectives? Do goals align with the company's talent resources? Does everyone in your organization know what its vision is and why it matters?

This chapter presents several action points that should occur during the strategic planning process: These calls to action include looking at the broad business horizon to derive the most suitable strategic goals deriving and integrating the best marketing mix model consistent with your strategic goals.

Haines also helps the reader create a unique game board approach to achieving a complete picture of the planning process. Haines' game strategic board template and fill-in-the-blank story outline helps business people identify new opportunities and explain exactly how they're going to leverage them. "Use these tools to craft your own story about the past, present and future of your business."



In this chapter Haines explains the various dimensions of the planning process, analytical techniques that allow a business to pivot with agility and how to transform data into a model for the future.

6

Understanding Products



Haines is a thought leader in the field of product management, authoring three books on the subject, *The Product Manager's Survival Guide (2e)*, *The Product Manager's Desk Reference (3e)* and *Managing Product Management*.

This chapter is written to help readers establish important linkages between market insights, strategic planning and the ideas for innovative new products or enhancements to existing products.

He covers six areas critical to product management success, including how to evaluate product ideas, how design thinking is used to create the best customer experience, how to pitch a product and the role of intellectual property management.

It's vital for business people to integrate a deep understanding of people, processes, and products: "Business people who understand the interconnections of these three pillars, and other more-detailed connections throughout an organization, will have a greater impact on business outcomes than those who do not."

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Design Thinking - A Method and a Mindset for Business People

From product packaging and labels to understanding the world in which customers live and breathe, design thinking plays an important role in product management. Haines details how to use this thinking to develop inspiring designs. In addition to identifying customer needs, design thinking determines how to present features in a way that elicits an emotional response that eventually transforms into customer loyalty.

Readers learn how to develop a product line's architecture, translate customer needs into a feature of that architecture and determine if the desired customer experience is created. They take a deep dive into the product planning process from concept to launch, including a first-hand look at how agile sprints should work.

"Agile development and similar iterative techniques take what could be a project that requires a long development period and divides it into smaller projects run by teams that operate like those in startups ... From my perspective an environment that uses iterative development offers an amazing opportunity to harness how you think about customers and how value is added to your product."

Advice is offered for every stakeholder from those who pitch an idea to those who have to decide whether to invest. The pitch process is covered in six steps, beginning with how to create an impactful story for an idea and ending with how to prove the ROI on the investment.



They take a deep dive into the product planning process from concept to launch, including a first-hand look at how agile sprints should work.

Several criteria are provided for determining a new product's viability, including if it aligns with the company's strategic goals, will it enjoy successful market positioning and several other financial considerations.

There are occasions when it's more viable for a business to manufacture a new product itself or contract out production. This chapter helps weigh the pros and cons of each option. If the choice is made to keep the project in-house, managers should track the production process by knowing what interactions have to take place between product development and other departments. They also need to be cognizant of key handoffs, dependencies and challenges.

"Business people have an opportunity to be more impactful if they're more mindful of each and every step that is involved from the time an idea materializes to how it's processed to what goes into the decisions regarding whether to invest or not," writes Haines.



7

Assessing Business Performance



“WITHOUT EXCEPTION, executives want people to speak the language of the business in order to contribute positive business results,” writes Haines.

They want all employees to strive for individual excellence, while maintaining a focus on overall efficiency and productivity. In other words, you’ll better your position in a business if you start to think like an owner.

“Whatever role you play, I want you to become an employee who’s viewed by leadership as a prized asset.”

Four topic areas are covered in this chapter that help employees attain this status. They include: Understanding how metrics and key performance indicators (KPI) are used and putting performance management into action using a scorecard. Precision analysis and a keen eye allow business people to associate independent observations with data-driven measurements in order to bring the state of the business into clear focus.

So, how does one develop a performance management mindset? Like so many things in life, it takes time developing a balanced

perspective of why or why not a business is successful and what needs to be done to plot a successful future. By learning which KPIs are most useful in identifying trends related to current success, you’ll be able to start thinking strategically about the future.

This chapter studies the two key areas related to performance management: Marketing metrics and profit-impacting metrics. The section on marketing metrics includes a look at inbound metrics, such as market share, customer usage and customer satisfaction. It also covers outbound metrics, focusing on lead generation, revenue earned from promotional activity and incremental sales from price-oriented promotions.

In regard to profit-impacting metrics, KPIs are just the beginning. The reader learns several other ways to identify the cause and effect of business decisions, allowing for better decisions in the future. Haines also charts examples of scenarios that present how metrics might be associated and how various people in an organization might interpret the information and assess those associations.

When ownership of business outcomes is encouraged across an organization, employee morale improves. People want to be engaged at work and feel as if their contribution has purpose. When every employee plays a part in performance management, engagement increases and their purpose is easier to define.

8

Your Professional Development Strategy



As one owns more of their employer's performance, they'll notice their own performance improve. It's only natural that with an incredible increase of knowledge about business acumen, people get more creative about how to apply it.

Taking control over one's career involves a purposeful professional development strategy that frequently reassesses business acumen, determining what skills are needed to compete.

"The characteristics associated with business acumen are nonnegotiable," writes Haines. "You'll have to consider yourself part of a team, while keeping a watchful eye on internal and external happenings."

Haines has developed a template covering seven areas of professional development that help people become forward-facing employees poised for advancement.

Once goals and action plans for each group are established, he helps readers apply this information to immediate and long-term personal career goals.

"My goal for this chapter is to equip you with a simple methodology that allows you to proactively focus your efforts on your own career development. With this information, you can more easily steer the ship of your career."



Conclusion

BUSINESS PROFESSIONALS WHO EXHIBIT STRONG

business acumen across all its categories thrive. Business leaders who encourage the development of these skills by their staff drastically increase the likelihood of developing and maintaining a competitive edge.

Sure, there was a time when product development did product development, sales did sales, IT did IT, and the customer? Well, that's the job of customer service and marketing. Most businesses have figured out that approach no longer works, and those that haven't struggle to stay relevant.

What's clear in today highly competitive and disruptive economy is that every department and every employee need to be customer-facing and aligned with the company's strategic goals -- and that requires a new level of business acumen from everybody.

The Business Acumen Handbook is your guide to deepening your understanding of every facet of business success. You'll expand your knowledge base and existing skillset, while learning about areas of business you haven't yet had the opportunity to explore -- opportunities that will help you identify your career goals and how to reach them.

To raise the bar in your career or in your company, visit www.business-acumen.com to learn about our Business Acumen Courses.



ABOUT THE AUTHOR

Steven Haines is a business optimist committed to the improvement of the skills and capabilities of business people who work in complex organizations. He helps managers and leaders to think holistically and systematically about business so they can effectively influence others on their path to business success. Steven is a best-selling author, world-renowned speaker and founder of two successful companies: Business Acumen Institute and Sequent Learning Networks.