

# Changing the Conversation

How healthy debate can drive profitable growth

Includes new research findings from the recent MORAR Consulting Global Growth Survey





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# Embrace New Ideas Instead of Destroying Them



New research findings show that informed debate can drive profitable growth

A survey conducted by MORAR on behalf of Epicor<sup>1</sup> including 1,800 executive level respondents, and almost 1,000 manufacturers reveals that argument and conflict amongst decision-makers in growing businesses is normal and can be healthy. Senior executives often disagree about what is going on in and around their organisation and how the business should react to it. So it's hardly surprising that when a new idea is presented to them, their different perspective means they may argue against its assumptions or reject it.

The result is that decisions may be pushed back or never made at all, and opportunities are missed which can lead to unintended consequences.

Yet, challenging leadership-level debates are essential for success. Different views and opinions give birth to new ideas, innovation, change, and business growth.

How do companies make sense of this paradox? As well as the immediate challenge of managing personalities and egos in these difficult conversations, business leaders need to:

- ▶ Move on from debates caused by differences in beliefs, opinions, and assumptions, and focus instead on the real business issues.
- ▶ Support healthy debate with consistent, real-time insight from business data to create a solid platform on which to base decisions.
- ▶ Encourage and nurture different perspectives within the leadership team to fuel more robust and rapid decision making.
- ▶ Give debate a purpose by adopting agile, integrated systems, and processes that allow you to implement decisions quickly and effectively.

This new report on behalf of Epicor Software analyses the research findings, and shows how leading companies have grown as a result of healthy debate.

“ *If the senior team always agreed there'd never be any progress. Imagine the ideas and innovation that would be lost. It's inevitable that a lack of debate is going to have a detrimental effect on business growth.* ”

**Martin Hill,**  
Vice President, Epicor

<sup>1</sup>Source: Epicor Research, November 2015. See p.11 for full survey details

# The Research Findings Might Surprise You



Different viewpoints are common within leadership teams. But when driven by accurate data and actionable insight, they can stimulate growth.



**57%**

of CEOs,  
managing  
directors and

business owners are more likely to attribute their growth to **hard work and determination**, whereas all of the other executives, CFOs, CIOs, and COOs, (56%, 57%, 64%) consider good planning to be the main contributor to growth.



**45%**

of CEOs, managing  
directors and  
business owners

consider **regulations and bureaucracy** the main barrier to growth. In contrast, CFOs, CIOs, and COOs are mostly concerned about the impact of economic uncertainty on prospects for growth (41%, 40% and 44%).



**38%**

of CEOs, managing  
directors and  
business owners

are focused on **higher turnover/sales**, aligned with 26% of CIOs. Yet the study shows different priorities. The CFO concentrates on profits (31%), and the COO is busy planning expansion into new industries and product areas (23%).



The CFO also has different priorities from the rest of the leadership team:



43%

of CFOs and financial directors consider a **skilled workforce**

the top stimulant for growth, in line with 42% of CIOs. However, only a third (34%) of CEOs consider talented employees to be a contributing factor to growth.



36%

of finance leaders consider **access to finance**

to be a key stimulant to growth, compared to over a quarter (27%) of the execs questioned overall.



32%

of CFOs and financial directors consider

**knowledge of international markets**

a key stimulant to growth, compared to just 22% of CIOs, who consider new technology and innovation the top factor (42%).

### What does this mean for organisations?

According to our survey, there is a clear warning here for all organisations. The CEO or business owner is acutely aware of the challenges associated with business growth. Yet the rest of the C-Suite is likely to focus instead on the rewards that growth can bring. Based on the research findings, we question whether CEOs have this contrasting viewpoint because of some innate predisposition—or whether in fact they are more realistic as a result of their own experiences, and role as the leader of the business.

This divergence of views amongst the leadership team can lead to challenging, unproductive debate. This can make it increasingly difficult for the senior team to agree—or take action—on a cohesive plan for growth. Harnessing the collective wisdom of the team is key to reaching consensus and agreeing on a plan.

### The key take-away

#### The right insight and information creates productive debate

Surprisingly there is a real benefit to having a difference of opinion in the C-Suite. The findings in the research report suggest that when contrasting ideas stem from the same information and insight, healthy debate can stimulate innovation and new ideas.

To foster healthy debate, organisations need easy access to accurate information sourced from analytical tools that extract actionable meaning from raw data. This gives executives insight into the business, and can shift their conversations away from the source or accuracy of information on which arguments are based, and towards the validity or efficacy of the proposed course of action. Such informed debates can produce productive outcomes and power new, smarter ways of working that may lead to business growth.

“ *Better informed businesses thrive on healthy debate at a senior level.* ”

**Martin Hill,**  
Vice President, Epicor

# Elevate the Debate With Better Insight

You could be stifling growth opportunities by destroying each other's ideas



A lack of concrete information can sometimes lead to inertia rather than innovation in an organisation. People need proof and evidence in order to challenge their own thinking, support new ideas and galvanise action. After all, who can be sure a change in the market is anything more than a hunch, unless underpinned by detailed metrics?

Too often the arguments go nowhere, opinions remain opposed, positions remain unchanged, and no one agrees on any plan. The organisation moves too slowly to make the most of market changes and lack the insight to grow their business rapidly without luck or fortunate market conditions. Sooner or later, their competition will out-manoeuvre them and their customers will look elsewhere.

## Change the conversation

The level of debate changes completely if real-time business information is easily available to everyone sitting around the table. Instead of wasting time arguing about the accuracy of figures, the senior team can discuss how to implement a new idea based on facts, which they can all clearly see in front of them.

This is a very different sort of conflict. Now it's a battle of ideas for the best way to gain a competitive edge. The focus shifts to the smartest decisions that will lead to rapid and sustainable growth.

# Actionable Insight Drives Growth Planning

Unplanned growth is painful and can cost the business heavily

Many companies believe that any growth is good. In fact, unplanned growth can be just as big a disaster as stagnation and decline <sup>2</sup>.

Today's manufacturing industry is complex and unpredictable. Without reliable business insight, growth can seem to appear randomly and often not in the areas where the senior team expected it. Instead of benefiting from this increase in business, things can quickly spiral out of control. Workloads increase without extra resources, staff may become overwhelmed, people leave, standards slip, deadlines are missed, and close regular contact with customers may become difficult. Overloaded, growth may stall and a more nimble competitor may jump in to steal your market share.

Benefiting from growth takes proper planning and an increasing level of agility—having the advance knowledge and insight to prepare for whatever shift happens next in your marketplace.

<sup>2</sup>You can find out more about the perils of unplanned growth by downloading our recent report, "The Manufacturer's Guide to Growing Profitably" from the [Growth Resource Centre](#).



# Tackling the Pitfalls of Growth Planning

Five ways Epicor powers growth planning by enabling data-driven debate

## 1 Planning for growth is easier with full business visibility

Instead of presenting financial, sales, operations and production data from different sources in different formats, Epicor ERP solutions highlight key information and trends using analytical tools that present information in a highly visual format and in real time. Rather than making decisions on gut instinct, you benefit from a 360 degree view of your business, helping you to manage spend, expansion plans, or profitability more confidently. These more assured, more agile business decisions lead many manufacturers to faster growth.

## 2 Achieve planned growth with greater operational efficiency

Manufacturing businesses can easily be dragged down by difficulties tracking raw materials, controlling supply chains, managing raw materials, and controlling inventory. Epicor ERP can optimize these processes by providing clear real-time operational data about production performance so you can make smarter business decisions about how to redeploy resources more efficiently, save money, or improve your customer service. With increased operational efficiency, you can attract more business and grow more profitably.

## 3 Increased agility to make the most of new markets

In today's fast moving global markets, manufacturers need to respond quickly to changing demands and maximize new market opportunities. Epicor gives you the agility you need to do this, with a system that fits you and your changing requirements. Built on a flexible architecture, with cloud and on-premises deployment options and with comprehensive mobile access, you have the freedom to shape your business fast.

Clear, actionable data and business insight can lead to quality conversations...





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#### Attract and retain the top talent in your industry with the right technology

By 2025, there will be two million unfilled manufacturing jobs, predicts a study by the Manufacturing Institute and Deloitte Consulting<sup>3</sup>. Businesses that want to grow need to attract and retain highly skilled and productive employees to deliver outstanding customer service and foster innovation. Positive and engaged employees backed by modern, easy to use, real time, mobile and cloud-based tools and solutions can be used to deliver the performance and positive customer experience that underpins your competitive advantage and growth.

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#### Improving customer experience is central to driving growth

Growth is about winning new and profitable business, then keeping it. This makes delivering superior customer experiences essential to any growth plan. Epicor enables you to strengthen relationships with your customers by quickly adapting to their changing needs or by nimbly altering your services to help satisfy them. By becoming more customer-centric, and more agile, your business and your customers businesses can grow together.

<sup>3</sup>Source: [Wall Street Journal](#), "How Manufacturers are Recruiting Millennials", June 7, 2016

“*The amount and accuracy of information available, and the speed with which businesses can get it, is now more advanced than ever. It's essential to be able to interpret the data you have, and make good strategic judgments based on that data.*”

**Rob Morris,**  
Managing Director and General  
Manager of Intellectual Property,  
at leadership consultancy firm YSC

...and the outcome can be profitable growth

# Start Planning for Growth With Our Visionary Cloud-Based ERP Solutions

Research shows that it's natural to have different opinions, even among your senior leaders. According to their CEO, 15% of businesses that responded experienced significant growth. Yet even within these most successful manufacturers, only two thirds of the CFOs agreed with the CEO on the level of growth achieved.

Debate is good for business, stimulating new ideas, innovation, and growth opportunities. But when the battles are more about biased agendas and opinions than informed insight and plans, no company can thrive and grow.

How do you turn pointless disagreements into productive debates? The answer is to base the arguments on accurate information instead of unreliable impressions or 'gut feelings'.

Visionary Epicor software offers executives advanced enterprise-wide solutions that can integrate your business and allow you to turn raw data into meaningful business information that is easily accessible by everyone, all the time. All stakeholders can then participate in the healthiest discussion of all: What does it mean, and what should we do about it?

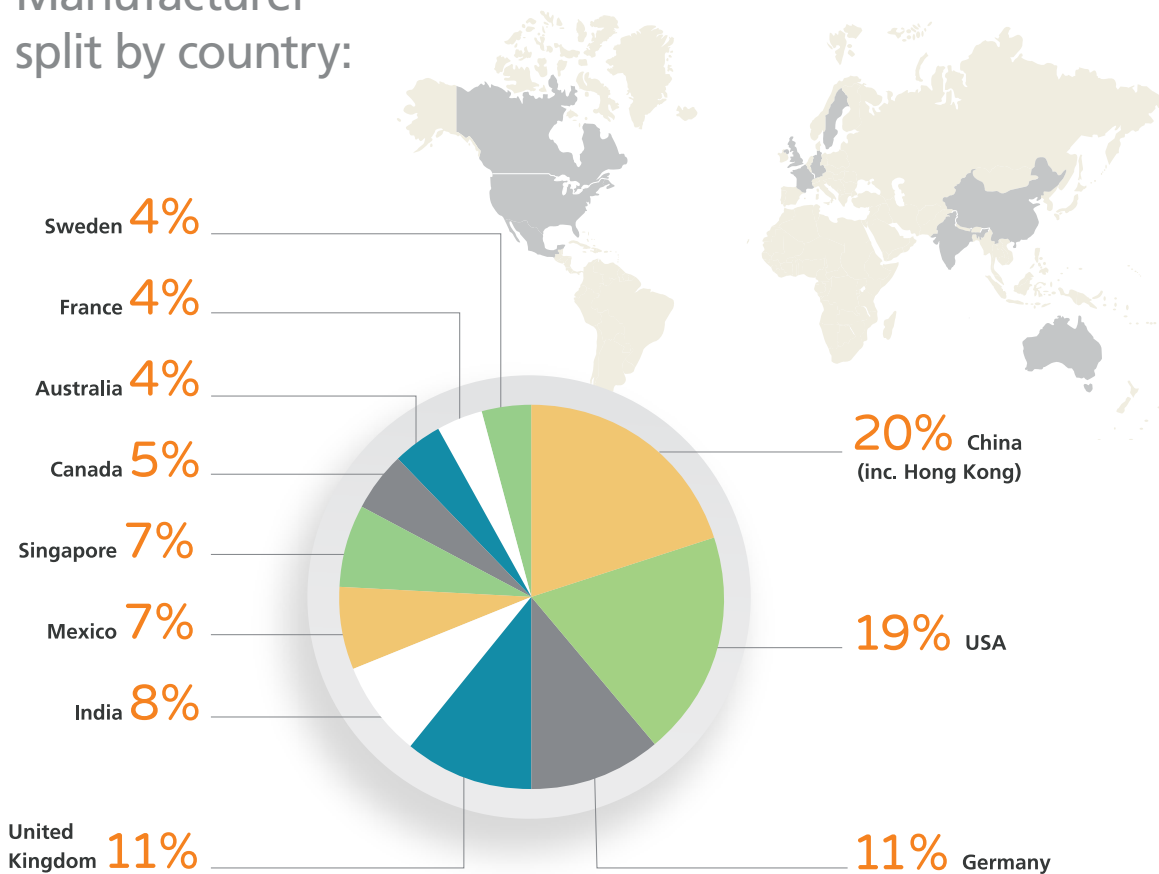


Stop destroying each other's ideas. Elevate your conversations and drive business growth with Epicor ERP. **For more information visit our [Growth Resource Centre](#).**

# Survey Methodology

This eBook is based on research commissioned by Epicor and conducted by MORAR. The findings are based on new analysis of interviews conducted with more than 1,800 individuals in a variety of industries. This eBook (and the demographics below) focus on the manufacturers we spoke to as part of the survey.

## Manufacturer split by country:



## Manufacturer split by size:



## About Epicor

Epicor Software Corporation drives business growth. We provide flexible, industry-specific software that is designed around the needs of our manufacturing, distribution, retail, and service industry customers. More than 40 years of experience with our customers' unique business processes and operational requirements is built into every solution—in the cloud, hosted, or on premises. With a deep understanding of your industry, Epicor solutions spur growth while managing complexity. The result is powerful solutions that free your resources so you can grow your business. For more information, [connect with Epicor](#) or visit [www.epicor.com/mena](http://www.epicor.com/mena).



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