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# The Challenges of Attaining Growth:

The Blenheim & MGSM Insight Series

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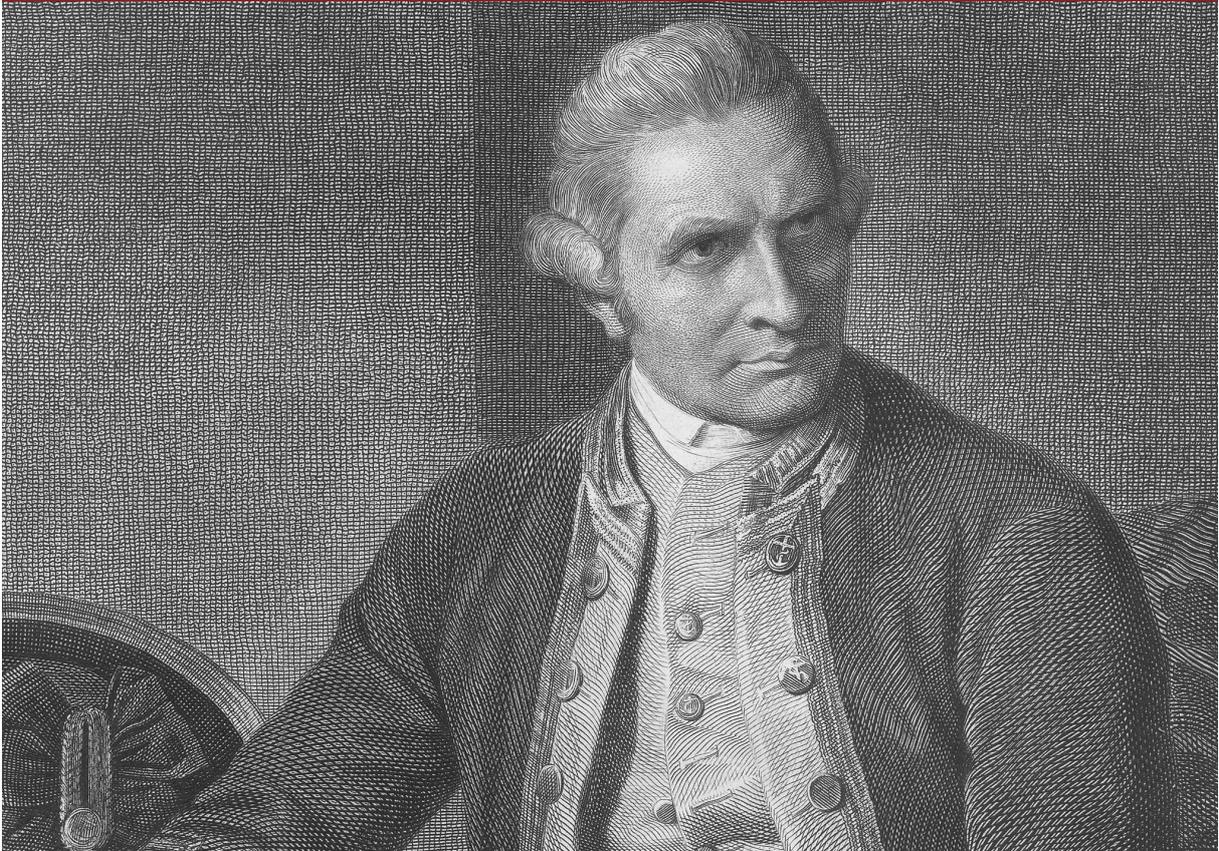


*"Superhuman effort isn't worth a damn unless it achieves results"*

Sir Ernest Shackleton

## Conclusion

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*"Do just once what others say  
you can't do, and you will never pay  
attention to their limitations again"*

Captain James Cook

## Conclusion

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It is hoped that the results in this report promote broader discussion and awareness of the importance and challenges of sustainable growth for Australian businesses, as successful achievement of this goal can only be good for Australia and Australians.

The key themes/findings to emerge from the study, if pursued, create an opportunity to remove many of the roadblocks, real and perceived to sustainable growth for Australian businesses. They were:

- When looking at Board (and even executive) composition as a lever to foster growth, Boards should broaden a simplistic demographic notion of diversity when looking for talented Directors to one where the diversity lens shifts from one viewing gender diversity alone as the outcome, to one where diversity in a broader sense is used as an enabler of growth. As highlighted earlier, this can not be at the expense of an underpinning of general business acumen in a prospective Director;
- The importance of conducting due diligence by not only the prospective Director on the Board and business, but more importantly the Board on the prospective Director. This will ensure that when assessing a prospective Director that their motives and incentives for joining the Board are aligned with what the Board and shareholders are striving to achieve;
- To engage with the various stakeholders in the business including shareholders, investors, regulatory bodies, proxy advisers and the like to bring them on the journey that the business is undertaking. This engagement will go a long way to alleviating the concerns regarding *“fear of failure”* and diminished *“risk appetite”* of Directors, CEOs and senior executives;
- While engaging with these various stakeholders the Board needs to hold true to the aim of creating long term value for shareholders. To ask the question *“what will the market think?”* prior to making any decision is in essence driving to the short term agenda. It is the wrong question to drive the long term view. It is appropriate to be pragmatic, but how can you ask this question when as commented by a number of participants, investors/shareholders continually buy and sell the stock;
- Another means of ensuring the long term agenda is for Boards to effectively oversee the tenure of two CEOs;
- Focus, focus and continue to focus unrelentingly on the customer. *“Deep customer insights”* is the new buzz phrase for growth and success;
- Embrace digital disruption as an opportunity, not just a threat. Directors, CEOs and other senior executives should *“not look the other way”* and wait for this fad to pass. If they do their business may not survive and both they and their employees may be without jobs! By embracing disruption the opportunities for businesses to reinvent, target new markets and grow are enormous;
- Look at digital as a growth engine that allows Australian businesses to *“escape”* the constraints of a *“small”* Australian market and use it as a means to create a far easier and less expensive entry to global markets with corresponding access to their large customer bases;
- Leverage the lateral thinking of Australians in this digital space, fostering innovation for growth, both small *“i”* and large *“I”*;
- Australian managers need to broaden their experience and competence from running existing businesses better to growing them as well;
- Get the right talent in the right role, know the market and have a proactive plan; and,
- Finally, to really drive sustainable growth the question arises as to whether Boards are setting the expectations high enough of their CEOs, and where is the right point of tension in this relationship to achieve this outcome.