



BUSINESS WORLD

New York: the place to succeed

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BUSINESS WORLD

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Foreword



Stephen Hamlet
CEO
Russell Bedford International

The network has achieved a lot over the past few months. Since the last edition of *Business World*, we have welcomed several new firms, strengthening in particular our resources in the Middle East and Africa, we launched our new website, and we held conferences for the EMEA region in Munich and for Asia Pacific in Ho Chi Minh City.

I spent a couple of weeks travelling around Asia visiting some of our offices and was greeted with such immense hospitality wherever I went. We discussed a lot of practice issues and current economic climates. It continues to be a troubled time for many places in the world for a variety of reasons; yet it is fascinating how one can travel to so many different countries, as I have done in the short amount of time since becoming Russell Bedford's CEO, and encounter many of the same issues.

From Latin America to Asia, from the US to Eastern Europe, in fact wherever I travel, the main challenge for all firms is attracting and retaining talent. We are, after all, a "people profession". Our firms rely heavily on people and even more so in this digital age, as technology replaces several processing tasks, our firms need "people people". By that I mean, people who can engage, interact, empathise and (dare I say it) "sell services".

However, these sorts of people are not generally the types who are attracted to the past reputation of the career of your "typical accountant".

But... the accounting profession is changing; it HAS changed! I'm not here to promote careers in accountancy, but the understanding of how businesses operate and the financial implications of such, all come as part of real and practical training, leading to a myriad of choices for the future. After all, I trained and qualified as an accountant, and I now lead this fabulous international network, traveling the world and engaging with all sorts of people, understanding and helping their practices grow, and facilitating connections to help their clients grow.

The same applies to all businesses - understand your people, learn what excites them, learn what their ambitions are, keep them informed and engaged, and be flexible enough to embrace different working

patterns; since one size does not fit all. You may then attract the right talent and retain the right talent.

As for Russell Bedford, what I have witnessed is a great group of talented people throughout the offices I visit all over the world and, in particular, young generations working their way through the ranks. If we look after our younger generations, we protect our future.

Our YouTube channel now contains a number of videos, highlighting people interaction and the connectivity afforded to members by being part of our network.

Our new branding strategy has also been launched and we shall continue this year to ensure our brand reflects the key pillars of service delivery, expert guidance, being client centric and upholding high standards; which go hand in hand with our values of accountability, integrity, professionalism, excellence, collaboration, delivery and results.

It remains an exciting time for Russell Bedford International and I look forward to even more progress and development as we continue to enhance our network, helping connect talented professionals around the globe as they look to assist businesses on their journeys of international expansion.

Stephen Hamlet

New York: the place to succeed



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Frank Sinatra once sang, 'If I can make it there, I can make it anywhere'. New York is one of the most diverse cities in the world. It is the most populated city in the United States and home to the New York Stock Exchange, one of the world's largest.

New York's economy revolves around the financial markets, real estate, and the arts and entertainment. Although a thriving real estate market makes New York a costly place to live and conduct business, it offers a prime location and excellent opportunities for small businesses, with ambition and a solid business strategy, to flourish. Biz2Credit published in their report *Best Cities for Small Business in America 2018* that New York topped the list for two years running, with average annual revenue for a small business in New York at \$1,016,446.

New York comprises five boroughs, spread over 300 square miles. The population of the largest borough, Brooklyn, alone would rank it third behind Los Angeles and Chicago. New York has more than 120 higher education institutions. These include an Ivy League university, and some of the top-rated education institutions and research universities. There are also major medical institutions offering medical fields of study and research. And, of course, there is tourism; more than 60 million tourists visited New York in 2017.

So where does a small business fit among the large businesses, financial markets and higher education institutions? The established markets and businesses in New York strive for continual

growth and success and demand the best partners and support services to help them. A small business, with a focused business plan and strategy, can participate in the growth that has supported New York for decades. After the September 11 attacks, many thought the New York real estate market would crumble and businesses would flee. While some businesses did leave, the perseverance of those that stayed has paid off. The New York skyline is now dotted with cranes, reflecting the strength and growth of an ever-changing city. This expanding marketplace offers small businesses endless opportunities to develop and grow.

Some small-business owners might look at the New York skyline and feel intimidated. While it's true that New York's skyscrapers house many Fortune 500 companies, they are also home to thriving small businesses. There are numerous opportunities for office space. These range from small executive suites of a single office or two with shared common space, to specialised technology locations that rival Silicon Valley, to shared workspaces such as WeWork. Whatever business accommodation you need, you'll find it in New York.

New York City is a unique marketplace. Yes, the costs are higher than elsewhere in America but the

benefits of being in New York outweigh this. The endless opportunities to network and make business connections across such a diverse marketplace only exist in a city like New York. Also on offer are tax incentives for small businesses including Empowerment Zone Credits, jobs programmes, film credits for productions made in New York, Lower Manhattan rent reductions, and more. These incentives support and benefit small businesses, helping them to prosper.

With a population exceeding 8 million, and a mass-transit system that allows easy access from upstate New York, New Jersey and Connecticut, there is a large pool of talented people ready to support small businesses. The Tristate area (New York, New Jersey, and Connecticut) has some of the most educated and gifted people that a growing small business could ask for.

Three airports, an Amtrak service covering the eastern corridor, and the mass-transit system make travel between New York and other major cities such as Philadelphia and Boston easy. This expands the marketplace for a growing business further, allowing them to develop into other large American cities and burgeoning markets.

The benefits to small businesses from changes to federal tax regulations are yet to be understood and realised. However, certain small-business credits and lower corporate rates, mean small businesses can make significant profits and invest the savings to further their growth and prosperity. Although New York charges its own taxes on corporations and small businesses, certain credits cushion their effect on business finances. Further, the opportunities that exist in New York outweigh any additional costs for any shrewd business entrepreneur that chooses New York as home.

For a small business with the right strategy and the ambition to succeed, Frank Sinatra was right. If you can make it in New York, you can make it anywhere.

“This expanding marketplace offers small businesses endless opportunities to develop and grow.”





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How to become a business development superstar

Whatever your business and however you see your role in your business, success often depends on your relationship-building skills, especially those that lead to new business opportunities.

In this article we look at what you need to learn, practice, say and do to help you improve those relationship skills.

Understand your customers

Long-term success in any industry takes more than a great product or service. To win customers you must offer something different. The key to achieving this is to cultivate a deeper understanding of your customers and prospects.

Business development superstars know what's trending in their target industries, and they are familiar with their customers' businesses and operations. They:

- Read industry newsletters and blogs.
- Get involved in professional organisations.
- Follow political or regulatory decisions and understand their impacts to the industry.
- Study who leads the market and who is disrupting it.
- Recognise and get to know key industry influencers.
- Are aware of common industry challenges and always on the look-out for solutions.
- Ask questions and listen to the answers.

They also understand their customers' business goals, buying culture, key decision-makers, and biggest challenges.

Get involved

To become a business development superstar, and develop others to do the same, you need to dedicate adequate time to the task.

Become the go-to-expert

Be a strategic consumer of information. If most of your work is with specific industries, study industry-specific articles or attend professional organisation meetings. The more you learn about these industries, the easier you will find it to spot opportunities. Becoming an expert takes time but spending just a few minutes each day can equate to a master class by the end of the year.

Network

Networking doesn't have to be scary. Start by re-establishing contact with people you enjoy and admire. Share articles or updates you find interesting on your own social media accounts and invite discussion. If you have an interesting conversation with an acquaintance, follow-up with them a day or so later with a call or quick note with additional information. If you've chosen an industry or issue that excites you, identify the key thought leaders and look for where they publish, what they read, or the groups they belong to. Read what they write and what they're reading and engage them in virtual or in-person conversations. Get involved in their charities, clubs or associations. Follow them on social media and comment or ask questions when they post.

The key is to treat networking as part of your job and set aside time for it every week.

Serve your customers well

Nurturing existing customer relationships is less expensive and less time-consuming than pursuing new business relationships, so the best strategy for becoming a business development superstar is to keep your existing customers satisfied.

Just meeting expectations is not enough to prevent your customers from being lured away by another firm. Customer loyalty comes from receiving value beyond what's expected and it's the key to creating a poach-proof customer. Start with the customers you serve right now. Get to know the people on your customer's team or your key contacts. Think about what they need to be successful in their business and then think of ways to help them accomplish that. You're already learning all you can

about their company and industry, so you'll also be able to talk to them about their challenges or opportunities in their role. Look for and present solutions, even if its outside your area of expertise.

How will you know if your customers are happy? Ask them. If you're not already running customer satisfaction surveys, start doing so. Informal feedback is also an important tool for monitoring the status of your relationship. Ask customers how they think the engagement is going, what they appreciate most, or wish would change. Share that information with your team, act on it and follow-up with your customer to demonstrate that you heard them and took their feedback to heart.

By investing a little time in self-education, doing a little planning and practicing new skills often, you can quickly become a business development superstar.

“The key is to treat networking as part of your job and set aside time for it every week.”



Measuring what matters – why you need a business plan



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Jane has worked in marketing for over 35 years qualifying with CIM. During her career, she has marketed clothing that helped explorers conquer Everest. She then moved to help take Hallidays from its traditional accountancy practice roots to a forward thinking practice that supports its clients' growth. During this exciting journey of change, she has contributed to many articles, features and blogs in order to help and support their clients.

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All businesses need a business plan. A business plan gives you a track to run on by focusing your mind on targets and milestones, and allocating roles and responsibilities to give your business the best chance of succeeding. In this article we will look at why you need a business plan and what it should contain.

Why do you need a business plan?

There are many reasons why you need a business plan so, you need first to be clear on your objective. A business plan for a start-up will look different from an established business that is looking to expand. Maybe you wish to borrow from a bank or attract investors. You might be launching a new product.

Whatever your objective, your plan will document:

- What needs to happen
- When it needs to happen
- How it will happen
- Who will make it happen

What should your business plan include?

Your business plan gives a snapshot of your business and what you are trying to achieve. Remember the goal of your plan, who you're trying to persuade and write for them in a language they will understand. Avoid jargon and business speak.

It is important to start with an executive summary that describes what's coming later in the document. This may be as far as some readers get so you need them to grasp you and your business and give them every reason to read on.

After the executive summary you move into the meat of your business plan. Here you will give a

more detailed overview of:

- your business and your objectives
- key people in the business; this includes you and any external consultants
- your product or service and how you price it
- your target market, where it is and its potential for growth
- your competitors
- your strengths, weaknesses, opportunities and threats (SWOT analysis)
- operational practices, processes, production methods, including premises and equipment requirements
- financial forecasts – performance, cashflow, profit and loss, and balance sheet
- your financial requirements and any security you can offer
- any client satisfaction data and testimonials you can use to support your case and build confidence with the reader.

Once you have documented everything you will have a plan that not only gives you a base from which to move forward but also allows you to measure what matters. Importantly, what gets measured gets done, so set team key performance indicators and monitor them regularly. Sharing your business plan with your team is worthwhile too as it helps everyone work towards the same goal.

Getting help with your business plan

Owning your own business doesn't automatically equip you to plan your business future but there is help available. A skilled adviser can help you prepare the best plan possible and secure any funding you may be looking for.

To find out more about how we can help you measure what matters, and achieve your personal and business goals, visit our website www.hallidays.co.uk to read about how we helped Trust Brand Communications beat its previous year's turnover in only eight months.



Does your executive team need change management training?

Why do most change management initiatives fail? The answer comes as no surprise to anyone who's experienced change in their personal or professional lives (meaning, everyone): change is difficult. It's particularly difficult at an organisation that has built up its culture, as shifting that culture can be as hard for individuals as it would be to move across the country.

There's a reason your organisation is undertaking a new path: in almost every instance the rationale for change is some form of increasing your competitive advantage. Most organisations have a compelling reason and a seemingly motivated executive team; so is change management training actually necessary? Absolutely.

Executives are the driving force in almost any change initiative and the speed of change and the probability of success is a function of their skill in managing change as much as their will to change. Like any competition, the better trained almost always wins. Change management training gives executives the opportunity to develop and sharpen these skills.

Here are some of the skills that must be sharpened:

Crafting the message for impact

Staff who know and understand the reasons for the new direction are much more likely to rally behind it. When initiating and announcing a change, it's important for executives to be able to:

- Harness vision
- Clearly identify all of the reasons for change
- Shape those reasons into an overall message
- Break down the overall message into key statements for various managers, departments, and teams

Executives must communicate effectively with all involved; they must craft the message. When you're considering change management training for executive teams, consider how they address communication skills in transitional times.

Creating a change roadmap

Carrying out a big change is hard enough, but mapping a change strategy is even harder. Every organisation is unique, and not all executives have been involved in a high-stakes transition. Through change management and leadership training, executives are better able to:

- Collect stakeholder input
- Gather thoughts from those who will be affected

- Make informed and inclusive decisions
- Seek engagement and commitment from employees
- Map action steps and a timetable for change
- Receive measurable feedback, which can be put to use if further transition is needed
- Create performance expectations
- Diagnose problems when the change initiative is in motion

With all of these skills, learned and understood, executives can create a solid roadmap for change that serves as the guiding document for the entire transitional period – and beyond.

Delegating responsibilities

Knowing how to delegate effectively is essential for executives managing many parts, but many leaders lack the ability to do this effectively. Instead of leaving the effectiveness of how work and responsibilities are delegated to chance, training programs can show executives exactly how to determine which managers should be assigned particular roles, which is especially important during a time of transition. Just as executives must lead teams through change and recognize the value within each individual, so must their managers and others responsible for change. Delegation training specifically teaches these skills. This type of training shows executives how to give the sign to direct reports that they have the freedom to act, as well as how to give informal coaching to improve problems and ensure employees take ownership of and deliver on their commitments.

Change need not be feared. A transformative time can be exciting for executives, managers, and individuals alike. For leaders at all ranks in the organisation, foundational training in change management, best practices and specialized leadership skills greatly improves capabilities – and is an organisational asset that will improve the organisation's ability to sustainably compete in a marketplace where fast paced change is the norm.



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Creating a healthy workplace pays dividends



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Many benefits flow from having a healthy workplace for both employees and employers. Benefits include higher morale, increased productivity, and happier staff. It pays to invest in promoting a healthy workplace and in this article we present a few simple ideas for you to consider.

A clean and comfortable workspace

Whether you operate a factory, warehouse or office, a clean, organised and clutter-free workplace will

promote wellbeing among your people. Heightened employee wellbeing brings better productivity.

Your employees devote a large part of their lives to being in your workplace. If you want them to perform at their best you need to give them a comfortable environment in which to work. Therefore, ensure that an appropriate level of lighting and temperature control exists for the types of work activity. All equipment must be safe, and all furniture must be comfortable. Make sure the workplace is cleaned regularly by appointing a professional cleaning firm.

Providing a clean and comfortable work environment shows you care about your employees' wellbeing. If your staff have a workspace they are happy and comfortable in, they are more likely to perform to their maximum level.

Promote the right work-life balance

Have a good look at your business culture. Do you expect your staff to work significant overtime or through their lunch breaks? This is a good indicator of your attitude to work-life balance.

A poor work-life balance often reveals itself in high staff turnover. Is your staff turnover higher than your industry standard? If so, why? Make some changes that might encourage a better work-life balance such as:

- limiting access to email communications while on leave
- imposing an end-of-day limit on after-hours business communications such as emails, phone calls and texts
- offering flexible working hours
- allowing staff to work from home sometimes
- organising occasional social events

Making some of these changes shows you have your employees' health and wellbeing in mind. They will repay you with lower turnover and higher productivity. And, practice what you preach.

Encourage healthy activities

The essence of a healthy workplace is healthy employees. Although not for everyone, try offering healthy snack alternatives and support lunchtime walking or running groups. There may be a local gym that would like to team up by offering discounts to your staff or running in-house training sessions. You can also make subtle changes to your business culture by scheduling meetings away from your premises; you could even consider walking meetings.

Breaks are healthy too, so encourage your employees to take their lunch breaks and to make full use of their annual leave entitlement.

Promote positive mental health

Every year, one-in-five Australians will experience mental health issues (source: Mindframe). Mental health is every bit as important as physical health; your employees can't perform at their best if they're stressed, overworked, and fatigued. A healthy workplace must be all encompassing, supporting every aspect of health including: emotional, mental, physical and spiritual. Poor mental health affects concentration, can create conflict, makes people less tolerant, and results in higher absence levels. This all has a knock-on effect on business performance.

Employees often don't feel able to speak up when suffering mental health issues. Therefore, create an environment where employees can feel comfortable speaking to someone about mental health by, for example:

- Running some mental health workshops to educate employees
- Putting support in place for anyone suffering mental health issues now or in the future
- Creating your own mental health policy and involving staff in the process

A healthy workplace contributes to a healthy business

There are no downsides to creating a healthy, clean and comfortable workplace. It promotes professionalism and creates happy, healthy and loyal employees. Put all this together and you have greater productivity and less absence, which all contribute to a healthier business.

“There are no downsides to creating a healthy, clean and comfortable workplace.”



Industry 4.0 – changing business now and in the future

Industry is a pillar of the European economy; the manufacturing sector accounts for 2 million enterprises, 33 million jobs, and 60% of productivity growth. However, facing strong competition from the Far East, manufacturing must modernise and become more competitive to ensure sustainable growth.

Industry 4.0: the opportunities

Advanced digital technologies have a key role to play. These are the technologies that are fuelling what has become known as the Fourth Industrial Revolution, or Industry 4.0. This technological revolution has the potential to transform whole industries, stimulate sustainable economic growth, and fill the competitive gap.

New-generation information technologies such as the Internet of Things, cloud computing, Big Data and data analytics, robotics, and 3D printing have the capability to take industry to a new level. These technologies can make industry more efficient by improving processes and enabling businesses to develop innovative products and services. Recent studies estimate that product and service digitisation can add more than €110 billion of annual revenue in Europe during the next five years (PwC, Opportunities and Challenges of the Industrial Internet (2015), and Boston Consulting Group: the future of productivity and growth in manufacturing industries (2015)). That said, the adoption rate in the EU is still below 60%, but a recent survey of EU businesses shows some positive signs: 75% of respondents view Industry 4.0 as an opportunity, while 64% of companies who have invested in this

field can show positive results (Milan Polytechnic School of Management, "Industry 4.0 Observatory").

Most EU governments have made Industry 4.0 a priority, adopting specific policies aimed at boosting productivity and improving competitiveness. While these countries may have the same overriding goal, specific approaches differ in their design, funding, and implementation.

Germany, followed by the UK, the Netherlands, and France, all focused on applied research, project financing, and tax incentives for hi-tech start-ups. Elsewhere in the EU, priority has been given to accelerating the deployment and application of Industry 4.0 technologies, with Italy – a relative newcomer – showing a stronger focus on research, developing new technologies to meet the challenges of manufacturing innovation.

Industry 4.0: the benefits

There is much evidence throughout Europe of the benefits of using digital technologies. According to Strategy& (PwC, "Industry 4.0: Building the digital enterprise. 2016 Global Industry 4.0 Survey", 2016), a 10% increase in digitisation results in a 0.5% to 0.62% gain in per capita GDP and a reduction in unemployment of 0.84%. At



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a business level, the anticipated cost reductions are significant, with an average reduction in operational costs of 3.6% and a 4.1% improvement in efficiency. Most companies forecast a quick return on investment, with 55% expecting a payback within two years and only 8% expecting to wait more than five years. There is also a strong belief that investing in technology will boost export growth.

The Italian experience

In Italy, the past few years have seen a rapid rise in awareness of Industry 4.0. In 2015, 40% of Italian businesses were unaware of Industry 4.0, this is now running at only 2.5%, while 15% are actively exploring the idea and 55% have already implemented Industry 4.0 technology. Boosted by tax incentives, the overall size of the Industry 4.0 technology business has grown to sales of around €2.4 billion, of which 84% is concentrated in the Italian market, and 16% in exports.

The areas that grasp the interest of business are the Internet of Things, industrial analytics, and cloud manufacturing (Milan Polytechnic School of Management, "Industry 4.0 Observatory"). This has led to three areas of innovation that have affected business processes the most:

- smart lifecycle (product development, life cycle management and supplier management)
- smart supply chain (planning of physical and financial flows)
- smart factory (production, logistics, maintenance, quality, safety and compliance with standards).

The challenge ahead

The challenge for companies now is to match Industry 4.0 applications with their business strategy, rethinking processes and organisational models while balancing them with operational management, continuous improvement, and innovation.

Comparing initiatives throughout the EU tells us that strategic plans for shaping Industry 4.0 rest on three pillars:

- sector-and-technology-neutral tax incentives
- facilitated access to credit for investment purposes by firms that have a low credit rating
- national and international partnerships between public and private sectors.

Although most EU countries have moved in the right direction, the challenges remain enormous. There is a strong need to create the right incentives for innovating, attracting talent from abroad, retaining locally-trained talent, and channelling resources to the most promising projects. Also, education must adapt to these strategic changes; the biggest challenge concerns the area of continuing education, especially with respect to workers in the advanced stages of their careers who may be resistant to change.

It will take farsightedness and cooperation between all stakeholders to transform today's digital revolution into a great opportunity for the European economy.



Five eyes on the fence: structural capital

Protecting the five core capitals of your business

In my book *Five Eyes on the Fence*, I debunk the myth that the health of a business can be judged by its bottom line alone – by its financial capital. Instead, I assert that financial capital is a by-product of four other capitals:

1. Human capital includes the personalities, intelligences, behavioural traits, values, attributes, and motivators of a person, a family, or a company.
2. Intellectual capital is a company's and its employees' knowledge and experience.
3. Social capital is a company's network of people and associates.
4. Structural capital includes a company's processes, systems, and ways of delivering its products or services.

A company that pays attention only to its financial capital has a high probability of failing: The company is keeping only one eye on the fence. The recipe for a company's success is much broader and includes the interrelationship between all five capitals.

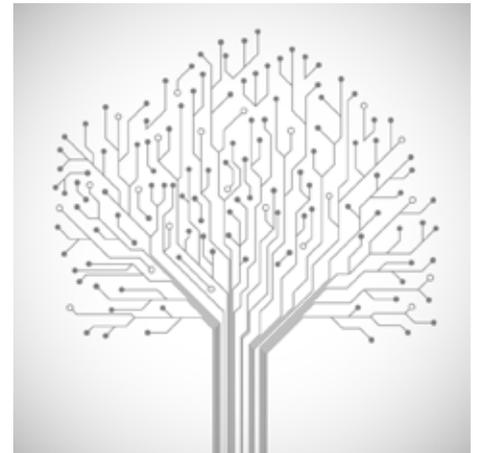
In this series of articles, I examine how the five capitals form an intricate web, and how you can make decisions based on how the five capitals interact. In the March 2017, September 2017, and March 2018 issues of *Business World*, I discussed human capital, intellectual capital, and social capital. In this article, I look at structural capital.

Structural capital

At its core, any structural capital is the way we do things in a business that creates reliable and repeatable outcomes. It is the mechanism by which a company delivers a thought, a product, or a service. It includes systems, processes, and modes of communication, such as employee handbooks, lead-generating systems, invoicing processes, customer-retention structures, and all other structures for sharing knowledge and communicating with social capital.

Structural capital: the glue that holds the others together

A company with rich structural capital will have a



process or processes that make sure:

- Human capital is honored through its actions
- Social capital is protected and leveraged
- Intellectual capital is delivered efficiently
- Financial capital is maximised.

Structural capital, in this way, is the glue that holds all the capitals together, weaving them into a cohesive unit.

To this extent, then, structural capital is the most important. Because all the capitals rely upon one another, structural capital is required to integrate, web, and link everything together. If processes are not solid, the company is likely compromising its human capital, neglecting its intellectual capital, ignoring its social capital, and therefore leaking financial capital in the form of lost profits and opportunities.

And yet, structural capital is often the most ignored of all the capitals.

Building and rebuilding structural capital

Whether they have been consciously created or not, your organisation likely has processes in place. If the structures are not in place intentionally, though, they are probably poor structures. Likewise, if the structures are not reviewed regularly, they very likely will lose their power. Still others will be well-thought-out, but in the end, they create bottlenecks.

For this reason, companies should adopt an attitude of continuous improvement with respect to their structures. Indeed, many companies start believing in the sanctity of a process, confusing the process with the purpose of the process. We must have structure for a reason, not for the structure in and of



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News in brief

● Six new members join Russell Bedford in Africa, the Middle East and Latin America

Russell Bedford International has announced the appointment of six new firms. The new member firms, Ashwin Brothers in Kenya, Matrix Oman in Oman, Kasegenya & Co. in Tanzania, JKLC in Nigeria, Sarmiento & Asociados in Honduras and Assure Consulting in Bahrain add to the steady network growth earlier this year.

Stephen Hamlet, Russell Bedford CEO, said of the new appointments: "I am delighted to see consistent growth within the network. After a very strong start to the year, it is fantastic to see the network grow and expand into new areas. Our three new African members demonstrate the considerable progress we have made in the continent and our new member firms in Oman, Bahrain and Honduras is a further boost to our position in the Middle East and Latin America. It has been a very positive year for Russell Bedford and I look forward to continued success in 2018. A very warm welcome to all of our new members."

● Moscow Firm, IAS, Announces Impressive RAEX Rankings

IAS, member firm of Russell Bedford International, has announced its positions in the recently published rankings by RAEX, a leading Russian rating agency with 20 years of experience, including Bank of Russia credit agencies.

As one of more than 200 companies who were rated, IAS disclosed their impressive rankings which included no. 3 in bookkeeping services outsourcing, no. 5 in audit of insurance companies and no. 7 in IT-consulting.

● Lee Green and Major May join forces

Russell Bedford's Adelaide member firm, Lee Green, and Adelaide based firm, Major May, are merging to create a significant new second tier force in personal, business and community-based financial strategy and delivery, while also bolstering advice and services to international investors in the State.

● A monumental year for Russell Bedford Mexico

This year sees Russell Bedford Mexico celebrate its 25th anniversary - a huge milestone for the Mexican network that has 17 offices located throughout the country.

Following a career spanning the past 35 years, Jorge Jiménez, steps down from the position of managing partner of Russell Bedford Mexico. Jorge will remain at the firm in his capacity as an advisor and with regard to public relations matters, as a founding partner. His functions as board member of the Russell Bedford International will continue until next October.

Javier Jiménez was appointed as the new managing partner for the Mexico City office. His professional career runs to almost 30 years and he was previously in charge of the Audit, Consultancy and Outsourcing areas in Mexico City.

● Saward Dawson announces appointment of a new partner

Saward Dawson, member firm of Russell Bedford International in Melbourne, Australia, has announced the appointment of a new partner, Matthew Stokes.

Matthew Stokes was admitted as a partner effective on 1 July 2018, having joined Saward Dawson as a graduate accountant in July 2001. He has served in the role of manager and subsequently Director in Saward's Dawson Business Advisory Division, servicing an extensive client portfolio. He has also been an essential part of the development of their Consulting Division's service offering.

itself. Ultimately, structures must create a value for which a customer will pay. In other words, they need to work by improving your business.

Because your business, as well as the internal and external environment, will always change, structural capital should also change. Consider, for instance, the uptick in online reviews, like Yelp. If an organisation does not have a process for managing and responding to its Yelp reviews, it can and will be negatively impacted.

Three considerations for building solid structural capital

The best structural capital, then, meets three objectives:

1. First, it is consistent. Systematic processes ensure that nothing within an organisation is being done haphazardly.
2. Second, it is efficient. Structures should alleviate an organisation from having to reinvent the wheel each time it secures a new client or delivers a product or service to a new customer.
3. It should force an organisation to focus on all four of the other capitals. A company can begin seeing how it might increase leads, for instance, by enriching its social capital. It can create a system for systematically evaluating each line item on its profit and loss statements to find less expensive but more efficient methods for creating its product. It can create systematic review and feedback processes to identify external factors that could encroach on its intellectual capital.

When making sure structural capital is intentionally serving an organisation's other capitals, ask these questions:

- Do these processes contribute to making a profit?
- Do we have processes in place to measure the satisfaction of our social capital constituents?
- Do our processes facilitate or impede delivering value to the constituent?

Finally, and most importantly, never be afraid to modify a system. All change can be uncomfortable, but strengthening a structure is like strengthening a muscle - it hurts at first, but it will give you and your company more longevity and the ability to carry more workload in the long run.



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