

WE KNOW

BUSINESS STRATEGY

IDENTIFYING YOUR CORE STRENGTHS

QUICK GUIDE

This Quick Guide provides you with tips on identifying what your core strengths are.

WHAT ARE YOU GOOD AT?

What you are good at = your core strengths.

Without knowing your core strengths and doing some research on what your customers think, you may not be operating at your most effective or focusing your attention in the right areas of your business.

To identify what your core strengths are you need to review your business, and ask “what is it that makes our business unique?” This is where carrying out a SWOT analysis (strengths, weaknesses, opportunities and threats) can be a useful process to work through.

Below are some tips to get you thinking about your core strengths:

- Research your markets – look at the overall picture, including industry and market trends and cycles. Where can you position yourself to take advantage of emerging trends, or better yet, be an innovator?
- Regularly carry out a SWOT analysis - think about why you do what you do and how well you do it compared to your competitors:
 - Strengths and weaknesses - internal factors under your control that you can work on to improve
 - Opportunities and threats - external factors such as competition and environmental influences, that you need to consider and incorporate into your planning.
- Engage your staff. They have valuable skills ... and ideas! Get to know what their strengths are and put them to good use.
- Determine your own strengths and weaknesses. A great leader knows their own strengths and weaknesses and selects a team whose collective strengths outweigh any individual weaknesses.
- Look at ways you can add extra value – be innovative in your service delivery.
- Be clear about your competitive advantage – what makes you unique? Why do your customers buy from you? Survey your customers – find out from them why they come to you versus your competition. You will identify strengths from this that you may not even be aware of.
- Be consistent with your marketing message in everything you do to promote your business.
- Can your strengths be matched with another’s needs to form a joint venture opportunity for your business – with partners within the same industry, suppliers, or distributors, or overseas? Can you extend your market into new zones or offshore?

Once you have established what your core strengths are, use this information to position, or reposition, yourself in the market - and tell the world!

Now incorporate the opportunities you have identified and consider how you will mitigate the threats:

- Look at both local and global influences – keep an eye on current affairs domestically and internationally. Is your industry being supported locally? Are there economic development initiatives underway that you can tap into?
- Identify new customers and markets – but don't forget about your current ones.
- Keep an eye on changes in legislation that may impact upon your business.
- Will the fluctuating dollar have an adverse effect on your profit? What is going to affect your cashflow? Set up processes to protect yourself from these threats – e.g. credit checking new customers, develop debt collection processes, forward exchange contracts, etc.
- Technology changes – can provide both opportunities and threats. Obsolete software and technology versus new tools to make your workplace more productive. It is important to weigh up the cost of implementing new systems vs the cost of not doing it.
- Who are your competitors and what are they doing that you aren't? Don't just consider your direct competition, but also your indirect competition – the other businesses that are competing for the same disposable income dollars as you are.
- Reduce the effects of competition – discounting is a temporary measure, how long can you sustain a discount battle? Create other opportunities – can you obtain an exclusive licence, deal or distributorship? Have you got IP you aren't using to full advantage?
- Be aware of factors such as trends and political or environmental issues that are becoming more important in the decision-making process for buyers – these may impact significantly on your business if you don't adjust.

The Chamber has a range of resources available to help you implement the above tips into your business:

Resources

Quick Guides

- Planning for Change
- Managing Your Debtors
- Protecting Customer Relationships

Training & Events

Strategic Planning

Networking Events

For further information on identifying your core strengths, please contact The Chamber advisers, email info@cecc.org.nz or phone 03 366 5096.