



STEPS TO LEAPFROG YOUR COMPETITION

You're planning to do something new. Something kind of like last time, only better.

You're feeling some pressure, bumped around in the wake of your competitor. Time to get the gang together to brainstorm new ideas on how to show up in the market, right?

Wrong

Insanity is doing the same thing over and over again, but expecting different results. Stop. It's time to find a new way forward, beginning with a step back.

Good results are born from a strategy that links your goals with the needs of your key market. Without a solid strategy, you won't have long-term impact, or outlast your competition.

We talk to clients every day who recognize their "tried and true" approach isn't having the impact they need, but they're not sure how to fix the problem.

We hope this e-book gives you the inspiration and knowledge to take a fresh look, propel your organization ahead of your competition and achieve greater growth.



Beth Rusert

Senior Vice President

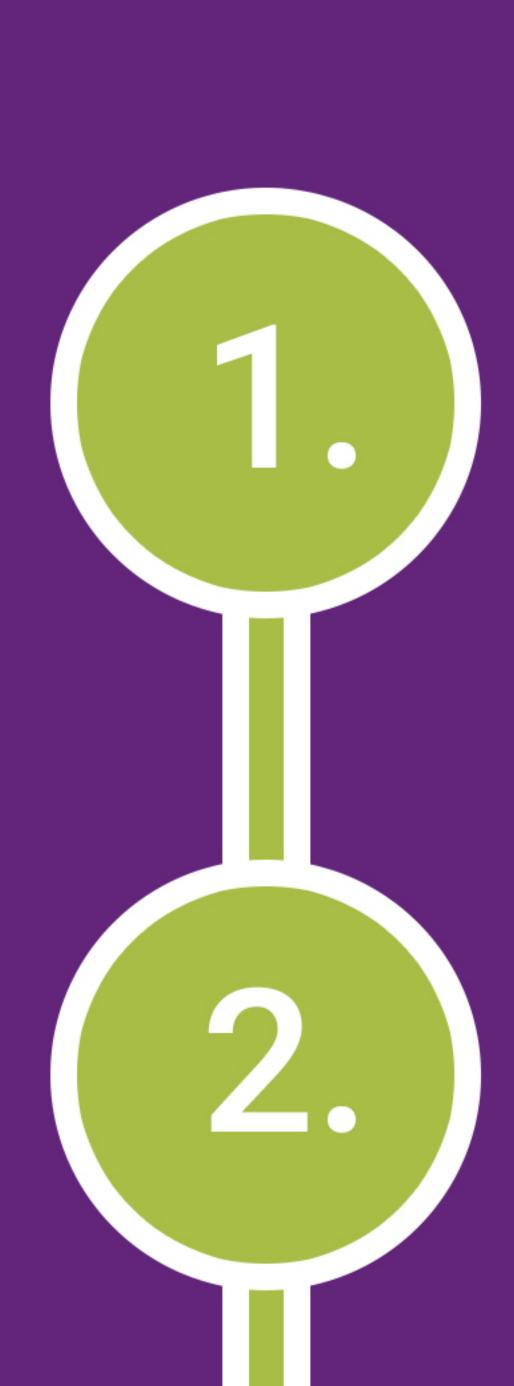
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Want more information on how to nail your business strategy and outshine your competition?

Give us a call. 314.469.3500



5 Steps to Leapfrog your competition



Predict the future.

Business is disrupted quickly. You need to predict trends, not follow them.

Narrow your focus and prioritize.

You can't do it all immediately. Prioritize your stakeholders and focus your goals to help you to establish baseline metrics against which to regularly measure results.

Be nimble and adaptable.

Adapt to current conditions as you get feedback – the plan isn't set in stone, adjust to the constantly changing marketplace.

Know your greatest opportunities.

Focus on places where others have gaps and invest resources where you can have the most impact.

Be empathic.

Work to understand your customers and their pain points.

Step 1:

Predict the future

Picture a dimly lit bar. Frustrated executives in wrinkled suits surrounded by rows of empty glasses and bottles. Their stock just tanked. Once an industry leader, their company's reputation is now a joke. They were disrupted right out of their corner offices and designer suits. And they didn't see it coming.

If they could have only seen it coming, they say, they wouldn't be in that bar, head in hands, trying to figure out where it all went wrong.

In the digital era of business, companies small and large are being disrupted out of existence. It's why 52 percent of the Fortune 500 companies in 2000 are gone today*. Poof!

But, what if I told you that you CAN predict the future? For every company that's disrupted out of the market, there's someone doing the disrupting. That company IS anticipating future trends.

They know what your customers want and how the evolution or revolution of your products and services can make customers happy in a way that you're not.

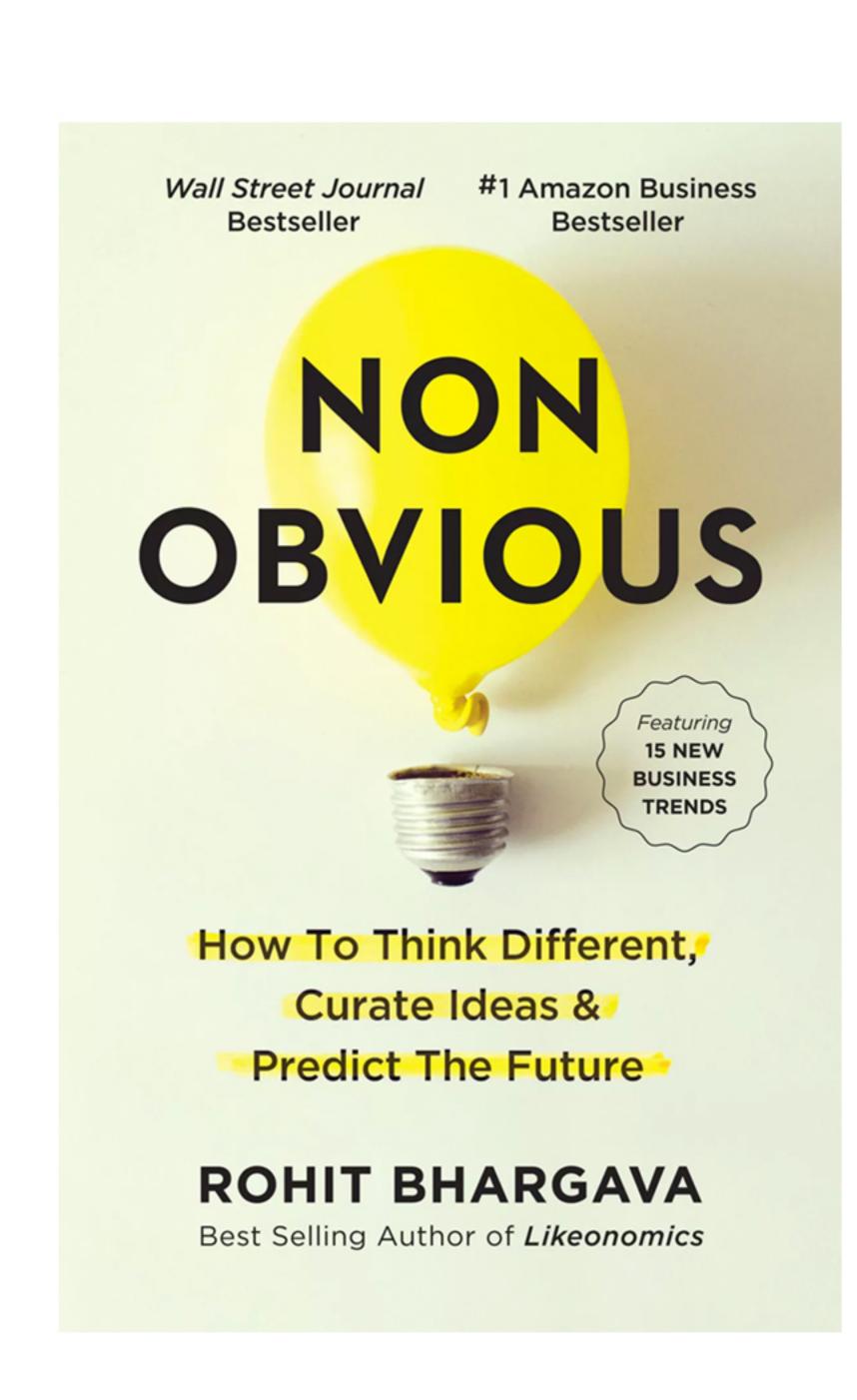


"If only we could have predicted the future."

Step 1: Predict the future

In his book "Non-Obvious," Rohit Bhargava lays out a methodology to become a futurist. His advice is critical for executives who want to lead from the cutting edge of business trends, instead of following them.

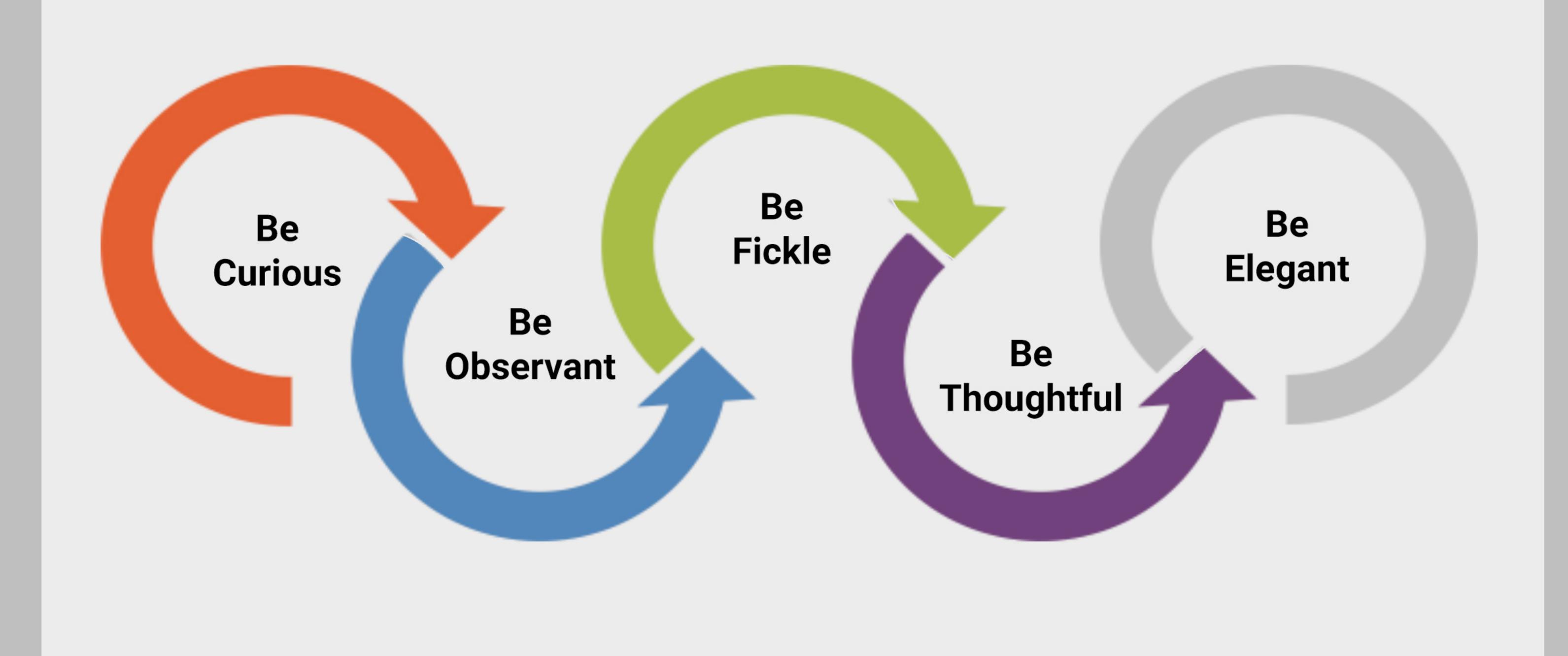
Instead of hoping the world changes in a way that benefits your organization, Rohit's process to predict trends forces you to think about how your business should adapt to the way the world is changing.



So how do you predict the future?
In his book, Rohit gives lots of great tips and strategies that we can't cover here.

(Buy his book – trust us, it's worth it.)
But, the best place to start is his "Five Habits of Trend Curators."

Five Habits of Trend Curators



"Trend curating" could have helped Blockbuster see that investing in a DVD-by-mail business to catch up with the initial disruption they experienced was short-sighted (and ultimately, a huge mistake). Instead, they should have invested in the streaming technology that eventually bumped them from the Fortune 500 list, and welcomed Netflix in its place.

Step 1: Predict the future



Be Curious

Don't just focus on what's happening with your company or industry. Read publications and websites that focus on other industries and professions. How do they deal with challenges? How do they move their businesses forward?



Be Observant

What can you learn from the world around you? Instead of using your iPhone during a free moment at a busy restaurant, look at how others are using their time. What else is going on? How are the baristas getting every complicated drink order right without forgetting to make it soy, instead of nonfat? Write down your observations and come back to them later.



Be Fickle

When you're contemplating and curating ideas, don't dwell on them too long. This might be easy for you time-constrained execs, but Rohit says it's important because it allows you to see the bigger picture. Observing trends isn't about what one company is doing, but seeing how your observations connect into bigger ideas.



Be Thoughtful

This one might be the hardest for you, but it's critical. Set aside time to review the thoughts you're collecting and start to piece them together. Rohit describes a scenario where he lays out his collected articles in front of him like a TV detective. How do these seemingly disparate observations fit together? Write down your ideas and keep coming back to them until you've reached that "a-ha" moment.



Be Elegant

By elegant, Rohit means "developing your ability to describe a concept in a beautiful and simple way for easy understanding." This will be critical in order to bring others at your company along with you. They're often biased by their own experiences and human nature to embrace the status quo. An idea that potentially disrupts their company and their job may likely be met with resistance. Before sharing your idea to leapfrog the competition, take the time to simplify it so it's easy to understand and execute.

Step 2:

Narrow your focus and prioritize

Most organizations are complex. And most have lots of stakeholder groups they care about. But you can't be everything to everyone all of the time, right? Well, maybe in a world of unlimited budgets with huge teams of people working around the clock, but does that sound like your company? I didn't think so.

Without focus, it's hard to make any effort successful. Splintering your efforts puts you at risk of not actually bringing a benefit or value to anyone or anything.

However, all goals, strategies and projects are not created equal. You must force yourself to prioritize and determine where you can most effectively spend your resources (budget and time). With focus, you can actually make progress against your organization's goals.



Warren Buffett's 'Two-List' Strategy: How to Maximize Your Focus and Master Your Priorities

List all the projects, initiatives and goals you and your organization would like to achieve (up to 25 items).

Choose the five most important items.

Make a plan to accomplish those items.

Stick to your priorities and avoid the other 20 at all costs until the top five are complete. The rest are distractions.

Step 2: Narrow your focus and prioritize

Focus on the 100 3%

Building capabilities that matter most requires focused attention.

For example, McKinsey describes the results of one manufacturing company. As they were working to upgrade their commercial capabilities, they found that any time they tackled three capabilities at once, it failed. However, when they stuck to two capabilities at a time, they succeeded. Not trying to do too much, too soon ensured they met their goal of improving margins by three percentage points.

Building Marketing and Sales
Capabilities to Beat the Market
McKinsey



Don't Try To Do Too Much

Cut projects ruthlessly until only a handful of critical ones remain. Often, midsized companies have the resources to manage only one key initiative at a time.

Here's an awful truth that CEOs of midsized companies must acknowledge: Even if they're the boss, there are limits to what the company can do. Put an end to your pet projects.

When a company tries to do too much with too few resources in too little time, projects will be late if they're completed at all. Invariably they will be done poorly.

And once you decide on your priorities, put them in writing and share them widely. With your entire team or company working toward the same goals, you'll actually see progress. Writing them down also holds everyone accountable – and makes it hard to add things to the list later on.

Step 3:

Be nimble and adaptable

You have to be able to adapt – and adapt quickly. How long would it take your organization to respond to a crisis situation? Let me tell you, every minute counts.

But, adaptability goes far beyond handling a company crisis. Responding quickly and appropriately to an issue might not be enough to prevent damage to your company's reputation. The most successful organizations are proactively nimble – adjusting in real time to trends and changes in the market before a crisis, or opportunity, happens.

If your organization isn't nimble enough to quickly address or take advantage of changes in your industry, the market, or your environment, you'll struggle to stay competitive.



Disrupt yourself — we're living in a VUCA world. What does VUCA mean?

- o Volatile
- o Uncertain
- o Complex
- o Ambiguous

"The percentage of companies falling out of the top three rankings in their industry increased from 2 percent in 1960, to 14 percent in 2008."

Adaptability: The New Competitive Advantage
Harvard Business Review

Step 3: Be nimble and adaptable

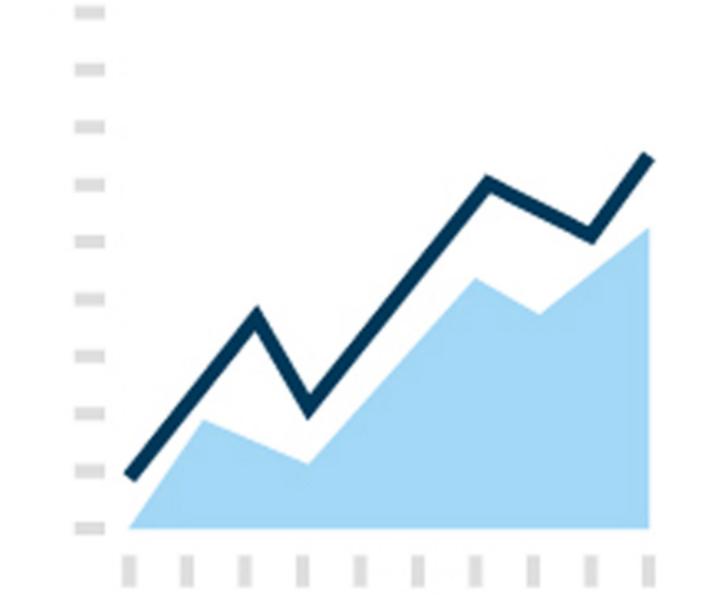
Your strategic plan shouldn't be set in stone

As an environment begins to change more rapidly, you might be feeling the discomfort that comes with being adaptable. Sometimes you may feel like you're going "off plan" or "leaving strategy behind" to react to real-time opportunities and issues.

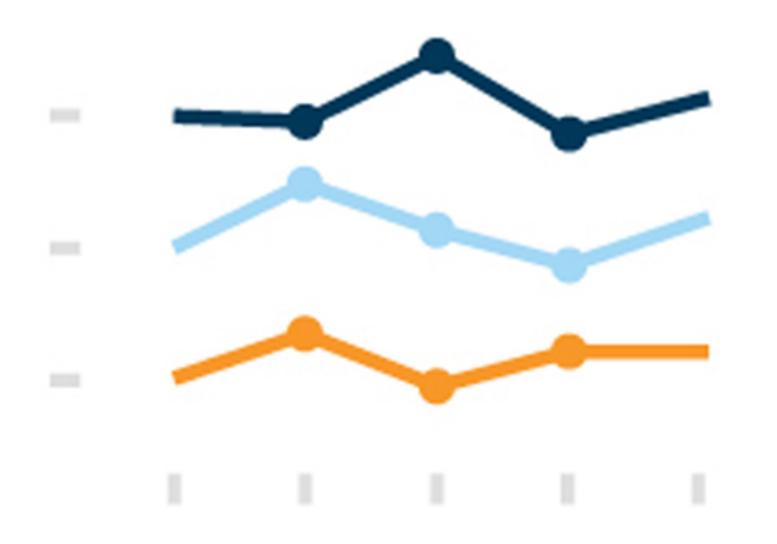
So, are strategic plans even still relevant? Some have gone as far as to claim that strategy is dead. But, we would counter that strategy isn't dead – it's just evolving. Gone are the days of putting together a strategic plan and following it line item by line item, blindly checking each box.

Now, strategic planning should take into account the risks and variations present in your market or industry. In fact, to really capitalize on an opportunity or protect your organization from risk, grounding your efforts in strategy is essential.

But that strategy should be adaptable. The how you're going to get there (e.g., execution and tactics) may change – but the core strategy, if it's the right one, won't.







Refine your strategy based on metrics

After you've developed your plan, measure your success. Define key metrics that determine whether or not you're performing as planned.

And don't just review the metrics – make changes based on them! One of the keys to adaptability is changing and evolving based on new information.

"Make sure that today's measures are not about yesterday's business model."

The Five Traps of Performance

Measurement

Harvard Business Review

Step 4: Know your greatest opportunities

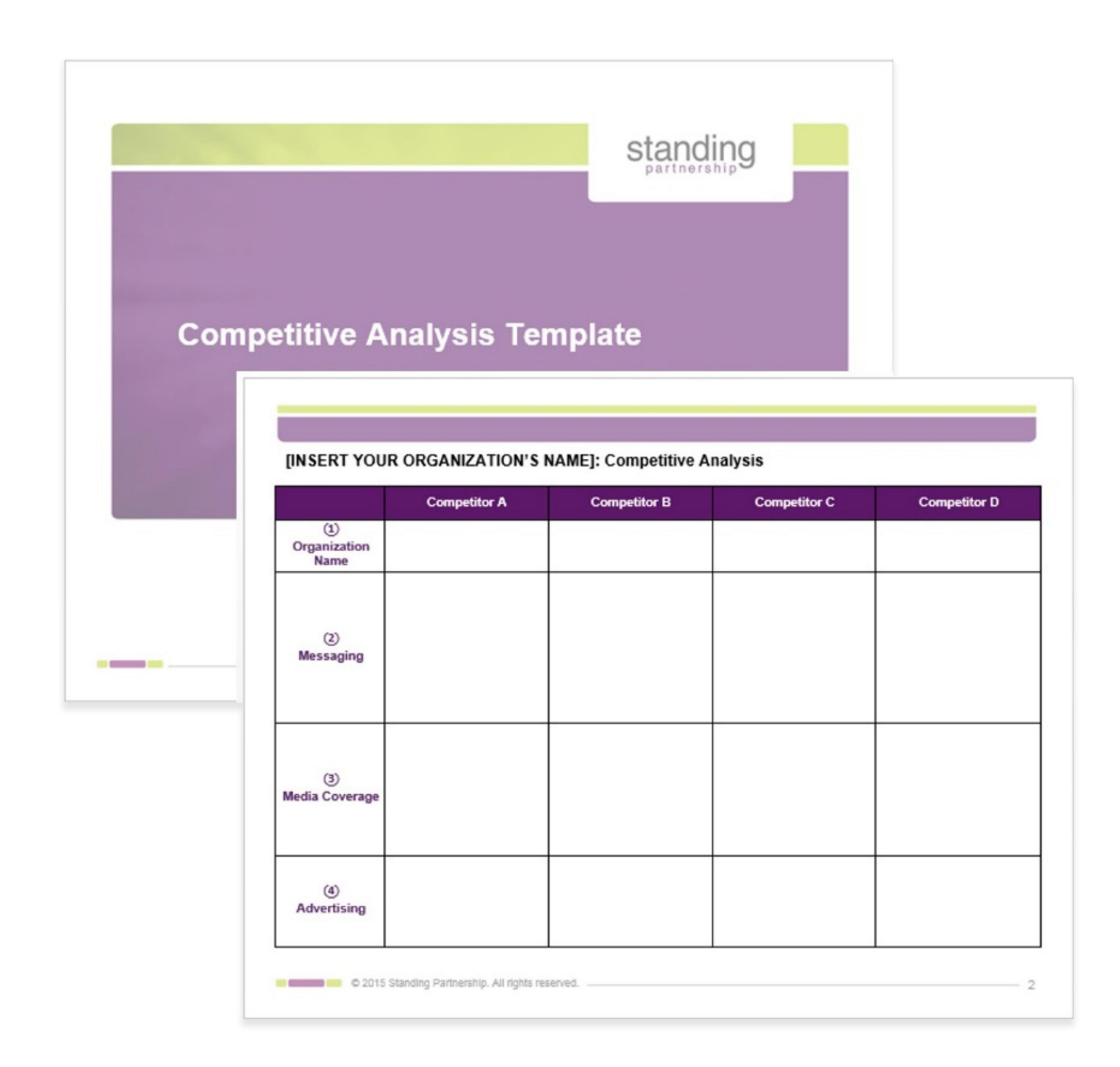
Standing Partnership's Competitive Analysis Template

So how can you spot those great opportunities? First, you've got to invest the time and resources to understand your market, your customers and your competitors.

Armed with these insights, you'll be able to see things that your current or potential customers need or want, and what others aren't offering – there's your sweet spot to fill a need in the market!

To find out what your competition is up to, give our Competitive Analysis Template a try – it's a simple, step-by-step way to find, analyze and identify information, trends, issues and expectations.

Download



Step 4:

Know your greatest opportunities

As much as organizations like to say "we're different from our competitors," you've got to show it. One way to prove it, is to focus on things others don't do well, e.g., "the gaps" in their work.

Go beyond brand positioning – the place you hold in your customers' minds, relative to competitors – to identifying your "white space." Mark W. Johnson, partner and co-founder of Innosight, in a Harvard Business Review article, defines white space as "an internal signpost – as a way to map your company's ability to address new opportunities or threats."

This definition allows you to "map a new opportunity or impending threat against your company's current ability to meet it."

White space often is the kink in the chain – you have a great strategy, great ideas, but how do you take action?

Organizational challenges are not only solved in the C-suite. Employees who are on the frontline, engaging with your stakeholders – whether it's your sales team or customer service reps – can be a great resource if you are transparent with them and honest about the opportunity or threat.



"By directing your employees towards problems that are relevant to the business, and by telling them upfront what kind of ideas are most likely to receive management support, you make it more likely that their creative efforts will get translated into results."

Get More Actionable Ideas from Your Employees

Harvard Business Review

Step 5: Be empathic

Successful organizations connect with their stakeholders and customers on an emotional level. One emotion that can set your company apart is empathy. Practicing and displaying empathy in your organization will motivate your customers to act, buy and behave in the way you desire.

"The fact that you're 18 to 35 years old with a college degree does not cause you to buy a product. It may be correlated with the decision, but it doesn't cause it."

- Clayton Christensen, Harvard Business School professor

Quantitative data may show your next product is exactly what your target customer needs, but without qualitative data to back it up, the product will likely flop once it hits the market. How do you figure out what makes your stakeholders tick? Ask them.



"In a national insurance company, insurance sales agents who were weak in emotional competencies, such as self-confidence, initiative, and empathy sold policies with an average premium of \$54,000. Those who were very strong in at least 5 of 8 key emotional competencies sold policies worth \$114,000."

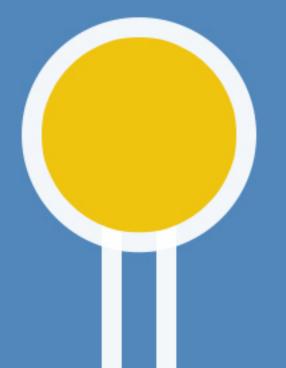
The Business Case for Emotional Intelligence

Consortium for Research on Emotional Intelligence in Organizations

Step 5:

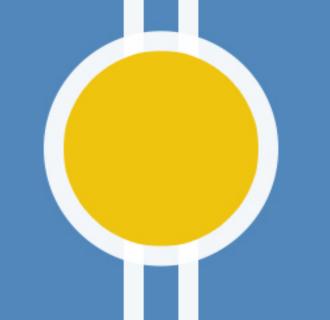
Be empathic

The first move to being more empathic, and helping your company make this shift, starts with you and your colleagues. Try approaching your next conversation with your team, your leadership and your stakeholders with these three tips in mind:



Set aside your perspective and try to take on the other person's point-of-view.

This will help you discover new challenges, pain points, risks and – possibly – your next transformational business opportunity.



Ask what they would do.

It's one of the easiest ways to build trust and develop empathy: ask them, "What would you do?" You may find that the solution you were struggling with is easier than you imagined.



Be fully present in every interaction and conversation.

Just like with **STEP 2** on how to predict the future, you can't look ahead if you aren't actively engaging in the present. Do this by observing conversation tone and body language and hearing what someone says.

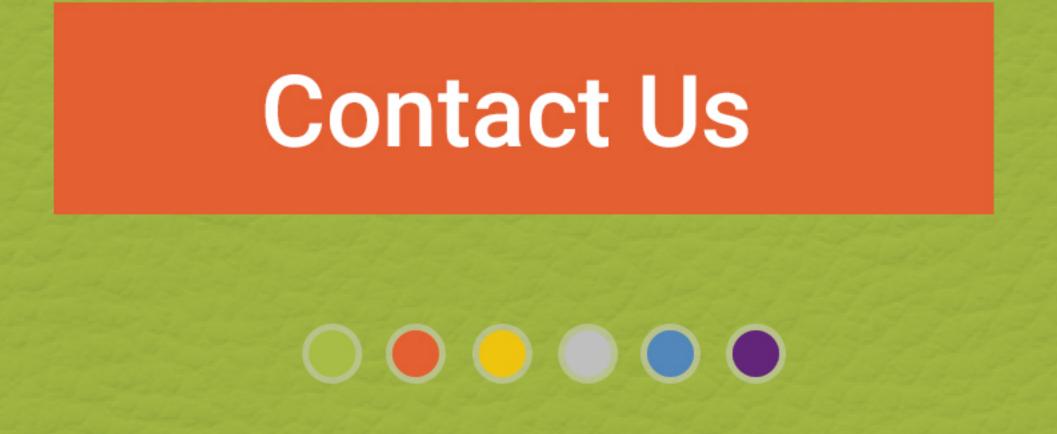


Ready to take your efforts to the next level?

Contact Standing Partnership

If you're ready to ground your execution in a strategy and action plan focused on measureable results, we can help. Strategic planning is critical to achieving any organization's objectives. We bring an unbiased perspective to help you challenge assumptions, analyze gaps and identify the most effective way to move forward.

Standing Partnership can facilitate a strategy planning process, called Aligning for Action, in order to help your organization align internal stakeholders, prioritize efforts, establish an action plan and measure success.



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