

CONCRETE Monthly

Count on Concrete

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If there's one thing you can count on, it's change. The world in which we compete is in a constant state of change. The size of your market, your customers' needs and priorities, as well as your competitor's skills and capabilities, are all subject to change. And, in turn, these changes alter the value and demand for your skills and capabilities.

However, by creating a plan that accounts for change and the development of new core competencies, you will ensure that your organization remains competitive in today's fast-paced marketplace and builds a strong foundation for success.

Dealing with change

If the terms "planning" and "change" leave you either bored or scared, you are not alone. A fundamental concept of strategic planning is the realization that change is a concept to be driven, not simply to accept or manage. In order to compete — in fact to survive — organizations must constantly evolve. At a bare minimum, they must be aware of market trends and their effect.

A common pitfall of many organizations is the development of short-term (one- to three-year) plans, with little thought put into long-term (seven- or eight-year) objectives. Without a picture of the landscape in which you do business — both a current picture and a rendering of what the landscape could look like seven or eight years down the road — you'll lack direction and compromise the ability of the organization to capture a significant share of tomorrow's opportunities.

Therefore, it is important to have a long strategic architecture that defines your vision, establishes a picture of what you want your organization to look like, and identifies the current and prospective core competencies — the bundles of skills and capabilities that allow you to win business in the marketplace and infuse value into your end products and/or services. Without competencies, a company's value, and ultimately its sales and profitability, will dry up. As such, an agenda must be put in place to develop these competencies, and this quest must represent a significant segment of the plan.

Managing Concrete

Embracing change creates success

By Jim S. McKeen



Identifying core competencies

The continuous development and acquisition of core competencies is key to mastering and driving change. They are the foundation of the value you provide, and what differentiates you from your competitors. However, most organizations focus on the nurturing of current competencies, overlooking the importance of identifying and acquiring future ones. Strategies often indicate where efforts will be focused, how products and services will be sold and marketed, and the dream list of equipment to be acquired. Few, however, identify core competencies to be developed and outline an agenda for their development. And, even fewer identify markets and opportunities that will be opened as a result of acquiring these competencies.

It is important to first qualify your competencies so that you prioritize them relative to non-core capabilities. To identify your true core competencies, test them through the following filter:

- Is this capability difficult for competitors to imitate?
- Does it provide a disproportionate contribution to perceived customer value?
- Is it extendable to new customers, markets or end products?

If the answer to all three is yes, chances are you've correctly identified a core competence — a critical capability to be nurtured and expanded upon.

Creating a plan for success

After identifying your current and future competencies, it is crucial to identify and develop strategies to develop these competencies. The process of prioritizing competency development is critical to goal achievement,

and even more important, to achieving sustainable success.

To improve your chances for success, examine your plan to determine whether it answers the following questions:

- Does your plan identify what you hope the company to look like in seven years?
- Do you have objectives that expressly address the acquisition of specific competencies?
- Does it provide strategies and actions for attainment of those competencies?
- And, does it identify new customers or markets that can be obtained as a result of having those competencies?

Clear vision required

Organizations don't have to be large to drive change. Rather, they simply have to commit to the level of thought necessary to develop foresight and to document these thoughts into vision and plans. While the time associated with these difficult planning efforts may take away from short-term profitability, it is the best way for organizations to improve the probability of long-term success.

Sound planning, visioning and picture building is a mandatory investment for any organization's future. **CM**

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