

Focus on execution, rather than strategy

Entrepreneurs who want to build successful sustainable businesses should focus on execution - rather than fixating on developing a winning strategy, says René Otto, CEO of MiWay.



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René Otto, who launched insurer MiWay in 2008 at the behest of Sanlam, Santam and PSG, says that while it is important that businesses have a strategy – so they know where they are going and what they are doing – it is more important that they are able to execute their strategies if they want to succeed.

“Strategy is not unimportant, but more time and energy should be spent on execution than on strategic planning.” ”

Otto, who was a lawyer before moving into the insurance sector, where he helped found a large insurance company, says that while entrepreneurs should strive to “master both strategy and execution, as, without execution, even the greatest strategy in the world will still ultimately lead to failure.”

“All successful businesses have found solutions to difficult problems and have developed the ability to execute them well. A great strategy that is poorly executed will lead to poor results. However, a mediocre strategy that is well executed will lead to decent results. Of course, a great strategy that is well executed will lead to exceptional results. Therefore, the goal should always be to master both strategy and execution,” he says.

Otto continues, “Execution depends on people, and culture is about the way people do things. A strong corporate culture, based on core values, creates the framework for discipline, focus and ethical behaviour – which in turn leads to good

execution of strategies.”

Otto's provides five tips for entrepreneurs:

1. Have a clear strategy.
2. Ensure you execute properly.
3. Instil a strong corporate culture based on core values, as it is the most effective way to elicit the greatness of people. It is reasonably easy to copy a strategy, but not easy to copy a culture.
4. Focus on the many opportunities that rapid change facilitates, rather than pursuing security, as, if you focus on the many opportunities that rapid change facilitates, you are much more likely to remain relevant in a fast-changing world.
5. Ensure you have capable, passionate people in key positions; people who understand and can help drive your business.

“South Africa has identified entrepreneurship as the solution to the triple threat of poverty, unemployment and inequality with which we are grappling. Unfortunately, too many small businesses in this country fail or fail to grow. I hope that this advice during Global Entrepreneurship Week will help entrepreneurs to not only survive but thrive,” concludes Otto.

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