

Summary note – Fit for the new dawn webinars - Shaping your post-COVID-19 business strategy – to diversify or specialise?

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Quotes

“There is a great opportunity to stop, turn around and look in the opposite direction as there is less competition going in that direction.” – **Howard**

“If you can – don’t do it alone. Look at your teams who can help you navigate around and overcome the roadblocks ahead to start seeing the light at the end of the tunnel.”- **Bradley**

" Coming into the new dawn specialising will build more business into your existing sectors - there is a lot of sense in sticking to your knitting" - **Paul**

“Remember your core customers – they are key to where you’ve come from and they will be key to where you’re going to. Honour them, stay with them, scale with them – you don’t have to be everything to everyone.” - **Dave**

- **Be devoted to your purpose:** review and adapt your strategy - do not give up on what got your business to where it was before this pandemic; continue to understand your customers’ needs and become a subject matter expert in your market.
- **Building more business through your existing market:** try to retain your position as a specialist where possible, concentrate on being at least 1% better than others in your space by improving your operational and service levels to separate yourself from the competition. Avoid developing a “goldrush” mentality and becoming a generalist recruiter.
- **Future proofing your business:** understand what opportunities are costing you money - drive your purpose, create trust, invest in training and look after your peoples’ well-being to create loyalty to your business.
- **Communication creates opportunities:** continue to network and deepen relationships with clients, look at your internal collaboration structure and how you incentivise teams – think about if different teams can cross-sell to the same client.
- **Coming together to gain quick wins:** consider options to partner or collaborate with other companies (e.g., look at mergers and acquisitions where appropriate) – it is about servicing the client the best way we can.
- **Develop strong recruiting skills - ACE model:** continue to train your staff (incl. people on furlough), get your managers to coach and your people learning.
 - what *Authority* do you have in the market,
 - how well are you *Connected* within your industry, and
 - focus on your *Education*.
- **Remember that people pay for quality:** a critical success factor is to be able to articulate value over price, work hard on your service offerings - this will help recruitment to move away from a contingency model (paid when you win) to a retain model (paid on engagement).
- **Strategic selling:** get closer to your existing clients, understand what value you provide that others don’t. What are your USP’s and where do you already operate as a ‘trusted advisor’. Are there opportunities to upsell/cross-sell, or provide other services, for example if you provide drivers or office staff - does your client have related opportunities that you can take advantage of?

- **Weigh the Pro's and Con's:** look at where in your existing sector you can supply PAYE temps and contractors to your clients. Start collecting candidate data on who is available now to gain advantage. Have a process to understand what does and doesn't make money – try using a Jigsaw analogy:
 - **corner piece:** people – your consultants, clients and candidates,
 - **frame:** your infrastructure and its capabilities,
 - **body:** your service offerings.

Things to consider before making the decision to diversify into other areas:

- **Understand your WHY's:** why you're working in the current market and why do you want to move into a new market? Think about diversifying your offerings before moving into different sectors.
- **Market research:** what do you know about your market and competition – work on gaining intel through surveys, focus groups, quantitative and qualitative research. Focus on SME market, as it has a lower entry barrier.
- **Strategic thinking:** exercise caution as a transactional model will not create longevity and therefore diversification should be part of your long term strategy - see if you will be making a difference and if you can add value in the new sector. Try using the [Ansoffs matrix](#) which is a tool that helps look at opportunities for growth.
- **Clients:** look at options to expand across a client, understand their trends and identify space at your customer that you can fill - see if you can expand in sectors that go "hand in glove" (e.g., if you're supplying drivers can you also supply warehouse staff).
- **Candidates:** can you attract candidates with the right disciplines/skills for any new sectors? Do you have them already in your existing pool. If not, how will you develop your approach, do you have the internal expertise to do this?
- **Consultants:** determine if your existing consultants have the knowledge/expertise/skills to move into the new areas - if not, can you train them, or do you need to hire new people which often come at a high cost and risk (as you have limited knowledge of them).
- **Brand image:** does your brand image lend itself to new sectors. Will diversifying your brand dilute your brand with existing clients/candidates? Do you need to create a sub-brand?
- **Social media:** think about what presence you have on social media and the people that follow your business – do you have existing candidates to create a new talent pool to cover new areas?
- **Marketing:** how are you going to do the marketing - do you have the expertise to develop the right content for Blogs/Vlogs, etc. Will you need to spend on new job boards?
- **Technology:** evaluate if you have the right technology to support your move into new space(s) - do you have a finance platform to manage your cash (e.g., paying your PAYE and temp wages).
- **Your core business:** succession planning is critical - ensure you have someone who can take over looking after your main business, whilst you focus on moving into new markets.

All REC members can benefit from the available resources on the REC website, including model documents, templates and factsheets to help support your transition to different markets as well as leverage your gains in your existing space.

Final thought

Paul Jacob's shared how management consulting company Bain & Co describes how the very best companies respond in a recession.

"Think of a recession as a sharp curve on an auto racetrack—the best place to pass competitors, but requiring more skill than straightaways.

The best drivers apply the brakes just ahead of the curve (they take out excess costs), turn hard toward the apex of the curve (identify the short list of projects that will form the next business model), and accelerate hard out of the curve (spend and hire before markets have rebounded)."

Presenters' contact details

	
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Free business consultation from LoveWorkLife and ToAugment

Howard & Paul from LoveWorkLife Consultancy and Brad and Dave from ToAugment are offering you the opportunity to have a **free** 60-minute remote business consultation with one of them.

To access this offer please email info@loveworklifeconsulting.com or info@toaugment.com