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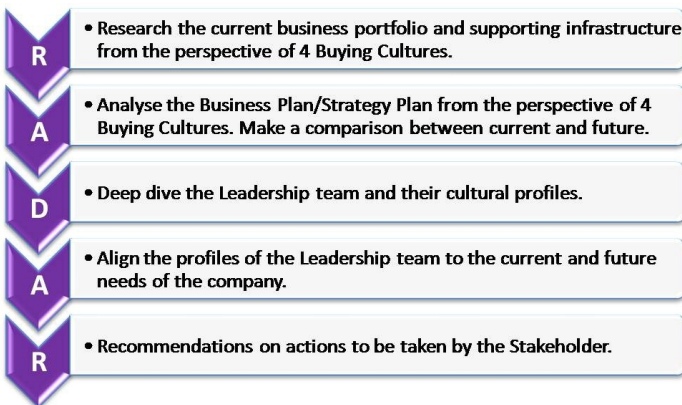
Why Hot Rivet and Human Equity?

In 2010 the banks have seized €50bn of Private Equity backed companies in Europe. Simply injecting more cash is not the answer for Private Equity, they need to be more explicit about whether the leadership in their investments is fit for purpose and that their investments are structured and aligned to growth.

By using the combined resources of Hot Rivet and Human Equity investors can now create detailed change and implementation plans integrating growth strategy and Leadership suitability for their portfolio companies in a matter of weeks.

What is our RADAR Methodology?

The methodology is kept simple—five clearly defined steps. Each step builds the level of intelligence and insight to be used in the next phase, culminating in the delivery of a strong and verified recommendations plan for Investors.



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This plan will contain both the strategic HR and business strategy components needed to make key development decisions. Communication is made easy by the use of the Hot Rivet language and models.

What are the Principles of this Co-operation?

In the book “Why Killer Products Don’t Sell” we see that customers use four Buying Cultures to manage their vendor relationships. These Buying Cultures reveal very different intent in each, as the diagram shows.

These Buying Cultures also reveal that as the customer moves from Value Captured towards Value Offered they also increase their level of control over the relationship with vendors. What this insight also reveals is that vendors can no longer work with a “one size fits all” sales model as this gives them only a 25% chance of effective market alignment.

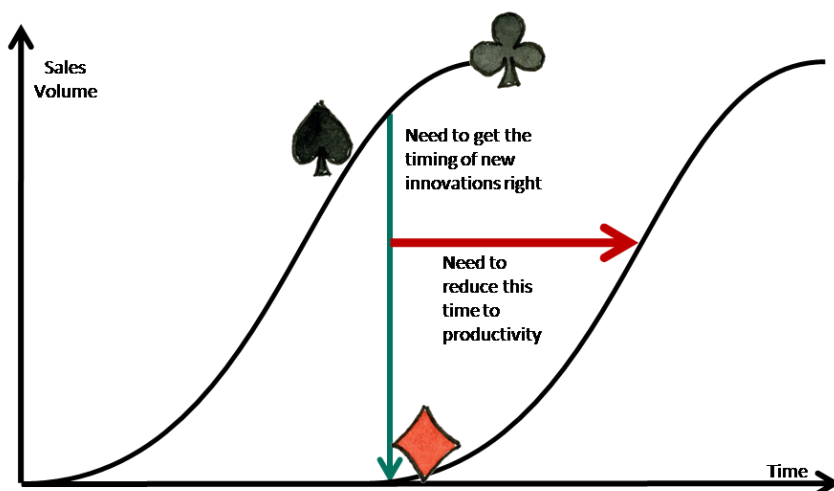
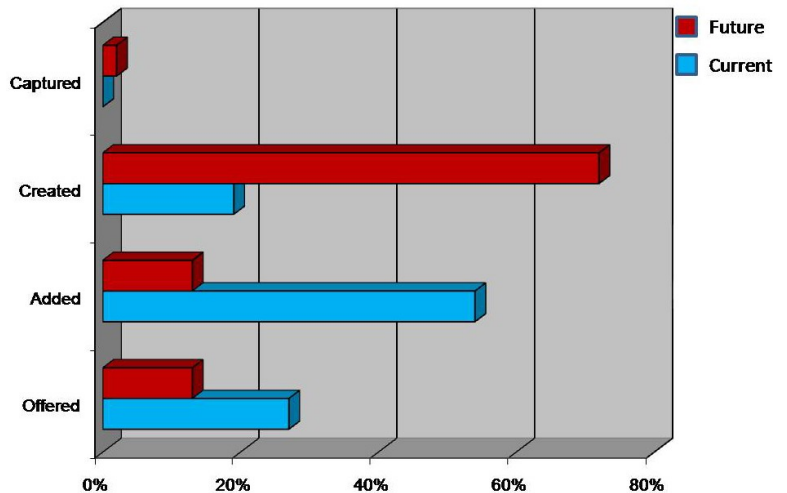
Value Offered. The customers will know what they want quite explicitly and so will be looking for vendors with products or services with features and price to meet the customers’ specifications.	Value Created. The customers are looking for insight on unforeseen risk in their thinking. The vendors must create new value for the customers by using their unique perspective on the customers’ world to gain mindshare.
Value Captured. The customers are looking to capture value jointly with vendors through the tangible returns which the vendors brings through change. The customers will not pay the vendors for products or services themselves.	Value Added. The customers understand their business needs and are looking for vendors who add value by using their knowledge of their own products and services to build solutions which meet the customers’ needs.

In defining the growth strategy of a business in terms of Buying Culture mix (%) it is possible to also define quite precisely what kind of Leadership is best suited to deliver success on plan.

There is an example on the following page.

Leadership Progression and Succession.

In this example of a growth strategy analysis which compares current performance with future performance we see that the Buying Culture mix for the vendor will radically change. In this situation the investor would have to ask how suitable the current Leadership team would be for the radically different profile which it would need to deliver its business strategy – could the Leadership be developed or would they need to be replaced? Typically an investor does not get this degree of insight and as a result the time to productivity for the vendor (the investment) will be much longer than need be. With this insight the investor can develop a succession plan in a positive way.



Repeated chasm crossing is often a challenge for innovative vendors but because the Buying Culture models are aligned to classic growth curves the Leadership progression can also be predicted. A vendor cannot control which Buying Culture a customer will use but they can mirror the Buying Culture profile of their targeted customers with their Operational Culture. This Buying Culture profile will change with time since it is influenced by market conditions, market perceptions and most importantly the maturity of the vendor's offering.

Summary.

Leadership alignment will deliver a plan for the investor which:

- Integrates sales strategy and Leadership talent development.
- Develops both the human and strategy dimensions, hand-in-hand.
- Transforms your current mess of operational cultures to an organization where the customers and your solutions are correctly aligned.
- Allows change to be viewed, managed and driven both strategically and tactically.
- Reduces the time to productivity of the growth strategy.
- Provides real-time analysis and management.
- Makes growth accountable.

Human-Equity Ltd was formed in 2008, with internationally recognised investment, sales and business psychology experts, averaging over 15 years of executive experience each. Our team has a unique focus in combining HR intelligence in the finance sector, and the contexts of management buy-outs, buy-ins, mergers and acquisitions. A particular strength is in working across international cultures, and multi-national companies. Our associates are based in the UK, Denmark, France, USA and UAE, with the ability to deliver Worldwide.

Hot Rivet was founded in 2001 as a result of a decade of experience and research into B2B sales and marketing across many industry sectors. Recently the philosophy developed by Hot Rivet's founder, Dominic Rowsell, was published by J Wiley in a book called "Why Killer Products Don't Sell...." Hot Rivet delivers major productivity gains and improved market positioning by helping companies align their whole organisation to the Buying Culture prevalent in their key markets.