

How Do You Shape Up Against your Competition? What Does Your Wasteline Look Like?

Years ago, I quit smoking and decided to get in shape. Since I was never motivated by negative goals, like losing weight or giving up smoking, I set a positive goal. I wanted to run a marathon. At the time, I was working for an insurance company that had a great physical fitness facility, including full time fitness experts. I got an appointment with the director and asked him to work with me to put a plan together to get me in shape. He gave me a plan, but it was not a plan to get me in shape so I could run a marathon. It was a plan to get me in good enough shape so I could then get in shape to run my marathon. He said I was a "couch potato."

My experience reminds me of the shape that insurance companies are in and their need to reduce expenses, eliminate waste and get in shape -- so they can effectively compete in today's economy. Like people, insurance companies tend to fall into four categories:

1. Those that are in world class shape (and are able to regularly run marathons),
2. Those that are in good shape and progressing towards being world class (so they can run a marathon),
3. Those that are getting in shape, so they can do the serious work necessary to become world class. These are the companies that are getting in shape to get in shape.
4. And lastly, there are the companies that need to get in shape (the couch potatoes). They might talk about getting in shape but they really have not done anything that is meaningful.

Every company should ask itself two questions. First, which of these categories do you need to be in to be successful in today's economic environment? Secondly, which category is your company currently in? Most companies will want to be a category one company. Many would like to think they are there now. Be careful in answering this question, however. The marketplace knows where you are -- so you must be brutally honest in your evaluations. If you pick the wrong category, you could delude yourself into oblivion.

Once you identify where you are and where you need to be, you need to put together a plan that will get you from here to there. This means identifying, prioritizing and then making the changes your company must make, when it is capable of making them. Unrealistic goals and poor plans will ensure defeat before you ever start.

This process is the same process I went through to get in shape to run my marathon. The key for me was to talk to an expert who had the skills and experience to determine what I needed to do. I could have tried it myself. After all, no one knew me better than me. The problem was that this is all I knew -- me. I did not have the experience necessary to determine what specific changes I needed to make to get me to my goal nor did I know how much change I could realistically make and in what order I should work on them. This took an expert. Insurance companies are the same. If you want to be in the best shape possible to be successful in today's very difficult market, the wisest course of action is to seek help from an expert.

Not surprisingly, we are the experts you need. Give us a call and have us conduct an Operational Review for you. It is quick and we guarantee it will be worthwhile.

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