



By AJ Kulatunga

**W**hat makes a great CEO? Many are fascinated by the answer to this question because there are so many different qualities and traits required to be a successful CEO. However, there is one quality that really stands out as being a key success factor of a great CEO: their ability to think like an entrepreneur.

The common definition of an entrepreneur is someone who takes an idea and makes money out of it. But, by today's standards, there are more factors at play. An entrepreneur is someone who has an idea and transforms that idea into an outcome. Yes, a lot of the times that outcome can have a monetary value attached to it, but it doesn't always have to be the case.



# The *WW* *Entrepreneurial* Mind



A successful CEO's greatest weapon.

When you look at the CEOs of successful companies, they all view the world through entrepreneurial lenses based on this new definition. They see opportunities and possibilities and determine an appropriate outcome that they want to achieve. If it were so easy to convert an idea into an outcome, then everyone would be doing it, but the challenge lies in overcoming the barriers that exist between the idea and the outcome. Essentially, entrepreneurs use their skills, knowledge, and perspective to smash down these barriers and achieve their outcome. This is called the 'entrepreneurial mind', and it refers to how great CEOs, leaders, and entrepreneurs view the world: through a series of ideas, outcomes, and the barriers in between.

Management consultant Peter Drucker coined the term 'corporate entrepreneurship' and used it to describe the value-creation process within an existing organisation. There has been a lot of work done in this area over the years, but since the 90s, we've heard new, fancy terms spring up like 'intrapreneur', 'solopreneur', and 'infopreneur'. While each term refers to a specific niche and is meant to relate back to the principles and philosophies of entrepreneurship, they appear to dilute and cheapen the original meaning.

If we embrace the entrepreneurial mind, we see incredibly competitive advantages from adopting the art, science, and philosophy of entrepreneurship. One such area is innovation, and entrepreneurial CEOs are able to achieve and sustain incredibly competitive advantages within their industry.

Take, for example, Nike, listed as the most innovative company for 2013 in Fast Company. CEO Mike Parker definitely embraces the entrepreneurial mind, and states, "One of my fears is being this big, slow, constipated, bureaucratic

company that's happy with its success ... companies fall apart when their model is so successful that it stifles thinking." The invention of such products as the FuelBand and the Flyknit Racer required completely different thinking, and Parker seems to have created a strong culture of corporate entrepreneurship that facilitates and enables such thinking. His entrepreneurial philosophy has paid off with Nike successfully making the transition from clothing and apparel to technology and data services. It has also experienced a 60-per-cent rise in revenue and a 57-per-cent rise in profits since Parker and his entrepreneurial mind took the helm seven years ago.

There's plenty of other evidence around that shows corporate entrepreneurship facilitates an easier path towards achieving strategic outcomes and increasing shareholder value. But how exactly does a CEO inspire entrepreneurial thinking within their organisation?

First of all, not everyone is suited to being an entrepreneur, and disasters happen when you identify the wrong candidate to turn into an entrepreneur. Take, for example, a bright, young graduate who was severely qualified. He had the right attitude, was extremely polite, and was willing to learn new things. But when he was taught to think like an entrepreneur, he failed miserably because his teacher failed to recognise that despite his academic qualifications and keen desire to learn new things, the way he thought and approached work was that of someone who required step-by-step instructions to operate effectively.

Yes, every organisation needs people like that, but they are not suited to an entrepreneurial program. One of the questions that could be asked in an interview when hiring is: "Do you believe it's important to follow the processes

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and procedures within an organisation to deliver, or do you believe in doing whatever it takes in order to deliver?" That way you determine where this person should fit within your organisation.

Another mistake made in organisations trying to adopt entrepreneurial thinking is that people are inspired, motivated, and encouraged to think like entrepreneurs; but policies and procedures are not changed to facilitate that mindset. As a result, they think like entrepreneurs but can't actually achieve anything because it's against corporate policy. You can't have it both ways: You either stick to your policies and procedures and risk irrelevancy in the market, or innovate and stick around for the next five years.

The best way to implement entrepreneurial thinking within an organisation is to pick the right people, give them the freedom to move, and then teach them how to think like an entrepreneur. If your organisation is highly risk averse, pick a pilot project and create a cross-functional team that is able to achieve the outcome.

The success of this will vary according to the already entrenched organisational culture, which might not always embrace entrepreneurial thinking. But if you, as an entrepreneurial CEO, can successfully inspire an entrepreneurial culture, you will start to see immense strategic and operational benefits that perhaps never existed before.

That's why entrepreneurs are the ones who change the world. •

**About AJ Kulatunga**

AJ Kulatunga is an award-winning keynote speaker and consultant who helps companies, executives, and organisations to think like entrepreneurs and increase their competitive advantage. Connect with AJ via [ajkulatunga.com](http://ajkulatunga.com).