

Financial training For non financial staff



The financial training specialists

Hedgehogs (profit)

I'm reading "[Good to great](#)" by Jim Collins. He and his team identified 11 US companies that out-performed the Stock Market over a prolonged period, and he analysed what made them successful.

One element was the hedgehog principle (do one thing, really well).

All the successful companies had asked:

- what are we passionate about?
- what can we be the best in the world at?
- what drives our economic engine?

The answers had given them a very clear focus to their business.

By comparison, many competitors expanded by acquisition, becoming vast conglomerates with no clear focus. And much poorer performance!

This focus was a key determinant of success. Stephen Covey ([7 habits of highly effective people](#)) describes this as saying no because you "have a bigger 'yes' burning inside."

Passion is important too. One of my clients is leaving his company after 10 years because "I'm no longer jumping out of bed with the same vigour as I used to."

And the economic engine of the hedgehog is also vital. Whatever our role in our organisation, we need to be aware of the financial implications.

This awareness might involve looking at our team's financial results. Or keeping a close eye on invoicing promptly, and following bills through until customers pay. It could be a constant evaluation of the cost and benefit of everything we do.

So how does your team rate on the hedgehog principle? And what will you do to sharpen your focus on what drives your organisation's economic engine?