

Can You Outperform your Industry?

Generating value is getting tougher in many industries driven by increasing customer and consumer demands along with the pressures of increased competition and low cost sourcing.

However, in industries where profits of zero to 6% are the norm, extraordinary performers have profits of 12% to 16%.

Startlingly PDS, a Birmingham based strategy implementation firm, found that around 25% of companies included in their research only needed to improve one of their processes to become performers of this magnitude.

PDS found hidden gems amongst its client base. These companies buck the trends and increase profit and shareholder value by outperforming the majority of competitors in their industries. They have figured out how to increase customer value and keep some of it for themselves.

Paul Sheedy, Director of PDS, explained “our research indicates that most companies only need to have two to three world class processes to become extraordinary performers” and continues “the remainder are necessary for the business to function but must not deflect resource and focus. Even good companies that fail to identify the processes that are critical to success operate on blind faith that working on everything will somehow deliver superior performance”.

PDS found this approach is often misguided because resource is diluted, costs are increased and strategic focus is lost. Organisations in this situation may capture value for a while but ultimately have falling or low profits as value creation fails.

In order to have a continuing cycle of value creation, PDS learnt that companies must be able to develop these processes to cope with changes in customer and consumer demands. And, if this value is to be captured, the organisation needs to be able to replicate the two to three key processes mentioned earlier.

According to PDS the imperative to developing extraordinary performance is to understand which processes are key and then to focus at becoming excellent at them. PDS’s initial research work includes the use of Rating Strategic Ambition™ to identify the key processes and also the ability of the organisation to capture and create value.

PDS enables companies to become extraordinary performers by developing and implementing winning strategies. Creating speed, adding resource and deep experience to get the job done, succeeding where others have failed.

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If you see the possibilities in your industry, we'll get along.

PDS Delivering value strategies... at speed

PDS

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