

What It Takes to Be The Best

The best all around athletes at the Olympic games in Atlanta this year probably wouldn't even qualify for the finals of any single event!

Competing in the decathlon requires outstanding skills at ten different track and field events. It demands exceptional conditioning, discipline and versatility.

But the winning athlete in this overall decathlon competition would hardly challenge the world's best in pole vaulting, discus, high jump or running.

The winners in these individual Olympic events have Focused their special talents, their physical and mental **Core Competencies**, to truly excel at one sport.

It is the same in today's marketplace. We see that most winners are those who understand their **Core Competencies** and focus their energies every day on doing what they do best.

What Is A Core Competency?

- A **Core Competency** is at the heart of a company's whole reason for being. It is the special strength or capability of the firm.
- A **Core Competency** is what the company brings to the marketplace that helps distinguish it from all competitors. It is what we call the "Defining Talent" of the company.
- A **Core Competency** frequently represents what the company is known for by its customers. It is the reason why customers choose its products or services.

Why Is It Important To Focus On Core Competencies?

Like the decathlon athlete, companies may attempt to excel in many areas. But being the best in one area requires setting priorities and staying focused.

Every day we see that leading companies have elected to concentrate on their **Core Competencies** through clarity of purpose, continual improvement, and targeted experimentation.

It is by this concentration of energy, interest and effort that we can achieve excellence.

What Are Examples Of Core Competencies?

■ Strong Operating Systems And Controls

McDonald's and FedEx are two of the best.

When you pull-up to a McDonald's drive thru window or walk up to their counter you expect a Totally Predictable Experience. Every time. The employees' appearance, what they say to you, how the food is prepared and served are all intended to eliminate surprises.

FedEx has built its reputation by Positively, Absolutely Guaranteed Pick Up and Delivery On Time Everywhere. They have embraced technology throughout their operation to strengthen the perception and reality of this **Core Competency**.

■ New Product Development Processes

3M and Hewlett-Packard thrive on innovation.

At 3M there is a commitment to assure that at least 25% of sales for each year are from products less than five years old. That means milking today's winners simply won't work. Employees are granted a percentage of their regular work time to pursue projects that appeal to them. It was on such "bootleg" time that the PostIt® Note adhesive was conceived.

Hewlett-Packard strives continually to obsolete its own printers, where it holds over a 50% domestic market share.

■ Low Operating Costs

Wal-Mart and Southwest Airlines are excellent examples.

Customers expect to pay less when they buy it at Wal-Mart. Their Falling Prices advertising campaign reinforces the Low Prices Always customer perception which is built on the reality of the company's lower cost structure.

Southwest Airlines' no frills short haul routes provide travelers with safe, predictable value. Their position as The Low Fare Airline with entertaining flight attendants and a bag of peanuts on every flight has built a loyal following.

■ Complete Customer Satisfaction No Matter What

Nordstroms and Viking Office Products mean it.

Customers love to tell friends about their shopping experiences at Nordstroms. From well trained, attentive, personable salespeople, to the live piano music, to the on premises food and beverage service, the store is built around the customer.

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Viking Office Products is a catalog merchant who prides itself on understanding each customer through extensive databases, and doing whatever it takes to satisfy each one. Viking even customizes each catalog sent, and can automatically anticipate when a consumable supply is ready for reorder by an individual customer

■ Convenience

Kinko's, Ace Hardware and 7-Eleven stand apart with their convenient locations.

Kinko's recognizes that their customers want their business services to be available where and when they have the need. They are open 24 hours a day, and offer an assortment of duplicating, binding, laminating and other services like passport photos on a quick turnaround basis.

Ace Hardware offers "have to have now" maintenance products and all the advice and help you might want in neighborhood locations.

7-Eleven started operating by those customer oriented convenient hours when it was unheard of to do so.

■ Customized Product Delivery When You Want It

Burger King, Domino's Pizza and Dell Computer make it happen.

You can Have it Your Way at Burger King every time. The production system is built to support it.

Domino's will have the pizza you ordered, prepared the way you want it and delivered to your door in 30 minutes.

Dell will build your personal computer to your exact specifications and air freight it to your office or home in a few days.

How To Select The Right Core Competency For Your Company.

These examples demonstrate that there are a wide range of **Core Competencies** that are successful today. There simply isn't one best approach, any more than there is one best management style.

What we see with these leading companies is that they clearly recognize where they should Focus their resources and skills.

They vividly demonstrate that the more important the **Core Competency** is to satisfying the needs of their customers, the more successful their organization will be.

The key issue then with **Core Competencies** is to begin with a clear understanding of what best assures Complete Customer Satisfaction for your company's offering.

If the **Core Competency** squarely addresses your customers' keenest needs, it will provide a powerful competitive point of difference for your firm.

SUMMARY

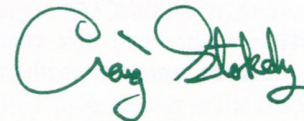
To be the best then means assuring that what your customers want is what you do best.

We recommend implementing an objective and inclusive process to clearly define today's company **Core Competency**. This is then compared to what best assures Customer Satisfaction.

If an "opportunity gap" is found, we advise development of an action plan to build or strengthen the company **Core Competency** in this customer sensitive area.

It is important that the process develop a strong foundation of understanding throughout the organization. Those responsible for strengthening the customer sensitive **Core Competency** will then begin their task with the knowledge and acceptance of the need to change.

We welcome your comments, thoughts and experiences with **Core Competencies** in the marketplace.



"Singleness of purpose is one of the chief essentials for success in life, no matter what may be ones aim."

John D. Rockefeller Jr.

"When every physical and mental resource is focused, one's power to solve a problem multiplies tremendously."

Norman Vincent Peale



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