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Many companies make decisions that compromise value in the name of creating value. But with courage and independence, executives can apply the four cornerstones of finance to make sound decisions that lead to lasting value creation.

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Return on capital and *growth* are the twin drivers of value creation, but they rarely matter equally. Sometimes raising returns matters more, whereas other times accelerating growth matters more.

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You can create the illusion of value or you can create real value. Sometimes acquisitions and financial engineering schemes create value, and sometimes they don't. No matter how you slice the financial pie, only improving cash flow creates value.

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