



Book Summary: Run Your Business Like a Fortune 100: 7 Principles for Boosting Profits (John Wiley & Sons) by Rosalie Lober

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Note: This is a very concise paraphrased summary. Please support the author and buy the book.

- Idea:
 - Strike strategic alliances with innovative companies in Asia and Europe.
- Two of the most important factors in running a successful business is:
 - having a **clear vision**.
 - having **stakeholders who buy into that vision**. Stakeholders include customers, markets, staff and investors.
- Know your customers and competitors almost as well as you know your company.
- When expanding into foreign markets, ask yourself:
 - How would I localize my solutions for customers in the region?
 - Distribution channels?
 - What would I buy and what would I outsource?
 - Do I understand the culture and local laws?
- **As a small business adopt the strategic, operational, and people processes (corporate best practices) of larger Fortune 100 corporations**
 - Requires no financial investment.
 - Strategic integration is probably the most important element for successful Fortune 100 companies – they spend millions of dollars on consultants to help them keep their diverse businesses aligned.
- Learn more about customer needs -> segment customers -> offer value-added products and services.
- Transformation of an enterprise:
 - Begins with a sense of urgency.
 - No institution will go through fundamental change unless it believes it in deep trouble and needs to do something different to survive.
 - Invest in transforming changes to the business that are both high priority and provide high return on investment.
- PROFITS Framework:
 - P = Position only for Growth
 - Profitability, expansion or other measures that define success.
 - Review financial performance
 - Know your customers
 - **How do I create the best customer experience? Spare no expense.**
 - Know your company from your customers' perspective.
 - What percentage of profitability resulted from existing customers? Are these customers segmented into specific tiers?
 - What percentage of profitability resulted from new customers? Are these customers segmented into specific tiers?
 - Generate priorities.
 - Distinguish yourself
 - How is my company unique? In what way does my company differentiate itself from competitors?
 - Where are my vulnerabilities relative to those of competitors?
 - Do I know who my competitors are?
 - R = Reality
 - Challenging perceptions and assumptions.
 - What is stopping significant improvements in productivity and profitability?
 - What customer wants can you anticipate for the future?
 - How do you bridge the gap between current and future needs?
 - Does your organization have the ability to achieve its goals?
 - **Build your core. Outsource inefficiencies.**
 - What project or initiative is struggling and draining resources?
 - Review your commitment to this project and then determine if you can let it go.

- Take steps to radically move the project forward quickly or terminate it within the next two months.
 - O = Obtain Vital Information
 - Document the information you expect in writing to ensure that all parties have the same understanding of your request.
 - Decide what you're looking for.
 - Rely primarily on customer information.
 - The best way to acquire and disseminate vital information and expertise is by networking.
 - Identify the people who might have the information needed. Learn most effectively by asking experts.
 - What competitive advantages does the company have when compared to its competitors (e.g. pricing, speed to market, customer service)?
 - F = Flexibility
 - Requires that both strategic and operational structures are in place.
 - Various measures:
 - Develop new products
 - Customize products
 - Improve existing products on demand
 - Adjust market offers
 - I = Integration
 - Scrutinize your business functions
 - Interrelate metrics.
 - Your role as CEO is to train all your employees to know and work towards the company expectations.
 - T = Test and Revise
 - Excellence is in the details.
 - Is our strategy logically defined based on current market and competition?
 - How will it change in the next year? Three years?
 - What market and demographic shifts do we expect to occur in the industry?
 - Does current positioning make sense?
 - Are current operational processes realistic?
 - S = Steering the Company
 - Defining clear roles, responsibilities and accountabilities.
 - Visualize your company
 - Observe yourself walking through the front door.
 - Who are the first people you see? How do they look at you? How do you feel about them?
 - How do your employees interact? Do people in your business have clear roles and responsibilities? How do reporting relationships work?
- Questions for business profits:
 - What does my business want to accomplish?
 - What is the current state of my business?
 - What is required for my company to become more profitable?
- "Make your product easier to buy than your competition, or you will find your customers buying from them, not you." – Mark Cuban
- Innovation is the road to profits. Every product runs the risk of becoming a commodity when the strategy is to lower prices to beat the competition.
- We all make purchase decisions based on how a product reflects on how we feel about ourselves. Only after the purchase do we make up a story to support our buying decision.
 - Only then do we talk about the fine quality, great value, artistic design, or durability of the product or service.
 - To be successful, you must supply a story line for your customer that is easy to communicate and compels your customer to buy your product.
- Visualize a situation and rehearse three possible outcomes – one that is successful, one that is neutral, and one that is a failure. Notice your reactions to each scenario and imagine what your next step would be.
- Fulfilling customers' desires is why we stay in business and what makes us profitable.
- Classify products into cost centres.
 - Document all costs and expenses for each product and service line.
- External Analysis
 - Industry and environment information: Size of market, targeted segments, current and future trends, growth, relative historical influences on present circumstances, legal considerations, government considerations, and cyclical and profitability considerations.

- Competition: What do you know about your competition? Who are they? Where do they compete? What are your competitors' strengths and weaknesses? How do these competitors respond to change? Do they provide the same services for your competitors as you do?
- Competitors: Who are your customers? Why do they need your product or service? What else do they buy? What do trends indicate about potential customers?

