

Evaluating Others' Skills

Karen Thomas had flowing dark brown hair-- always with ribbons or bows. She was petite and graceful. Her eyes were coal black. I will never forget her wonderful smile. Both her smile and Karen were sweet and kind. Her hearing problem made her seem to concentrate more on her school activities. She was an only child, from a broken marriage.

But she couldn't play kickball. I think you had to have the influence of a brother or father to play kickball well. It is essential to have a basic understanding of baseball to know how to move around the bases. You have to move beyond the fear of pain or injury to really kick the ball with any gusto. These are all things that Karen could have developed if she had someone to help her along.

When we would choose up sides for kickball, she was typically one of the last ones chosen. When it was her turn to kick, the pitcher would roll the ball to her and she would give it her typical kick. It would hardly make it back to the pitcher. Automatic out. In the field, we would put her into right field. She was good at running down the ball, but didn't have the muscle to get it back into the infield.

I would have more success choosing Bonnie Byers, Carol Cook, or Earleen Fountain. When it came to kickball, you had to choose who would help you win.

It took me until 6th grade to finally, fully appreciate Karen's finer qualities!

It is the same in eBusiness; you have to choose wisely the ones with whom to play. I laugh at the magazine advertisements that proclaim how much money they have saved with "their solution." They don't show the pain and suffering it has taken to get there. They haven't shown the hidden, ugly side of the implementation. All smiles and

no sweat and toil. The haven't advertised the untold costs in time, money, and relationships. The advertisements don't tell the real tale. I would like to be able to look behind the scenes of those advertisements to see how much more could have been accomplished. Usually, that tells a far more interesting story. I have observed businesses force their suppliers into solutions, only to see additional costs get passed back (money, service levels, quality) that don't show up in the advertisements. I have seen high levels of production support activities going on behind the scenes as we apply "sneakerware, baling wire, and bandages" to keep things moving along. I have seen initiatives that have shown so much promise "die on the vine" based on sheer resistance.

At my company, we had 25% penetration in bringing suppliers on board using EDI. We would organize annual "conferences" (normally in the middle of winter in Rochester, New York) to bring the "uninitiated" back to talk through what they needed to do to get ready. The reward for doing EDI with us would be to get to miss out on the annual pilgrimage.

Business readiness is a huge issue. We would show our PowerPoints with all the diagrams of cost savings they could expect. We would line up software vendors who could help them implement. We would threaten, plead, and cajole. We would pull in our senior managers to discuss why this was important. Everything the book said to do. And next year, we would see the same familiar faces.

We would latch onto a few fish every year, but we never really got down to basics. That's hard work. This is a daunting task across thousands of vendors, to say the least. Instead, we would handle this in mass audiences in auditoriums. It wasn't personal. It wasn't sufficiently directed. What we needed to be doing was jointly accessing the potential trading partners' capabilities and identifying plans to get ready. We needed to identify how we would share the benefits, especially as they related to their business. We needed to know enough about their businesses to understand their issues (and vice versa). We needed to work through every aspect of our implementation together.

It isn't enough to tell the supplier "it is a lower cost business model" or "you are going to have to absorb the additional costs." These aren't stupid people. They didn't

just fall off the turnip truck. They must be smart or they wouldn't be in business long. They wouldn't have made it through the gauntlet to become one of our prized suppliers. They know how to give with one hand while taking with the other. They know what is measurable and what is not. They know what is sustainable and what isn't. They do a great job looking into our eyes and assessing whether we will stand by what we threaten to do.

Access your trading partners' business readiness. There is a different criterion that needs to be applied for your trading partners than you may have previously applied. Assessing their technical readiness is likely checking their muscles to see if they have the "physical" abilities for eBusiness. Whether they have the coordination and technical wherewithal to pull B2B off.

But assessing their business readiness is a totally different issue. It is in knowing if their "heart and mind" are in it as well. It is whether their business mission and vision is aligned and supported by their eBusiness strategies and tactics. Essentially, it runs down two alternative paths—either risk or reward.

Businesses come to B2B because they have recognized a competitive threat. They hear from their customers that their competitor is doing "such and such" and they believe it is essential they respond.

They believe their customers have mandated (or will mandate) a certain course of action and they have no other option. They believe they will either lose their preferred vendor status, or the business entirely, if they do not implement as they have been told.

Or they recognize some advantage they can apply. They see some opportunity in getting closer to their customer, to take cost out of the business process, or to extend some product or service they offer.

The worst scenario is when they try to see it both ways. Be cautious when you hear, "Our customer is making us do this, besides there are some opportunities here..." This is a set up for disaster.

To think that way is to be position yourself to do neither. You will not know when to step on the brake and when to step on the gas. You will not have the conviction to turn the keys of the car over to the racecar driver. You will spend your time debating

whether what you are doing is meeting the customer need with any particular activity or furthering your competitive position.

If you don't know why you are doing B2B, you cannot be highly successful with B2B. Period. Business units cannot possibly align their eBusiness strategies and tactics with their business goals unless they have can see 1) alignment between the two and 2) their future state. Corporate strategies are generally conflicting and present an excessively broad vision and mission statement to apply in an exacting fashion to business units. There are some notable exceptions, but not enough to worry about.

About every five years, General Electric initiates a corporate strategy such as Quality, Electronic Commerce, or Workout™. These are sufficiently broad so that they can be adapted and molded to their specific business unit requirement. These are also sufficiently rare so that they are not viewed as the “program of the year,” to be ignored sufficiently long that they “die away,” as takes place at so many companies.

By nature, the BU strategies are where the rubber meets the road. It is where the acid test is applied to our business strategies.

Know what's in it for them. Until your trading partners have defined their mission and vision, you really cannot help them meet their eBusiness goals. Their goals will, by definition, be short term and misdirected.

Does this mean they cannot do B2B? No. But it does mean their B2B initiatives will likely be haphazard, disconnected, and uncoordinated. We have a retail customer who came to us in four months with three different proposals for B2B on three different platforms. Two of those solutions were web-based order management applications on separate platforms—one for direct materials and one for indirect materials. When we pointed out the disparity to their senior management, they thanked us and walked away to figure out where they were headed.

Sometimes businesses will know that they want to do something with you, but aren't quite sure what that is. It may be that you can get them to adopt your B2B initiative. On the surface, this may seem fine-- even the easy route. However, you still want to work through with them the value that they will see from doing your initiative. Why? So that when you are “down to the wire” on implementation, when the effort has gotten very hard, they will not back away at the last minute.

How, then, should we respond? Should you only do B2B with trading partners who have strategies and know where they are going? If the answer to that were yes, nobody would ever get anywhere!

You should partner with those who are further along in their thinking and planning, while you nurture those who are not as far along.

Work primarily with those who are 1) already aligned with where you want to go or 2) are willing to look into aligning with your strategy.

That doesn't mean to forget those who are not perfectly aligned with you. You still want to see if you can come together and do a bit of "horse trading."

You will need to place different emphasis on your program to the different sets of trading partners. With those that are ready, begin to solidify plans and building relationships. For those that are further behind, begin to educate and help them move forward. Think of these as becoming a stream of implementation.

All of this requires that you evaluate your trading partners skills and abilities. It requires that you take the additional step to assess their eBusiness strategy and readiness.

A company with an eBusiness strategy can get any technical misalignment straightened away very quickly. But a technically savvy company cannot get an eBusiness strategy put in place quickly. One readiness speaks of leadership, the other does not.

Choose wisely. Choose based on business readiness first.

"Do what you can, with what you have, where you are." -Theodore Roosevelt



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