



BEST PRACTICES

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Take the leapfrog advantage

As I write this, the country's debt rating has been lowered and the stock market has plunged more than 600 points. Hopefully by the time you read this, things will look a bit better.

Although this has been a long and drawn-out decline, and competition has been severe, someday soon the situation will improve. Through my own experience as a business leader and mentor, and in my observation of successful companies, I know that some companies will outperform during the rebound. As measured against the competition, the companies that survive will do so by having a "leapfrog advantage" over their competitors.

A desire to make that leap is one thing, but doing so is tough. We get defensive. We huddle. We retreat. It's hard to mobilize when the challenges seem insurmountable.

But it is possible. Here's how.

The following eight steps are guaranteed to move your company from defense to offense, and position you for the leapfrog advantage:

1 Evaluate your bench strength. Do you have the capacity to take on growth, given the opportunity? If you were able to grow sales by 25%, what would your organization chart look like? Can you fill the holes?

2 Evaluate your equipment. Have you held off replacing older equipment to conserve cash? Has this left you vulnerable? If so, start investing now and make sure you have the ability to upgrade your equipment to accommodate growth.

3 Evaluate your finances. Do you have funds in reserve? If you get a growth opportunity, can you finance it internally, or do you need to increase your credit lines? The best time to borrow is when you do not need it.

4 Evaluate your market position. Have you compromised your visibility with marketing budget cuts? Do you have sufficient exposure to get the opportunities you want? What is your customer thinking? When was the last time you asked?

5 Evaluate your communications strategy. Has your audience changed? Have you updated your messaging? Have you incorporated a plan for social media?

6 Evaluate your people. Do you have a team that can get you through austerity? Are they ready with the right skills to help you move forward? Do you need to re-tool to enhance performance? Are they willing to do whatever it takes? It might mean change.

7 Evaluate your plan. How thorough is your plan? Is it up to date? Does it cover contingencies and opportunities? Hire a business coach to help you freshen your goals and map out next steps.

8 Evaluate your outreach. Are you networking? Are you talking to other business leaders in your communities? Are you building knowledge, creating relationships and sharing best practices? Listen to what your peers and colleagues are saying. Learn from one another.

Use this period as an opportunity to evaluate and recalibrate. Some segments are doing well; maintenance and residential design-build, for example, show a lot of activity. Where is your strength? Are you playing to it? Are you concentrating on what you do best?

My crystal ball doesn't tell me whether the rollercoaster ride will continue — or whether the turnaround will start today, next quarter or next year. But it doesn't take a crystal ball to know it is better to be the beneficiary of the rebound, rather than the victim of the turmoil.