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a newsletter on practical strategic thinking and action
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Is It the Recession?

In the middle of the last recession, we met a CEO that we'll call Peter. Peter was a brilliant PhD, respected throughout his industry for his knowledge and for the company he had built over the course of twenty years.

When we met him, Peter was discouraged. He wanted out of his company. His financials still looked strong, but he had lost some key clients. The company's largest client was threatening to leave and was questioning all the work they had done in recent years. Peter's team was equally tired of the big client. But Peter couldn't even think about firing them.

He spent the entire first meeting with us talking about all the other ideas he had for new products and new businesses. As he talked about these new ventures, he became excited. His face lit up. He had us totally engrossed in these amazing ideas (which he had already started to launch—an issue in itself). But when we brought the conversation back to his existing company, his shoulders slumped back down. He became a different person, already defeated.

Over the course of the next several months, Peter and his team did many things. They didn't fire the giant client, but they did work on their internal team—adding and subtracting in key places. They spent time listening to customers, ex-customers and industry leaders. They took a fresh look at their industry, their business and, most of all, their intellectual capital. They came to understand that their company had unique strengths that many in the industry valued very highly.

Armed with this new knowledge, the company went back out to the market with a new message and a renewed sense of confidence. They won new clients. They just about doubled their billing rates for most of their people. They received more and more attention in the industry, which of course led to more business. They didn't rely on the economy to fuel their recovery—they built it from their own strengths.

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strategic thinking perspective

As we move through the current, challenging economy, you will face many barriers to growth. And many of the barriers facing companies today, including increased global competition and high commodity prices, may never go away. Like Peter, you won't be able to just wait it out for a magical recovery. You will need to think about how to succeed in this changed environment. Luckily, companies built on intellectual capital can be easier to change than those based on large, fixed assets. Think how to turn today's economy to your advantage. Use your strengths to create a new offering. Find a way to re-charge your performance today.

-Mary Adams (adams@trekconsulting.com)

strategic action perspective

At Trek, we're big believers in industry research and strategic conversations with those involved in your business and the key stakeholders outside it. Once you've had these strategic conversations, it's time to look at the data with as much objectivity as you can muster, analyze and synthesize the feedback, then move forward onto the development of your action steps.

If the feedback confirms that everything you're doing today is perfect, for both 2008 and on into 2011, then congratulations. If not, it's time to make your changes and execute.

- Michael Oleksak (oleksak@trekconsulting.com)



reading list

Groundswell: Winning in a World Transformed by Social Technologies
By Charlene Li and Josh Bernoff

We heard about this book at a recent meeting of the Institute of Management Consultants New England Chapter (<http://www.imcne.org/>). The panel discussion addressed the Web 2.0 concept, and one of the panelists (sorry, we can't remember which one) recommended this book by two analysts from Forrester Research

In the midst of all the hype about Web 2.0, this is a very good book for business people. It puts Web 2.0 in the context of traditional marketing and communication media—explaining the parallels between traditional research, marketing, sales, support and development and their counterparts on the web. The authors also suggest taking a staged approach to implementing this new media that matches the readiness of the people in your organization as well as your customers—setting clear objectives and strategies, all before jumping into a specific technology.

This is a great source for anyone looking to plan a Web 2.0 strategy for their own business.

announcements

You may have noticed a slight change in the format of this month's newsletter. First of all, we decided to feature more prominently the stories we have always told in our former Industry Snapshot section. Time has taught us that stories are one of the best ways to communicate.

We have also changed the company description of Trek (which follows this section). This change reflects some "consulting" we did for/with ourselves recently. We did a study of our work and the value that we have brought our clients over the past (nearly) ten years. We found that:

- Virtually 100% of the engagements we have had over time have been focused on achieving or sustaining growth.
- 85% of the time, Trek's primary client was the CEO of a company or division.
- 72% of our work has been with companies that are primarily service-driven, and 19% are primarily software companies—although the difference between these two types of businesses blurs more and more over time. That leaves just a few product companies.

It's no wonder that we have become experts in intellectual capital—it's the only asset our clients have!

Let us know what you think about the new format (info@trekconsulting.com). And thanks for reading.



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about trek consulting

Trek Consulting helps service and technology companies achieve and sustain growth.

We work with CEOs and senior management teams to develop and execute profitable sustainable growth strategies and tactics. Our work focuses on developing, managing and marketing intellectual capital, the core asset of today's organizations.

Our clients report improved market focus, greater revenues, better margins and increased profits. To learn more about Trek Consulting and how we can help you improve your company's results, visit us on the web at www.trekconsulting.com or call us at 781.729.1008.



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