

Pulse Survey  
Findings

# Business Acumen

*A quick review  
of business acumen  
in today's organizations*



INSTITUTE FOR  
CORPORATE PRODUCTIVITY



# Strategy

## *i4cp's Action Plan for Building Business Acumen in Your Organization!*

**1**

Conduct an internal survey or focus groups to find out just how serious the lack of business acumen is in your organization.

**2**

Try to determine if there's any correlation between scarcities of business knowledge and stumbling blocks to business performance. If there *is* a lack of business acumen, is it holding back your organization?

**3**

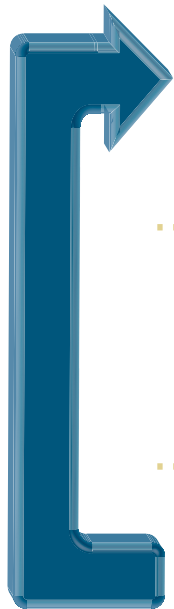
If so, work with an integrated team of business experts and learning experts to arrive at a plan for improving skills in the areas identified.

**4**

Start with a small group of employees who have relatively low business acumen to discover how best to teach these skills. Try to determine if there's a positive relationship to performance levels.

**5**

If there's a positive impact, expand the program to other areas of the organization. If not, try to understand why and act accordingly.

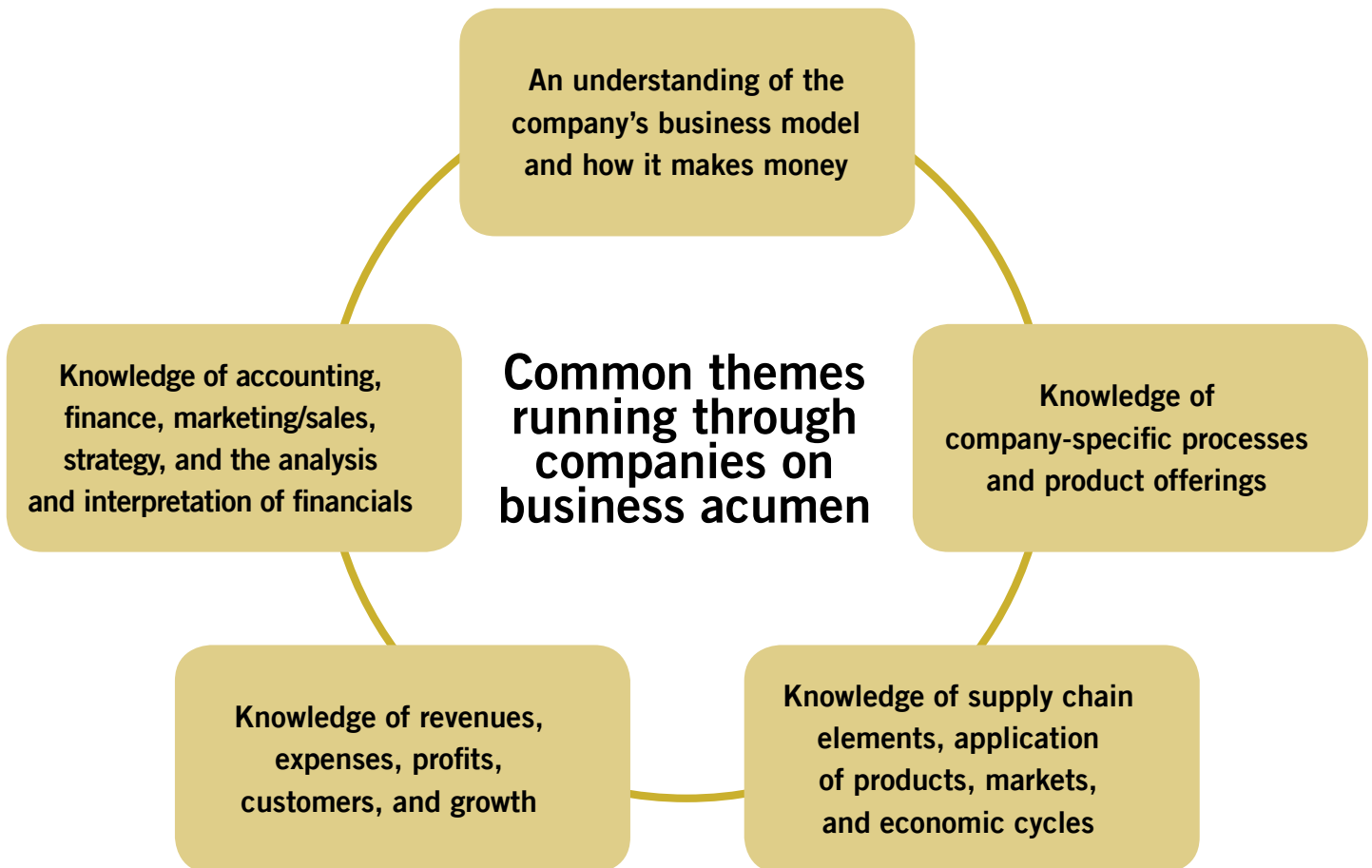


## What Was Asked

- a. How do organizations define business acumen?
- b. How large a problem is the lack of business acumen among today's employees?
- c. How do organizations deal with deficits via training and other solutions?

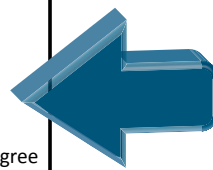
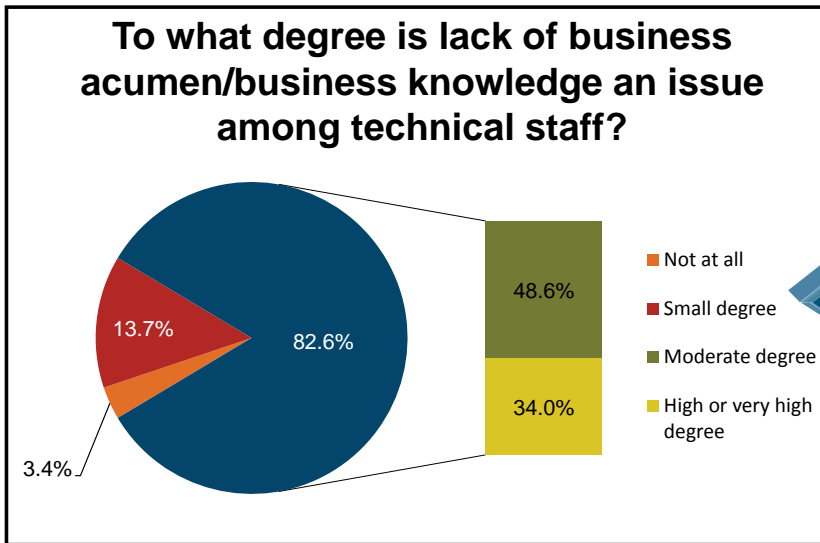
## Lessons Learned

**Lesson 1:** There's no single definition of or consensus on business acumen, but there are some common ideas on what the term means:



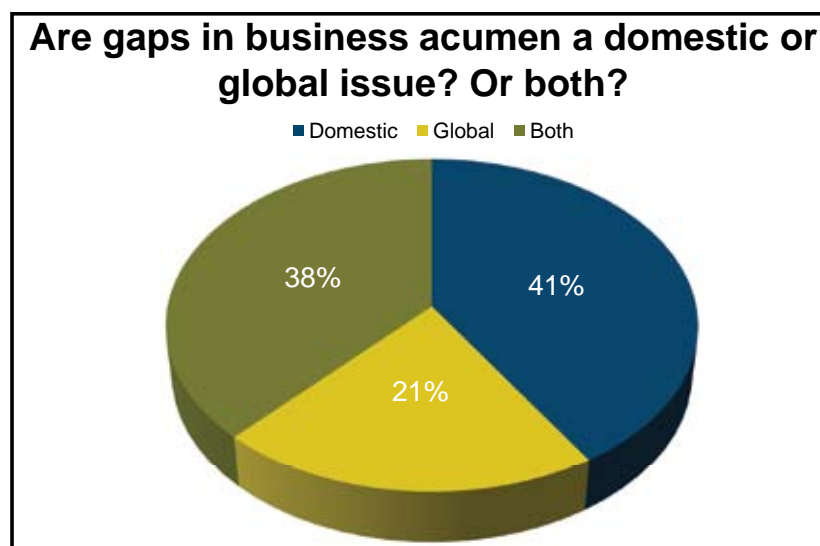
**Lesson 2: There is a serious lack of business acumen in many organizations.**

- a. At the technical staff level, 34% of respondents say that a lack of business acumen is an issue to a high or very high degree. When those who see it as a problem to a “moderate degree” are added, then four out of five respondents see this as a problem in their organizations.



**Four out of five respondents see this as a problem.**

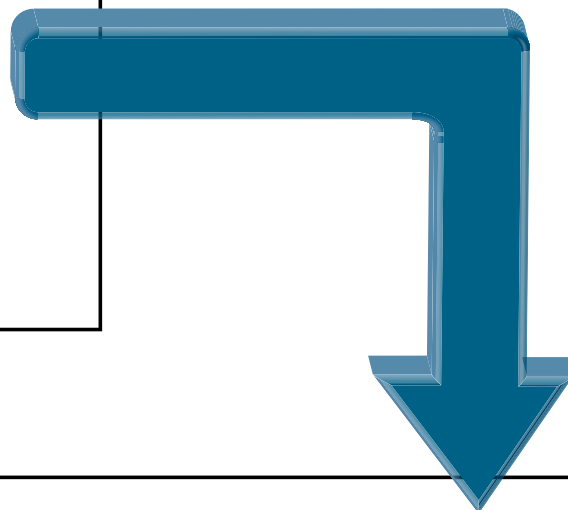
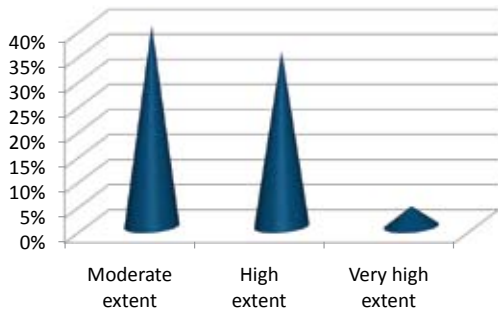
- b. Despite all the hype about U.S. skill deficits, the problem goes beyond that. While 41% of respondents said the business acumen problem is domestic, 21% said it’s global and 38% said it’s both global and domestic.



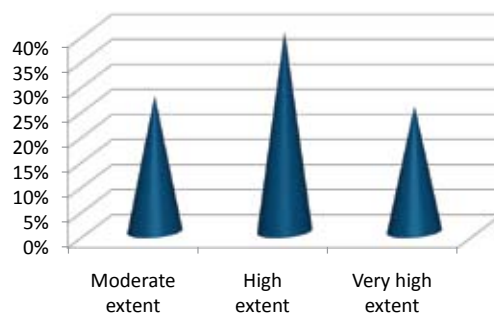
**Lesson 3: Business acumen scarcities potentially have a large business impact, especially among managers.**

- a. A lack of business acumen among individual contributors (such as engineers and other white-collar professionals) has an impact on the business to a moderate (40%), high (34.5%) or very high (4%) degree.
- b. But the impact is even greater among leaders. A lack of business acumen among managers or executives has an impact on the business to a moderate (27%), high (40%), or very high (25%) degree.

**How does lack of business acumen among individual contributors (white-collar/engineer) impact the business?**



**How does lack of business acumen among managers (and above) impact the business?**

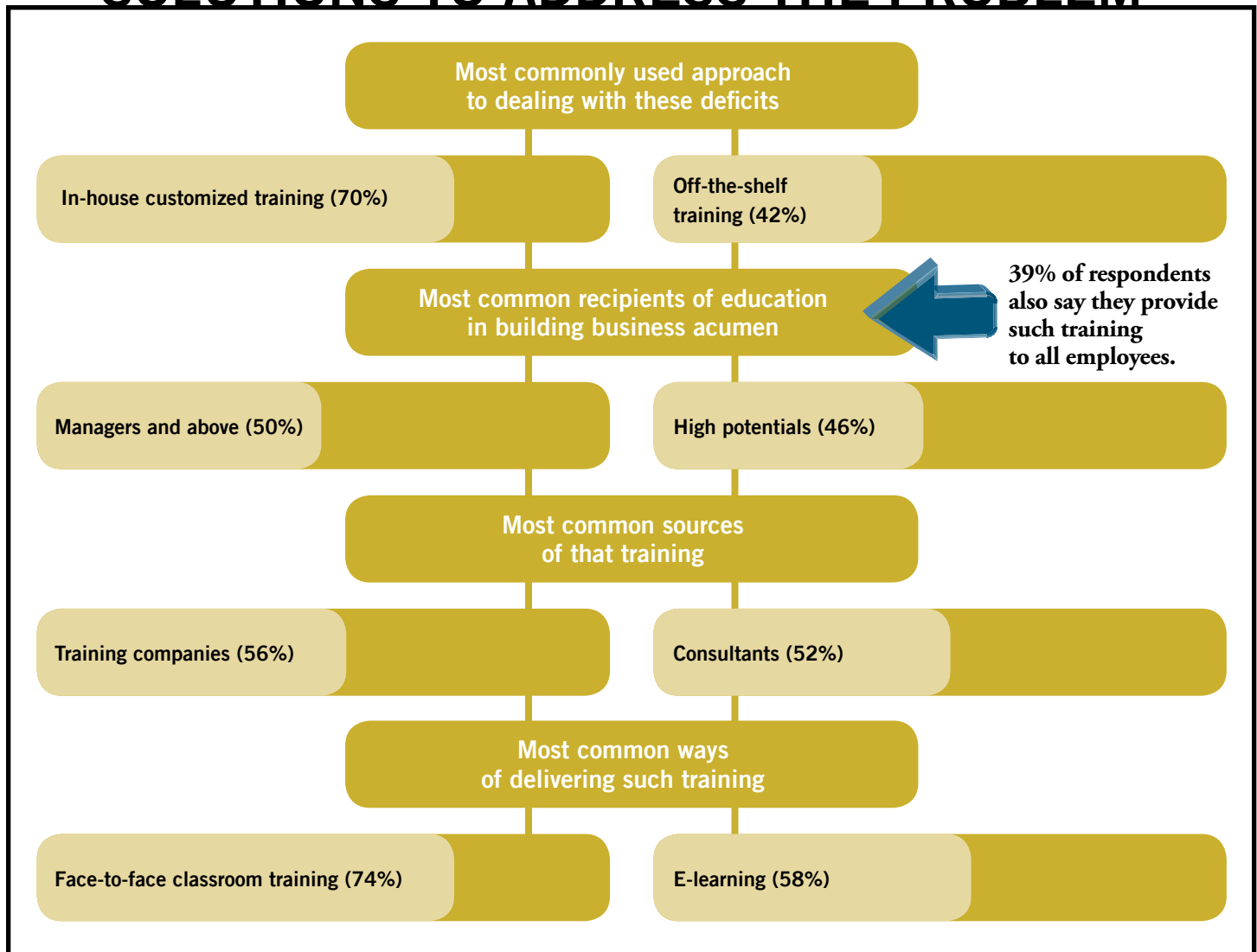


**THE POTENTIAL IMPACT IS EVEN GREATER AMONG LEADERS.**

**Lesson 4: There are solutions out there to address it.**

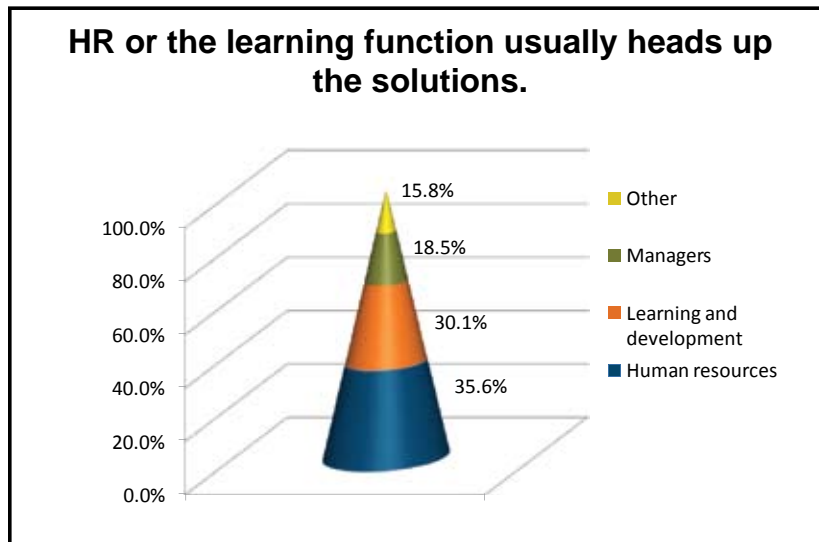
- a. The most commonly used approach to dealing with these deficits is in-house customized training (70%), followed by off-the-shelf training (42%).
- b. The most common recipients of education in building business acumen are managers and above (50%) and high potentials (46%). Interestingly, 39% of respondents also say they provide such training to all employees.
- c. The most common sources of that training are training companies (56%), followed closely by consultants (52%).
- d. And the most common ways of delivering such training are via face-to-face classroom training (74%) and e-learning (58%).

## SOLUTIONS TO ADDRESS THE PROBLEM



**Lesson 5: HR or the learning function usually heads up the solutions.**

- a. HR sponsors learning solutions 36% of the time, while learning and development sponsor them 30% of the time.
- b. But most companies (67%) want to keep the costs of such training down to **no more than \$999 per classroom seat per day.**



MOST COMPANIES (67%) WANT TO KEEP THE COSTS OF SUCH TRAINING DOWN TO **NO MORE THAN \$999 PER CLASSROOM SEAT PER DAY.**



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