## The Race – How To Avoid Getting Eaten

There is an old joke that you may well have heard, bear with me, there is a point to all this..... A cameraman and his soundman were filming a pride of lions far out on the African Veldt hidden in an isolated clump of scrub. Slowly a large male stood up sniffed the air and fixed them with a hungry look "The wind has changed" stammered the sound man and turning to his cameraman saw him strapping on some running shoes "what do you think you are doing" he nervously stammered "you'll never outrun a fully grown lion". The cameraman looked back and said "I don't need to outrun the lion I just need to outrun you!" A metaphor for the window market at the moment if ever there was one.



There is probably no company, no matter what sector you choose, retail, trade, commercial or indeed systems supplier that is big enough to outrun the market so the aim must be to outrun the competition. A simple enough conclusion you would have thought but in the course of speaking with MD's and owners we often hear the market used as a reason for the business underperforming. Of course things are difficult but they are equally difficult for everyone. The days of being able to conduct your business in a wasteful way and still make money are no longer with us and that painful truth is too much for some of your competitors... but good news if you are prepared to strap on your running shoes.

The slowest companies in the race are going to get eaten even if they are running fast but the truth is many of your competitors are not good at adapting and will continue to try and get by as they always have with the same systems and processes and the same people underperforming but 'trying' a bit harder. However as someone once said "It is a kind of madness to continue to do the same things and expect the results to be different". Yet still businesses do this hoping 'the lion' will go back to sleep and they won't have to run!

Usually, unless the business is particularly bad a 10% *overall improvement consists* of improving lots of little things that overall add up to 10% rather than waiving a magic wand and getting a result. Don't get me wrong, we've worked with businesses where simply stopping doing something (like making something that can be bought more efficiently for example) has had that effect but that is usually a 'one off' and still leaves opportunity to improve the bottom line. Process improvement in all aspects of a business, not just manufacturing but applying lean principles to processes such as sales, distribution and installation, repays the effort. You need to make up your mind that you want to race however, there must be the will to improve and there must be the effort, no consultant no matter how good can give you those (though they can and will, if they are any good, act as the catalyst for you with your people)

So operational efficiency, no matter what the operation happens to be is essential not just to the level of profitability but to survival itself when markets are tough. If the much discussed practice of phoenixing businesses contributes to survival of the least fit (<u>Darwin and The Survival Of The Least Fit</u>) then maybe the market at present will produce some lean and fit specialist 'runners', that is the market will produce the Most Fit.

Operational efficiency however is not a strategy, it just keeps you in the race (and out of the jaws of the market). Strategy is about doing something different or doing the same things in a different way. As well as more operationally efficient businesses I'm sure we are going to see some different ways of doing business in the next few years. After all running away from the group that the lion is chasing and leaving him to catch and eat the slowest in that group is also a good survival strategy!!

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