

News

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## FLEXIBILITY, ENGAGEMENT AND CUSTOMER ORIENTATION: HOW TO SURVIVE AND THRIVE IN UNCERTAIN TIMES

In the past few years we have witnessed a period of unprecedented economic turbulence and uncertainty. A combination of slower catch-up growth by emerging economies and ageing societies in the developed world are set to hold back global growth despite signs of a recovery setting in. Companies with exposure to the Euro zone are carefully watching the financial and political crisis in the European Union. On the other hand, globalization and the Internet are dissolving boundaries within markets and industries, bringing forth new opportunities for consumers, companies and economies. More changes will come, and we have to react to change. But how companies choose to react to change and uncertainty will make all the difference.

Systems seem to be approaching the limits of their controllability. As the world gets smaller and more complex, businesses are forced to think in new ways about how they compete for customers, employees, and talent. Gone are the days when 'annual plans' were written in stone and followed like the Bible. More than ever, leaders must show the flexibility to adapt to change. In times of uncertainty it is perfectly acceptable to revise your business plan more frequently than once a year. Business plans are written with certain assumptions built-in and these assumptions are context sensitive. Adaptability is the best leadership attitude in a perfect corporate storm.

### Assess exposure to known risks and dependencies

In times of uncertainty it is important to step back and identify risks and to appraise key relationships. Is the company over-reliant on one particular product, customer or industry? While this reliance may have been fine in periods of economic growth, it is important to recognize that a dependency on one supplier or customer dramatically increases the risk. A diversification strategy can help to mitigate against an over-reliance on one product, supplier or customer.

### Undertake Business Benchmarking: Learn from the best

There are a range of processes and outcomes that can be benchmarked. These include both financial and non-financial factors. Your KPIs can be benchmarked against internal targets, competitors, industry data or best practice. Benchmarking allows you to

understand how your business is performing relative to other businesses. It will allow you to identify areas of improvement and achieve best practice, which in turn will bring financial success to your company.

### True leadership, engaged employees

It is important to recognize that increased uncertainty also brings opportunity. If competitive brands reduce marketing spend, it may be an opportunity for you to grow brand awareness and intensify customer contacts. Tougher conditions may force you to assess ways to reduce costs across your value chain or to innovate to better serve customers and markets.

Rapid and efficient innovation is the key to succeeding in such a world, and creativity is the fuel. Leaders today must become generators of cutting-edge ideas. True leaders inspire and connect people to make their company successful. They advocate transparency, keep their customers engaged and find new ways to rejuvenate their people, focus on their skills development, engage them and get them back into the center of innovation. The business leaders with the right answers will help their companies thrive in the midst of change.

### Independent experts can provide an outside perspective

The increased uncertainty in our environment means that planning for the future has become more difficult. However, it is how we deal with this extra risk will determine how our businesses fare over the coming months and years.

The experts of MFB Resultants can work with you to provide an independent view on any specific areas of concern, or review the overall health of your business. We can discuss and review the issues relevant to your business and industry sector, and assist in identifying appropriate actions to help your company survive and thrive in uncertain times.

### MFB Resultants – We deliver results.