

The Impact of Globalisation on Strategy within the Smaller Business

HP – Compaq merger

- 140,000 employees
- 160 countries
- Sales: \$87 billion

→ Is this the end of your business???

NO!

This is the chance of your life!

PAYOA
People Are Your Only Asset

PAYOA Ltd

- People Are Your Only Asset
- Established 2000
- Customers: BT, BA, Orange
- Employees: 12

- “creating the pull for change”

Agenda

- Current situation
- What makes a successful organisation
- Components

The changing global horizon



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SPEED of Change

World Knowledge Doubles*

- From Jesus Christ to 1750 1750 years
- From 1750 to 1900 150 years
- From 1900 to 1950 50 years
- Now - Every 900 days 2.5 years

○ * Source : World Future Studies Institute

The message – Work is changing

“ . . . The tough old union militant remembers. Not 1870. But 1970 (not exactly an eon ago.) . . . Took 108 guys some 5 days to unload a ship full of timber. And now? Container daze: Eight guys . . . One day. (!!!). . . ”

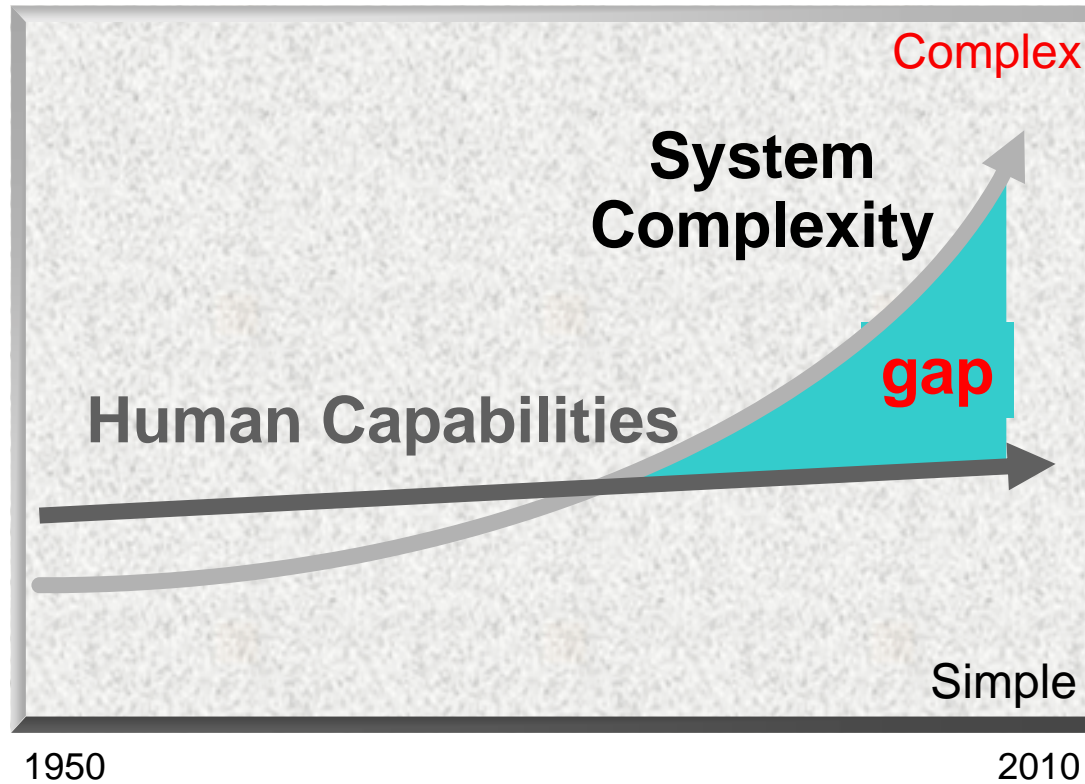
Tom Peters

“The corporation as we know it, which is now 120 years old, is *not likely to survive the next 25 years.*”

Legally and financially, yes, but not structurally and economically.”

Peter Drucker, *Business 2.0* (08.00)

Performance Challenges



'Although we've taken ourselves out of the Stone Age, we've yet to take the Stone Age out of ourselves.'

The New Economy

- Shout goodbye to “command and control”!
- Shout goodbye to hierarchy!
- Shout goodbye to “knowing one’s place”!

The new economy

- **Intense global & local competition** - New products, services and destructive entrepreneurs
- **New Productivity tools (I)- White Collar Robots** - ERP systems, Intranets, Knowledge capital management schemes, Customer Relationship Management systems etc
- **New Productivity Tools (II) - The Internet** - A new connectivity for business, customers and society - new distribution networks.
- **Global Outsourcing . . . Of White collar work**
 - Mass Customisation - XChanging
- **Speed** - lets measure white collar productivity - traditional time frames savaged

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Built to Last

	<i>Leading Companies</i>	<i>Also Rans</i>	<i>General Stock Market</i>
1990 value of \$1 invested in 1926	\$6,356	\$995	\$415
21 Characteristics - 18 companies <i>(number of high scores)</i>			
2 Mission	15	2	
3 Continuity of values	13	0	
4 Actions consistent with values	13	0	
9 Investment in people	10	0	
18 Objectives beyond profit	7	1	
19 Investment for long term	6	0	

The Inclusive Approach

‘Inclusive organisations’ have:

- A vision
- Stakeholder relationships
- A ‘success model’



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Stakeholders - a Balanced Journey



Employees

Shareholders

Leadership

Community

Customers

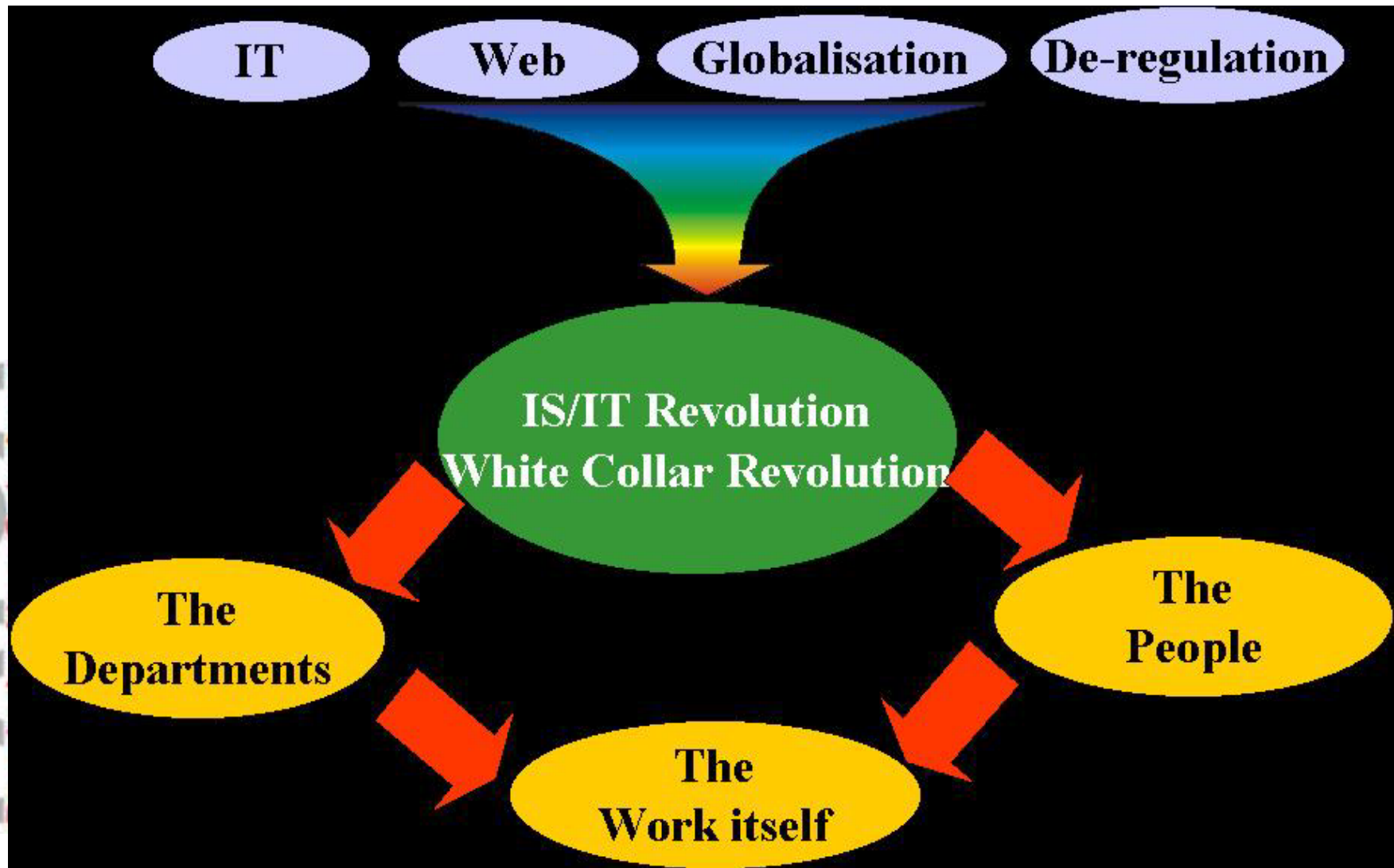
Suppliers

PAYC
People Are Your Oil

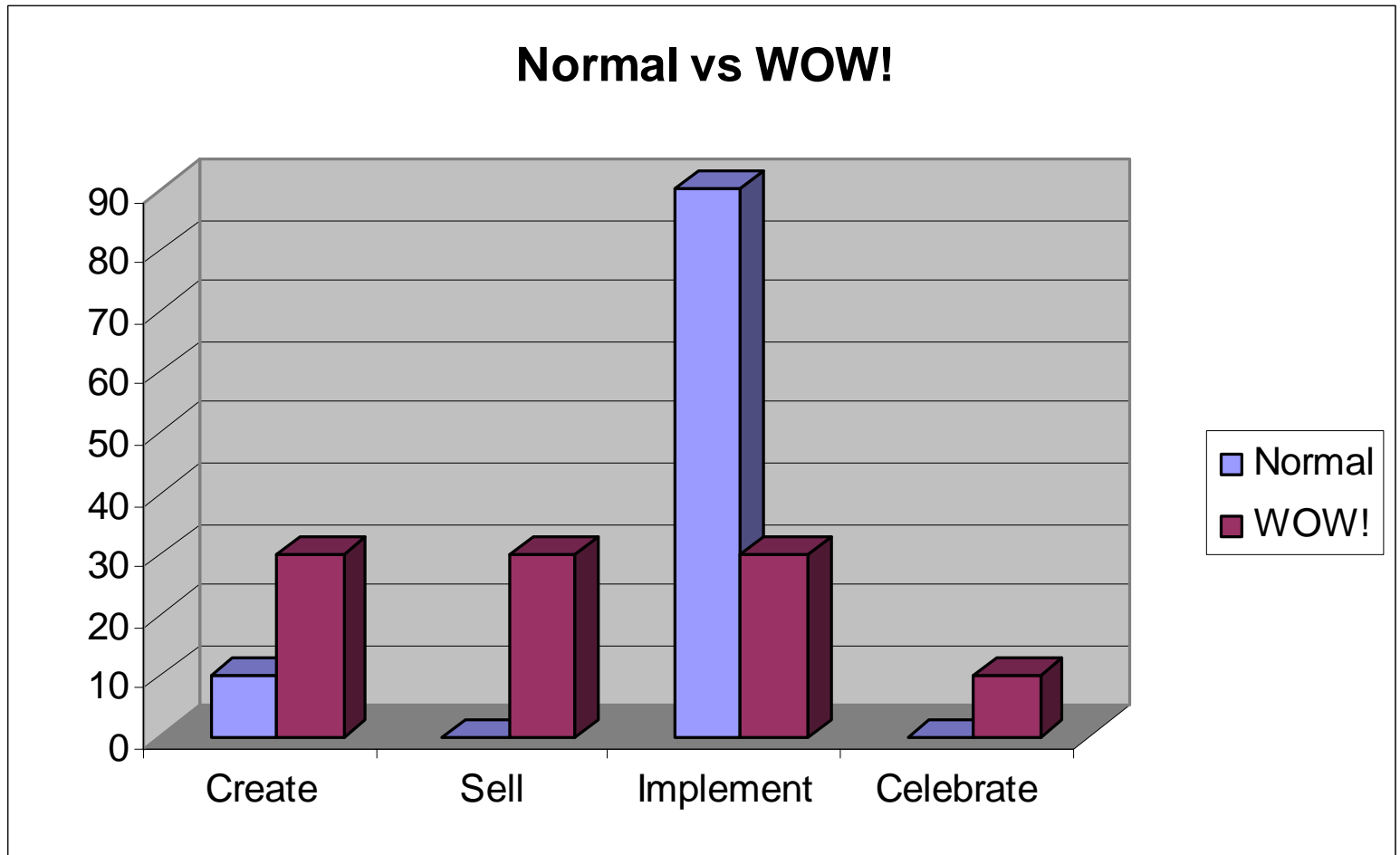
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New work – the core model



The Difference is Balance



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Sell

- Do I have a well tuned 3 minute pitch?
- Have I considered all the possible sponsors?
- I am including the full stakeholder community
- Am I inspiring the team?

Professional Services Firm

. . . Most work being done internally within modern businesses is being done externally, by highly skilled professionals and at a profit to those businesses. . .

David Andrew - CEO XChanging

“If there is nothing very special about your work, no matter how hard you apply yourself you won’t get noticed, and that increasingly means you won’t get paid much.”

Michael Goldhaber, Wired

Brand You

Who

What

I

&

I

Am

Do

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Job

Career

Brand

Pre-Industrial Revolution, c.1400s

piece of work

a race at full speed

mark burned on
livestock

Industrial Revolution, c.1800s

transaction of
private advantage
over public interest

advancement in a
specified position

identifying label
or trademark

Millennial Revolution, c.2000

paid position
of employment

working permanently
in a specified position

impress
unforgettably
on one's mind

“The most profitable businesses in the future will act as knowledge brokers, linking insights into what’s available with insights into the customer’s individual needs and preferences.”

*Robert B. Reich, former
U.S. Secretary of Labor*

My Yellow Pages Ad

Rules

1. Must fit in the space provided.
2. Word limit: 25
3. Image limit: unlimited
4. Time limit: 10 minutes

Brand Marketing

- Build your Brand web site.
- Produce a video of your brand.
- 30 second TV advert of your brand.
- Post it on you company's intranet.
- Link it with the companies KM tools?

Big mergers

- Do you think they are able to create a similar environment?
- Where would a customer go?
- It will take HP/Compaq 20 years to sort their internal problems (my personal guess)

Thank You!



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