

Why Common Sense is So Uncommon Today

Ahead of appearing at The Retail Bulletin International Expansion Summit 2013 on March 26th, we caught up with James Berkeley from Berkeley Burke International. James is an unusual character. A “High-Growth Market GPS”. He helps you and your key team to agree on destinations, appreciate alternative routes, always understand exactly where you are and what options you have, and how to adjust your speed when required.

RB: James, what are the biggest challenges your clients are facing today?

JB: There are 8 challenges, both on a personal and professional level. The unifying theme is the difficulty people have applying common sense. Here are three of them in no particular order and what my best clients are doing to resolve them.

#1: Time usage or what I term “ROTI”, return on time invested. Time is the scarcest commodity a profit centre head or Director-level executive has. This minute will never happen again. We can find more money, more resource and more investment opportunities but we cannot create more time without giving up something. I see tremendous time wastage where excessive meetings and overly-consensual behaviour are the “norm”, not the exception in many firms particularly during the implementation phase of international expansion strategies. To be effective, every executive needs to be adept at disposing of labour-intensive activities. Why? Everyone wants a piece of the profit centre head. I tell my clients, try keeping a 24/7 log for two weeks including work and personal time. Jot down at every natural break in the day, where you spent the time. At the end of the two weeks, I guarantee you will be shocked and surprised at where the time has gone. With my least successful clients, I can easily find 30 minutes of “redundant” time a day or in a normal working week 2.5 hours of time. Just think that is an additional two full working weeks in a year that could be re-deployed to your highest priorities.

RB: Great, what are the other two?

JB: Separating Fear. Fear and risk are all around us. Fear of the competition, fear of not being or losing a step to first movers, fear of economic events mostly out of our control, fear of operating without typical market “norms” when entering emerging markets, fear of delays in the supply chain, fear of customer to customer feedback, fear of making decisions and so forth. Volatility is the new norm. International executives both within and outside the retail sector need to get fundamentally better at separating risk. By that I mean triaging “risk” into one of three boxes: perceived, actual and catastrophic risk, defining the probability, and quantifying and qualifying

the impact on the organisation and themselves. It starts with hiring or transferring the right people into leadership positions, train them in the right elements and procedures, provide the right tools (e.g. technology), support them with recognition and reward, demand that they be accountable for decision-making, and monitor results. The role of the “exemplar”, the key global business development leader, is especially critical at the support and accountability steps, no matter how strong the foundation.

Finally, a focus on exciting customers, not merely reacting to their demands. So many retailers I speak to are concerned with what their customers want. “What is their identifiable need and how do we deliver consistently to the customer in Brussels, Abu Dhabi or Ningbo?” Stop it. The truly innovative retailers are focused on delivering products, services and relationships that customers never knew they needed. Think laterally, focus on innovation, new ideas, new experiences and new approaches. That is the fastest, quickest way to avoiding being caste a commodity and commanding a premium price.

RB: Which brands are really addressing the latter challenge well? Give us examples.

JB: While strictly not retail, I can make a strong case that Virgin Atlantic has a consumer experience and excitement that its’ competitors struggle to compete with. Williams Sonoma is a fabulous retail customer experience. Wherever I travel in the world, Zara stores have created a constant excitement with new trends. Waitrose’s product experience, the choice, packaging and service is another fabulous example that my New York friends simply crave in their city.

RB: So how would an international retailer make sure that his or her organisation is not left behind?

JB: Examine intelligently where you need specific or supplemental external expertise. Go out and hire the best help you can find and afford. Ask others in your professional network for names of individuals, not organisations, who have a strong track record of success with very similar or identical needs for organisations in your situation. Don’t make the mistake one organisation I know made, of simply hiring a well-known brand in the consulting field, in the expectation that they would be the answer. A million and half dollars later, 99% of those recommendations were discarded in the first week after receiving the recommendations! These improvements necessitate very personal engagements requiring very strong personal chemistry. You need to apply the same rigour as you would when hiring a personal financial adviser or a lawyer.

Make sure you benefit from James' and all of our other speaker's experience and insight [by registering now](#) for this vital one day, interactive summit.