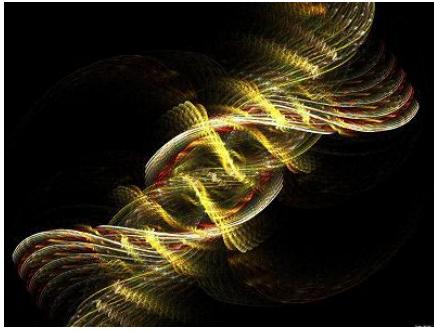


CREATING SUSTAINABLE COMMERCIAL ADVANTAGE: 3. The benefits of efficiency

Business is evolving.



The world is changing. The pace of change is increasing. To remain relevant within the evolving commercial landscape, business must adhere to a process of flexible and organised change based on business benefits and strategic outcomes.

This scale of change is kept continuous only by the perpetual drive to be efficient and effective.

Efficiency: the use of (finite) resources with minimal waste - using “change” as a catalyst to do things better, faster, cheaper, to increase the impact and the scope of the business, to control costs, to stop running in circles.



Finite resources need to be used wisely.

In today's commercial environment it isn't enough to increase revenue generation. Neither is it enough to implant a technology

“solution” into an existing operation in the hope this alone will solve any inherent areas of difficulty:

The first rule of any technology used in a business is that automation applied to an efficient operation will magnify the efficiency. The second is that automation applied to an inefficient operation will magnify the inefficiency. (Bill Gates)

Pouring water into a sieve will always result in the water leaking out. This is the same with profitability. The greater the inefficiency, the faster the profitability leak. Profitability can always be increased faster – and more sustainably – by increasing efficiency than it can be by increasing revenue.

This is about the control of costs.

Tackling efficiency involves aligning the different parts of the organisation towards the same common goal. This is a very human aspect of business that WILL meet resistance, including:

FEAR of change
UNWILLING to engage
NO secure direction
DON'T know what to do
AVERSION of risk
MISSING knowledge / skills
EVEN more fear of change
NO expectation of progress
TALK but no action
ADVERSE culture
LACK of motivation
(notice the FUNDAMENTAL negatives?)

- and yet business efficiency is an essential so the above points MUST be tackled – but tackled in a way that encourages rather than entrenches.

The Alt3 Business Consultancy function advocates a holistic approach to the management of efficiency:

1. Visibility of the strategic objectives and what needs to be achieved.
2. Visibility of ALL the pieces of the jigsaw – all the current developments causing change.



3. Understand the resistance to change – and why.
4. Formulate joined up actions, responsibilities, timelines ... and communicate widely.
5. Constantly feedback to reduce fear, to increase motivation, focus and involvement.

Efficiency is the control of costs and being better at doing things. This is about people.

Interested? Contact us to find out more.

www.alt3.co.uk

dynamic strategic development in a time of great change