



Four Cornerstones of Business Success: Introduction

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If you are a Los Angeles or Southern California business owners or entrepreneur who is serious about running a successful business, there are certain things that you must do. For example, you must be willing to work harder and smarter than your competitors. And you must ensure that your company has adequate cash flow to meet working capital needs so you can cover your day-to-day operating expenses.

But there are other keys to business success beyond possessing a hard work ethic, having a certain degree of business smarts, and knowing how to manage cash. In fact, I have identified a handful of principles that I refer to as the “four cornerstones of business success.” These are so important that I do not believe a company can be successful unless the owner or entrepreneur embraces them and incorporates them into the core fabric of the company’s being.

What Are the Four Cornerstones?

This article will identify and briefly touch on each one of these cornerstones. In a series of articles to follow, we will delve into each of the four cornerstone in more detail.

1. Corporate Mission — In recent years, having a “mission statement” has become all the rage in some business management circles. Some companies devote entire teams of employees to coming up with just the right mission statement that captures the essence of what their business is all about in 25 words or fewer. But defining your company’s mission is about much more than just coming up with a pithy mission statement that you can use in your marketing materials.

Your mission should clearly define the fundamental reason why your company exists. As you think about your mission, go deeper than just creating a certain kind of product, delivering a certain kind of service, or making a certain amount of money for owners and shareholders. Sure, these are important, but they shouldn’t be your main reason for being.

When it comes to your mission statement, strive to create one that is clear, simple and easy to understand and remember. If you read many companies’ mission statements, you’ll see that they are the opposite of simple and clear. Instead, they are little more than long-winded phrases full of meaningless corporate-speak and fancy words like “synergies,” “best-practices” and “added shareholder value.” If your spouse or high school son or daughter doesn’t understand what you’re saying, go back and start over again.

2. Long-Term Vision — Sometimes, owners and entrepreneurs use the terms “mission” and “vision” interchangeably, but they are not the same thing — far from it. While your mission statement defines who your company is at its core and your reason for existence, your vision provides a blueprint for what your company stands for and what it wants to be in the future.

Vision is long term in nature. It should provide your executives, employees and other stakeholders with a glimpse of where you see the business three, five or even 10 years from now. Casting a corporate vision is

something that only *you* as the owner or CEO can do. You can't delegate this task to someone else — it is your responsibility as the leader of the organization. Your vision should motivate and inspire others to work hard and remain loyal in order to achieve it.

3. Company Values — Values are often thought of more in the personal realm than the business realm. For example, most people have a core set of values that drives their beliefs and behaviors and helps them determine what their priorities in life are.

However, businesses have values, too, whether they realize it or not. For example, a company that values honesty will operate transparently and be upfront and truthful with its employees and customers in all situations. Or a company that values its employees will treat them fairly and show concern about them not just as employees, but as human beings as well. Spend some time with your executives and core management team discussing what values define your company.

4. Corporate Culture — When taken together, your mission, vision and values will define and create your corporate culture. Every company's culture is a little bit different, but all companies have a culture. The one thing that all corporate cultures have in common is that they are defined by the "tone at the top" of the organization. You and your executive team will draft the mission, cast the vision and set the values that lay the foundation for your corporate culture.

Keep in mind that corporate culture goes beyond things like whether the atmosphere at your company is more rigid or relaxed, or whether employees dress formally or casually. Like your mission, vision and values, your culture is derived from the core of what your company is, why it exists, and what it stands for — beyond just offering products and services to the marketplace or making money for owners and shareholders.

Concluding Thoughts

There are certain things that any business owner or entrepreneur must do in order to be successful. Of course, this includes things like working hard and smart and managing cash flow well, but it also includes some things that are less tangible. Specifically, there are four cornerstones of business success: a corporate mission, long-term vision, company values and corporate culture. Companies cannot be successful unless the owner or entrepreneur embraces these cornerstones and incorporates them into the core fabric of the company's being.

This article is part of a series, and links to all articles are provided here:

Four Cornerstones of Business Success

Introduction – *This article is the Introduction.*

[1. Corporate Mission](#)

[2. Long-Term Vision](#)

[3. Company Values](#)

[4. Corporate Culture](#)

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