

See different, be different

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Every organisation wants to be flexible enough to adjust quickly to changing market conditions, lean enough to beat any competitor's price, innovative enough to keep its products and services technologically fresh, and dedicated enough to deliver maximum quality and customer service. So, if managements want companies that are mean, nimble, flexible, responsive, competitive, innovative, efficient, customer-focussed and profitable, why are so many businesses bloated, clumsy, rigid, sluggish, noncompetitive, uncreative, inefficient, disdainful of customer needs, and losing money? The answer lies in how these companies do their work and why they do it that way. The results that companies achieve are often very different from the results that their managements desire...



The dominant force in the seller-customer relationship has changed since the 80s elsewhere and the 90s in India. We are no longer in the sellers market. Sellers no longer have the upper hand. Customers do! Customers now tell suppliers what they want, when they want, how they want it, and what they will pay for it. This new situation is unsettling to companies that have known life only in the mass market.

In reality, mass market never existed. But, the idea provided manufacturers with useful fiction that their customers were more or less alike. Mass-market suppliers in India had few competitors and they offered very similar products and services. Customers were not dissatisfied. It was just that they did not know there was something better. For example, the customers were happy with Bajaj Auto until Honda and Yamaha came along, and they were satisfied with Premier Automobiles and Hindustan Motors until Suzuki and the others came along.

Now that they have choices, customers do not

behave as if they are cast in the same mould. They demand products designed for their unique and particular needs. The notion of 'the' customer has been replaced by 'this' customer. The mass market has broken into pieces, some as small as single customer. The balance of market power has shifted from the producer to the customer.

Yes, Prime Minister?

There are organisations that get things done wherein people meet their commitments, and there are others that do not. What is the difference? About 25 per cent of the Fortune 500 Company CEOs lose their jobs every year. And why is that? Many companies have several hardworking, bright people, but they do not place a premium on getting things done. There are three basic core processes that need to be managed in running a successful organisation: people, processes and operations. When you manage these processes in depth, you get robust output. And you get answers to critical questions like:

- Are our products positioned optimally in the market?
- How we are going to turn the plans into specific results for growth and productivity?
- Are we staffed with the right kind of people to execute the plan?
- If not, what are we going to do about it?
- How do we make sure the operating plan has sufficiently specific programmes to deliver the outcomes that we have committed?

In many organisations, these processes are empty rituals that exist only in theory. Plans are penned into the data books but hardly any strategy used. The plants tend to be run by accountants rather than production people. It is a number exercise with no attention paid to action plans for growth, markets, productivity or quality.

Being efficient

A productivity culture is very important. Company wide measurement of real productivity growth is important. Learning or education is important. Fundamentally, the three core processes, aka people, processes and operations, cannot be disconnected from one another. Leading these processes is the real job of running the business. A leader has to believe in them and be actively involved in them.

Many leaders fool themselves into believing that their companies run well. Reality is that most are far from becoming world class. Business environment is always tough and success is no longer measured over years. A company can win or lose market share in a jiffy. When we see security analysts looking to see whether a company is showing progress towards meeting quarterly goals, we know that execution is now tested on a quarterly basis.

The difference between a company and its competitor today is the ability to execute. Today, in the business world, good execution of a task is an issue that remains unaddressed. Its absence is the single biggest obstacle. World-class companies work for ten or more years with a consultant to incorporate the corporate dynamics over time. But when the strategic plans do not work out in practice, the problem invariably translate into bad execution of task.

Little less conversation, bit more action

Many times, leaders tend to place too much emphasis on 'high-level' strategy, on intellectualising and philosophising, but not enough on implementation. The fundamental problem is that leaders think execution as the tactical side of business - something they delegate, while focussing on perceived bigger issues. This is wrong. Execution is not the tactics. It is the discipline and the system. It has to be built into the company's strategy, its goals, and its culture. And the leader of the organisation must be deeply engaged in it. He cannot delegate its substance.

Executing a task well is a big issue facing many businesses today. It is something that has not been explained satisfactorily. Disciplines such as strategy, innovation and leadership development are no longer an intellectual challenge as there are enough number of tools and techniques available on the subjects.

When there is a gap between promises made and results delivered, leaders often attribute it to be a problem with accountability - people are not doing what they are supposed to do to implement a plan. They desperately want to make some changes, but do they need it? They are not sure. Strategies by themselves are not often the cause, yet strategies fail because they are not executed well. Things that are supposed to happen do not happen.

Action ahead

Executing a task includes a specific set of behaviours and techniques that companies need to master in order to have competitive advantage. It is a discipline of its own. It is the critical discipline for success. You can not craft a worthwhile strategy without making sure your organisation has what is required to execute it, including the right resources and people. In this culture, leaders design strategies that are more like road maps and not rigid paths. This is to respond quickly when the unexpected happens. Being closer to reality helps change faster. As a leader, you have to be deeply and passionately engaged in your organisation and honest about realities - both with others and yourself.

Can you be revolutionary without an equally revolutionary point of view? Can you buy your point of view from

some 'rent-a-guru' or a consultant? No! You have to become your own futurist, your own guru. In other words, you should become your own seer.

Way ahead

Where does innovation come from? From seeing over the horizon, finding the unconventional and imagining the unimagined. From learning to see different and be different. This way you will discover something that is so different. And if you believe it deeply, may be you will build it.

Who creates innovative strategies? Only a company that cultivates the capacity to imagine radical new business concepts or dramatically reconceived existing business concepts will create innovative strategies. Will you cannibalise your existing business without some incredibly compelling alternatives in sight? No, you will not. That's why you must see different and be different.

You have an obstructed view; so much of what is changing simply cannot be seen from where you are sitting. You have to search for new experiences, go to new places, learn new things, and reach out to new people. In the age of revolution, the most dangerous words are 'need to know'. How do you know what you need to know? You must find ways to continually surprise yourself. Sure, the future is unpredictable. What you do not know, but could know is much more important than what you do not know and can not know. Become a novelty addict.

Think different

The would-be revolutionaries, intent on discovering uncontested competitive space, think about



the future differently from prognosticators and scenario planners. They know you can not see the future; their goal is less to understand the future than to understand the revolutionary portent in what is already changing. They look for things where the rate of change is changing - for inflection points that fore-shadow significant discontinuities. Those who fail to notice these nascent discontinuities will be rudely awakened. So, find the discontinuities.

When you go to an industry conference or pick up a trade magazine, ask yourself, what is no one talking about? Search for what is not there. Search out the under-appreciated trends. Outsiders typically reinvent industries because they come from a different context - one that allows them to see new possibilities. The future may not have happened yet in your industry, company or country, but it has happened somewhere. Revolutionaries are experts at knowledge arbitrage - the knowing and unknowing, the leading edge and the trailing edge.

The big story

Search for the transcendent themes. Many people fail to appreciate what is changing because they are down to ground level, lost in a thicket of confusing conflicting data. So, make time to step back and ask yourself, "What's the big story that cuts across all these little facts?" Find the big story. By keeping a list of things that strike you as new or different. Once in a while scan that list and search for themes. Rising above the trees will get you a vision few can match.

If the world is a system and something changes here, it will affect something over there. And yet most people stop with first order effects, they do not have the discipline to think through the effects. Follow the chain of consequences. Practice asking 'and then what' questions. As you do this, the future will become less of a surprise.

Sometimes creating propriety foresight is just a matter of digging through more data. You create economic value by understanding what is changing. So, pick a few big things that are changing and resolve to dig deep.

The deep wants and needs of people rarely change. What changes is how we address our wants. Change gives us better tools. Opportunities come when we can

imagine how to use our new tools to address our deepest desires. Know what's not changing.

See it, feel it

You fall in love with the experience of being with someone and not with the photograph. Similarly, you can not understand the discontinuity merely by reading about it; you understand it only by living it. It is not always easy to make something new and ethereal, real and tangible. But it can be done with imagination.

Swim in the new. Sounds easy, but the ocean is a big place. How do you avoid drowning in a data? You need a routine. Ask yourself: What are my routines? How often do you pick up a new magazine, go to a different industry convention, or hang out with different people? Can you name five or six nascent trends? Find the small things, play a game of 'scale up', and then ask if this thing became big, what difference would it make?

Is it enough to be a novelty addict? No. You must be a heretic as well. Heretics, not prophets, create a revolution. You can immerse yourself in what is changing, but you will only see the opportunities to leverage change in novel ways if you can escape the shackles of tradition. There is much that we can't imagine simply because we are prisoners of our own dogma. The challenge is not long term thinking, but unconventional thinking.

Dodge dogmas

How do you cultivate contrary tendencies and surface the dogmas in your company? Ask: what are the ten things we would never hear a customer say about our company or industry? Like no company will say, this machine tool manufacturer treats its customers with dignity and respect. What orthodoxies do they reveal? What opportunities do these orthodoxies create for some orthodox newcomer? What would happen if we turned this orthodoxy on its head?

Heretics play an endless game of 'why' and 'what if'. Revolutionaries simply ask 'why' more often than rest of us. Never stop asking why. New



questions are always at the heart of business innovations. And if you are going to ask 'why', you have got to be prepared to look foolish once in a while.

Pick an important performance parameter - time, cost, quality, efficiency or speed. Push this to extremes and ask, why not? Revolutionaries find a way to transcend tradeoffs. They just hate it when someone says you can have either this or that, but not both. Search for novel solutions that make tradeoffs unnecessary.

Form and function

The form of a machine model may disappear but its function will remain. The form of a business may disappear but the business and industry will remain. A company that can not distinguish between form and function will get caught inside an obsolete form factor.

Conversations about radical new possibilities are fun, open-ended, and inquisitive, ending with a set of hypotheses to be field-tested. Profound insights come out of a cocktail of unexpected problems, novel experiences, random conversations and newly discovered facts. The goal is to mix this cocktail - to encompass within your team and yourself all the elements that combine to produce bursts of deeply creative insights. ♦



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