

Hidden Reefs in Creating Business Value

by Anna Samorukova *December 5, 2018*

The financial dimensions of business value have not changed. Growth in sales, profitability and cash flow are still the fundamental areas of how we look at business value. Each of these dimensions has additional metrics that may vary by industry, size, and other factors.

What changed are the drivers of these financial indicators and the complexity and interrelatedness of these drivers including a myriad of ripple effects throughout the value stream.

In pursuit of growing business value, we:

- develop new products and services,
- · create strategies for growth
- enhance customer experience
- form partnerships
- change technologies and systems
- merge and acquire other companies, divest parts of ours
- introduce corporate initiatives to improve branding
- optimize operations to achieve efficiencies and save costs
- automate
- modify supply chain
- · adjust to new supplier systems



- respond to changes in regulations and new external challenges and constraints
- introduce many other initiatives and changes to stay ahead, respond, prevent, improve

Most of these directions and actions are initiated by the leadership/management teams and taken down to the managers and then to the individual contributors.

At the same time we are looking for more initiative, more collaboration, more creative problem solving from the employees and are wondering why people are complaining and not cooperating.

One of the biggest challenges in pursuit of business value in the current environment is that the multitude of changes undertaken to implement the above directions and actions, initiatives and efforts, outpaces human capacity to adjust.

It is just too much.

Communication of why, what and how is important. But it is merely not enough any more.

We know from neuroscience that any change in status quo, any new condition or information, are perceived by our brain either as a threat or as a reward. The way we respond to that threat depends on individual psychology. People need internal resources to be able to adjust, particularly if it is a threat. In the myriad of new conditions, changes in status quo and new information, resources to adjust are depleted. Explanations of why are not enough get people fully engaged with a given initiative or change.

People overreact, shut down, become confrontational, disengage. With that come the risks of:

- low performance
- low morale
- poor quality of work
- sabotage of projects
- attrition
- not achieving potential business results

On top of that, innovative thinking to create new products and services and find solutions to problems is limited if non-existent or faces obstacles and issues once it reaches the implementation phase. Collaboration is suffering.

The extent of the impact of the overload of everything that is being undertaken by the organizations in response to massive demands and opportunities, requires new tools and strategies for people to help them adjust, be happy and intrinsicly motivated to contribute and make a difference.

Symptoms of change-related stress and overload:

- people become rude, resentful
- will purposefully do things to prevent change from happening
- confrontational in meetings
- not collaborative in projects discussions



- disengaged
- withdrawn
- pushing back on additional tasks to do
- not open to suggest ideas/solutions

If you observe/experience similar symptoms at your organization, communication alone will not be effective. People need tools and strategies to connect with what they are experiencing on the inside, with their "protective" reactions whichever way they are expressed in, in order to activate their self-leadership capacities. They need tools and strategies to connect with the foundations of intrinsic motivation that will support their self-leadership strength.

We found that teaching people these tools and strategies, is much more effective, authentic, sustainable and empowering not only in change situations, but in any interpersonal communications. Being intrinsicly motivated to contribute and make a difference is the foundational element for successfully creating business value.

Anna Samorukova creates and delivers change facilitation, transformation and learning experiences that inspire people and organizations to reach for potential and create an impact.

If you are interested to learn more how your team can maximize potential and performance and make a difference at both personal and organizational levels with our frameworks based on neuroscience, psychology, motivation and experiential learning, please reach out. annas@edelweiss-group.com.

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