

# Best-Managed Companies Go Back To The Basics

"Eight Success Factors"

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In a challenging market environment, the world's best-managed companies will have to focus on the basics. Indeed the slogan ***"Back to the basics!"*** might very well be the management strategy that will save marginal companies from going under, and strong companies from floundering.

A management study reported in the Asia Wall Street Journal many years ago identified the characteristics of the world's best-managed companies through eight success factors. These are :

1. Continue to do what you do well. Keep to your core competencies and do not diversify unnecessarily.
2. Have a basic philosophy or a statement of objectives based on one or, at the most, three basic beliefs absolutely crucial and essential to the success of the company. Focus on these core beliefs.
3. Emphasis on execution, execution, execution. Do the little things well.
4. Overspend to ensure a customer's long term loyalty. Maintain and strengthen relationships with customers.
5. Encourage autonomy and entrepreneurship in your company. Develop product champions, achievers and people who excel!
6. Productivity through people. Have a family feeling and open communication within the company.
7. Small is Beautiful. Keep your organisation lean and simple.
8. Loose and tight controls. These require considerable support and attention. Keep to a few but important financial controls, focus on action and quick feedback, maintain constant touch with customers, allow for a high degree of volunteerism, allow experiments, and protect your family-like environment.

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