



What if your business could prosper during competitive attack and economic chaos?

Lurching from good times to bad times is stressful. Living such a rollercoaster business life should be, and can be, avoided even in the most turbulent times.

Some businesses succeed consistently, despite the most turbulent conditions. Others in the same industry and under the same conditions fail!

So what can we learn from businesses achieving consistent results whilst surrounded by chaos?

What is it that Intel has done in a volatile microprocessor industry, and AMD has not? What is it that Southwest Airlines did to make profit through the OPEC oil crisis and 9/11 when the rest of the industry lost billions?

How come some businesses survive and thrive in chaos while others stutter and stall in such chaos?

In a nutshell

Fail to be single-minded about the one main thing in your business and you'll be defeated by the ravages of change in your industry.



Learn from the heroes of the South Pole...

On the 1st November 1911 Robert Falcon Scott set off from Cardiff to become the first man to reach the South Pole.

Unfortunately Scott failed to reach the Pole first. Scott also failed to come back alive.

Roald Amundsen set off a few days earlier

and arrived at the Pole 34 days ahead of Scott (if they'd set off together Amundsen would still have been 23 days ahead of Scott). Amundsen and his team also got back alive.

Amundsen's fanatical single-minded focus is what stands out.

One goal not two...

Scott had his mind on two things – getting to the Pole AND scientific research. Scott took more than 2,000 photos and was carrying 34lb of rocks on the return trip. Amundsen took 10 photos (and only on the way back); he allowed no distractions. His plan was clear...

Here's a proven solution for you...

Choose one goal and one daily (or weekly) measure of success and be fanatical and disciplined about them both.



©shutterstock.com/RobinHeal

“Our plan is one, one and again one alone – to reach the pole. For that goal I have decided to throw everything else aside.”

– Roald Amundsen

Amundsen was also fanatically disciplined about his one daily strategy – 15 nautical miles a day no matter what the weather.

Come hail, snow or shine Amundsen and his team packed up every morning and set off to do 15 miles.

On the bad-weather days (-60 degrees centigrade and force 10 winds) Amundsen only managed 8 miles, but his team always set off to do 15 miles.

Scott’s daily strategy depended on the weather. Sunny days with little wind and Scott’s team travelled as far as they could. Some days they dragged their sleds for more than 10 hours.

On the bad-weather days, Scott’s team would stay in the tent and wait out the storm.

Amundsen’s team did not allow the weather to determine their routine. They were fanatically disciplined about doing 15 miles a day, every day, without fail.

Even on the good days?!

Amundsen was increasingly worried about Scott’s location. He was increasingly concerned that Scott was close by and worried Scott might win.

With good weather favouring Amundsen, he knew one big push could put him on the Pole.

And yet Amundsen’s fanatical discipline shows up even when he’s within sight of the Pole.

Yes, Amundsen is fanatical about his overall goal. He’s also fanatical and disciplined about his daily mileage goal. So Amundsen sticks to his daily discipline and puts up camp after travelling close to 15 miles.

He understood that a well-fed, well-rested and well-repaired team (and kit) will deliver 15 miles a day.

Amundsen’s commitment to 15 miles a day applies to bad-weather days AND good-weather days – even when pressure to go more than 15 miles a day is at its maximum.

The main thing is...

Stephen Covey in his landmark ‘7 Habits’ book series said:

“The main thing is to keep the main thing, the main thing.”

Scott’s experience shows how it can be fatal if you fail to focus on one main thing.

Business experience proves it true too...

Jim Collins, in his brilliant book ‘Great By Choice’, writes how the Scott/Amundsen insights show up in business. Collins shows pairs of contrasting businesses in the same industry, exposed to the same turbulence and economic conditions.

For example: Intel and AMD make the integrated circuits (ICs) that power your Macs and PCs.

Intel started out as a memory chip maker. But they took an important long hard look at their business and worked out their one main thing...

...Intel’s one main thing, since 1985 (when they decided to exit the memory chip market and focus on one thing – microprocessors –not two – memory chips and microprocessors) has been to double the processing power of their ICs every 18-24 months.

Intel re-engineered their business to achieve this single focus.

AMD’s main thing was to become No.1 in ICs by the end of 1990. This drove them to over-extend their debt, rather than pursue controlled growth. They were also focused on what others were doing (external) as much as what they were doing internally.

During good times (good-weather) both companies grew but AMD increased revenues 2 times more than Intel. During chaotic challenging industry times (bad-weather) AMD substantially failed. Intel quietly grew by 10% in good times which set them up to survive the downturn and outgrow AMD when the industry recovered.

Time has seen Intel become the dominant, highly profitable and consistent industry leader, outperforming AMD’s

shareholder value by more than 500% in the early 1990s and 3000% in the early 2000s. Fanatical discipline clearly pays off.

From little acorns, grows the mighty oak...

From being a small Texas-only operator, Southwest Airlines’ main thing has always been ‘low-cost, no-frills air travel’.

Their main thing has been instrumental in delivering 30 years of profitable trading.

“Southwest Airlines, for example, demanded of itself a profit every year, even when the entire industry lost money.”

– Jim Collins ‘Great By Choice’

Southwest even made profits during the chaos of the OPEC oil crisis in the 1970s. During the turmoil that followed the 9/11 tragedies in 2001, Southwest made money whilst every other airline lost money and laid-off staff.

Fanatical discipline works

There is no way you would describe Southwest as gung-ho.

They have consistently kept their main thing the main thing – profitable low-cost no-frills air travel. They brilliantly demonstrate fanatical discipline. They are crystal clear on what they don’t do. They don’t touch cargo, don’t provide in-flight meals and don’t sell executive seats.

Southwest also demonstrate their commitment to their ‘15 miles a day’ discipline, even when they could grow much faster. From ‘Great By Choice’ again:

“In 1996 more than a hundred cities clamoured for a Southwest service. And how many cities did Southwest open that year? Four.”

It can work for you too...

Are you ready to work out the one goal you should focus on – what’s your ‘one main thing’ for you and your business? What’s your ‘15 miles a day’ number for your business?

TIME TO DISAGREE

“Amundsen prepared well then set off. But business is constant, we have to prepare and keep going at the same time! How do we manage both?”

You're right.

Your ongoing business is more like Amundsen's daily mileage and daily dose of weather, good and bad.

1860 nautical miles in 99 days without weekend breaks was Amundsen's life, it must have felt like it would never end!

But remember Amundsen limited the mileage on the good-weather days so his team could be well rested and ready for bad weather. They'd also be well-fed and do preventative maintenance on the tents, sledges and other equipment (not easy on bad-weather days in the Antarctic).

Scott just went as far as possible on good days sacrificing rest and repair for more miles. This works in the short term, like AMD's rapid growth during good times, but it undermines your ability to win the race and get back alive!

At Toyota you find engineers doing more preventative maintenance than actual repair maintenance. You service your car regularly so it doesn't break down. How do you apply this approach to your business?

“We aren't Southwest or Intel. We run a small business and need to be focused and disciplined about lots of things not just one.”

Intel, Southwest and many other business successes prove the value of a single-minded focus. You can find more examples in Jim Collins' book 'Great By Choice'.

Clearly businesses like Intel and Southwest have many things to manage. Just as you do in your business.

Use the Business Bitesize Support Tools And Resources

to help you make the most of this edition of Business Bitesize – go here: www.businessbitesize.com/pg_owen to download these

Your feedback is important to us. We'd love

to know what you think of this edition of Business Bitesize and how you use it or plan to use it. Also we'd welcome your suggestions for future editions of Business Bitesize. To give us your thoughts please use the simple feedback form here: www.businessbitesize.com/pg_owen

But what is the one overriding single-minded focus you should have steering your business? What one main thing should influence your decisions, even when the economy, your industry and your competition are in turmoil?

“Amundsen obsessed about '15 miles a day'. Should I simply obsess about my net profit?”

Clearly profit has to show up in your business or you will fail.

But profit was a consequence at Southwest. Their obsessional focus on low-cost, no-frills air travel is what delivered their 30 years of profits.

Intel make profit but obsess about doubling processing power every 18 months. Market leading technology is the driver in this fast-paced innovative industry.

If you were FedEx, on-time delivery might be your one number to obsess about.

If you are a plumber you might be inspired by Charlie Mullins of Pimlico Plumbers, whose main thing is to keep things simple; to do the right job, at the right price, at the right time for the customer.

If you run a restaurant you might obsess about genuine TripAdvisor comments or food critic comments.

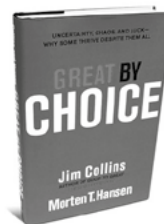
If you run a recruitment company you might obsess about candidate recommendations.

If you want help talking through what number you should obsess about in your business please give us a call. We'd love to help you identify your single-minded focus and your '15 miles a day' number.

Tell me more...

Jim Collins and his team perform high-quality and extensive research to reach the conclusions in his brilliant book 'Great By Choice'

We can't recommend this book highly enough if you want to learn more about prolonged success whatever the weather.



4 helping hands for you...

If the main thing is, to keep the main thing the main thing, you need to work out your main thing!

Here are four helping hands to get you started:

- 1. Work out a number of possible options for the 'one main thing' for your business**
- 2. Narrow down your choices by working out which ones will pay off in good times AND in bad times**
- 3. Ask customers, suppliers, and outside advisors their views on your 2 or 3 best possible options for your 'one main thing'**
- 4. Work out what KPI you could obsess about to drive your business every day or every week**

ULTIMATE ARGUMENT: “How will I know I have found the right ‘main thing’ for me and my business?”

You don't know until you test your 'main thing' in the real world. And test it in good times and bad times.

STOP: thinking you can successfully focus on several things at a time.

START: by choosing your 'one main thing' and choosing your '15 miles a day' number.



Your next steps:

Choosing your 'one main thing' is a big deal. It's a big-picture, strategic, and very significant decision.

It's not to be taken lightly.

Start by asking the 'Intel Revolving Door Question' to yourself...

"If we were to appoint a new Chief Exec, what do you think they would do?"

The answer to this question prompted Intel to get out of making memory chips, which they were very good at, and wholeheartedly pursue a singular future in making integrated circuits.

More tools and information for you:

As well as the checklist here, you can use the exercises, checklists and tools in the online supporting material.

Together they'll help you make more of this bitesize business breakthrough.

4 steps to help you win your personal business race no matter how turbulent your industry gets...

These tools will help you become more 'Amundsen' and less 'Scott' so you 'win your race' and 'get back alive' no matter how chaotic, disruptive or turbulent your industry climate gets.

- 1. What could you have as a single long-term goal for your business that will carry you through good and bad times?**
 - a) Rather than dream up the 'one main thing' instantly, work out a number of possible 'main things'. Go for at least 4 and be happy if you create 7 or more possibilities – use the tools to help you
 - b) When you have your list of possibilities assess each one against a number of criteria – you'll find the 4 criteria in the support tools
- 2. Share your top 2 or 3 'main things' with a selection of valued and respected customers, suppliers, investors, and advisers – which would they choose for you and why?**
- 3. What has to happen every hour or every day or every week in your business to help you achieve your 'one main thing' and for you to succeed in the eyes of your customers?**
 - a) This activity, like Amundsen's '15 miles a day' will be a number, a KPI you get fanatical about and disciplined about
- 4. What scale of number target do you want so it tests you in bad weather and is comfortably achieved in good weather?**

For more details on this step-by-step process please visit the tools in the link below.

YOUR SUPPORT TOOLS ARE HERE: Go to the link below and you'll find a selection of practical support tools to help you apply single-minded fanatical discipline to your business.

These tools will help you identify your 'one main thing' and help you work out your '15 miles a day' number to focus on.

Find the support tools to help you here - www.businessbitesize.com/pg_owen

**business
bitesize**



business breakthroughs
in minutes

**Owen
Limited**

Chartered Accountants &
Financial Advisors