



Strategy Tip #6

Use four synergy
levers to win as a
group of companies

For many, **winning as a group** of businesses is a struggle. But it does not have to be. It is quite like winning on the company level.

All you need to do is offer more **value** to your 'customers'- in this case your **business units** - than any alternative.

That value typically comes from **four** powerful **levers**



1: Horizontal benefits

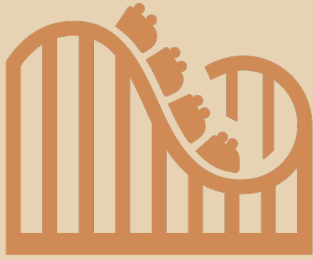


The most obvious value come from **cooperation** across businesses, like cross-selling, joint operations, and the exchange of best practices.

As former **Unilever** CEO Floris Maljers once remarked, “I am just a glorified personnel manager”, referring to how he created stronger businesses by moving talented people and ideas across the group.

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2: Top-down benefits



In some cases, the corporate center itself brings **unique expertise** that adds value across the group.

Virgin, for example, created a powerful corporate brand that added value to a wide range of businesses, from trains to insurance.

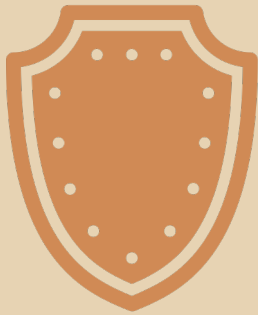
3: Management oversight



The group can also **push** the businesses forward faster than they would on their own, often through rigorous reporting and internal benchmarking.

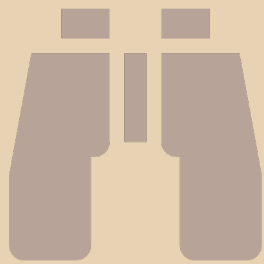
As Andrew Land, former CEO of **Hagemeyer** a conglomerate of wholesalers, put it: "I don't care how the clock is ticking, just tell me what time it is".

4: Portfolio benefits



And finally – and mostly overlooked - the group can invest in new businesses to **protect** or **strengthen** existing ones.

Microsoft launched the X-Box to avoid giving Sony a 'beachhead' in the living room with its PlayStation that could eventually weaken the PC ecosystem.



When managing a group of businesses, **look beyond obvious synergies**. The real advantage lies in orchestrating opportunities others overlook.

If you're exploring ways to unlock more value across your portfolio, feel free to reach out, we're always open to a conversation.

