

EDITORIAL

SIMPLE STRATEGIES FOR SUCCESSFUL COMPETITORS

"Competitiveness" is the newest corporate buzzword. It is being offered as the solution to all our economic problems. Newspapers, magazines and legislators are pushing us to be more "competitive." We are given advice about installing advanced manufacturing systems and robotics, integrating computers into our operations, understanding trade laws and international economics, and practicing the latest management techniques — all in the name of "competitiveness".

Competition is the name of the game, but then it always has been. Some of the best techniques for getting and keeping a competitive edge are the oldest and the simplest — the ones we tend to forget in the midst of all the excitement about "state-of-the-art" approaches.

A program about excellence in corporate America illustrates this point. Ten highly competitive companies that practice "excellence" as a corporate way of life were analyzed to discover the "secrets" of their success. These companies represent a cross section of American business. They include a major over-night delivery service, a small Midwestern bank, a national women's clothing chain and a large appliance manufacturer. They range in size from several thousand employees and hundreds of millions of dollars in sales a year to less than twenty employees and just a few million. Their target markets and their customers are vastly different; yet this diverse group has two strategies in common for remaining competitive. They care about their customers, and they care about their employees.

Customer care comes down to the simple, old-fashioned approach of treating customers the way we would like to be treated. Promises made are kept; delivery dates, met; phone calls, returned. Customers talk to real people with real names, not recordings or computers. Problems that arise with products or services are not ignored, but solved — frequently at the expense of the seller. These companies routinely go the extra mile to serve a customer. The president of a major retailer featured in this program answers his own phone — except on the days when he is on the floor of one of his branch stores. The small bank offers free-of-charge assistance to customers in balancing their check books. Neither of these practices is "necessary" or, perhaps even "cost effective," but in both cases, the good will acquired seems to far outweigh any costs.

Of course, all the "niceness" and "customer service" in the world won't make up for a shoddy product. How do these companies manage to deliver a good product?



By getting and keeping good employees that care about the work they do and the products they deliver.

And where do these employees come from? Interestingly enough, these companies draw from the same group of employable people as the rest of us, and, while their wage-and-benefits packages are competitive, they are not out of line with the rest of the market. Employee pride and loyalty come from far more than an attractive wage package.

These companies show the same kind of fundamental respect and concern for their employees that they do for their customers, and the results show in the products and services they produce. In these companies, the management does not have an "us" and "them" attitude toward its workers. Rather, it recognizes that the company is all "us," working to do the best job possible.

Safe, pleasant working conditions are provided. Changes in work routines and environment are not made arbitrarily, but in consultation with the people who will be affected. Good performance is rewarded. Employee ideas and suggestions are encouraged and respected. These companies recognize that the person with 20 years on the shop floor may have some insight into production problems that the young graduate engineer or MBA may not. Employees in these companies have access to management, and an atmosphere of mutual respect is encouraged.

None of these ideas is "new" or mysterious. None of them require enormous outlays of capital or three-day training conferences to develop. They are so simple and basic that their greatest failing may be that they are so obvious that we tend to forget them.

The simple truth is this: A management policy that treats customers like kings and employees as respected and valuable partners is just as important a competitive tool as high-tech, state-of-the-art machines and processes.

A handwritten signature in black ink that reads "Michael Goldstein". The signature is written in a cursive, flowing style.

Michael Goldstein
Editor/Publisher