



2002: THE YEAR OF THE CHAMELEON



By Stan Pohmer

I've always been intrigued with what Mother Nature has imbued in plants and animals to allow them to survive in the complex ecosystem they exist in. Some of these are behavior traits, while others are physical attributes; some are genetic, others are evolutionary. But the one thing they all have in common is that the plants and animals themselves had no conscious control over the development of these mechanisms; they have no free will or the ability to control their own destinies. They essentially must play the hands they are dealt, matching their survival skills against those of the other members of the ecosystem...or simply cease to exist.

The vast majority of these survival skills or attributes are defensive in nature, not offensive. Consider what I see as one of the most unusual and fascinating examples of this: the chameleon. This small lizard has the incredible ability to change skin color to match or blend into its surroundings. And it doesn't stay one color for long; it morphs continuously as its environment changes. If you've ever watched this color change process, it doesn't happen instantaneously, but very gradually. While this ability is primarily a defensive benefit that allows it to hide from its predators, there's also an offensive benefit — the change allows the chameleon to become less obvious to the insects on which it depends for survival, making it easier to catch its prey.

To me, the chameleon is an optimum example of adaptability in the animal world, constantly changing in response to its physical surroundings and environment. But this ability to change is a genetically programmed response, not something the chameleon makes a conscious decision to do or not do; it just happens naturally. This adaptability allows it to survive on both an offensive and defensive plane.

Some may say that the flora and fauna ecosys-

We're going to have to take a lesson from Mother Nature if we're going to prosper in today's changing business environment.

tem is more complex than the business and financial systems we operate in, but I take a differing viewpoint. While I believe that the natural ecosystem is infinitely more intricate, interdependent and complicated in its intrinsic makeup, I believe that the business and financial systems are more complex for one fundamental reason. Humans are thinking beings with the ability to make conscious decisions about how to react and adapt to their changing environment; there is no preprogrammed reaction to situations in motion. Because of this, a balance of nature does not naturally exist in man's systems and the results are a function of the actions we take...or don't take.

There's no doubt in anyone's mind that the economy today is as fragile as any natural ecosystem and the complexities are almost incomprehensible. Add the national and world political situations that exist to this, and the combinations and permutations of change dynamics increase exponentially. Many companies are focused solely on survival, trying to deal with these uncertainties and the impacts on elements over which they have no direct control. Other companies, however, are prospering in this environment while dealing with these same uncertainties. What's the difference between these two? Why is one group struggling and fighting for their continued existence while the other is growing and gaining market share? The ability to adapt and change is the single most significant point of differentiation.

No one can argue that change and the rate of change are increasing on a daily basis. Just to keep abreast of all the changes taking place, many of us have CNN and CNBC playing in the background at work rather than the music we used to listen to. And the amount of information we're exposed to is almost overwhelming to the point that we're preempted from taking action. This forces many companies into an analysis-paralysis mode of operating — the fear to act because some future "happening" may cause a decision we make to become obsolete.

TAKE A CHAMELEON TO WORK

Though not easy, there are some things we can do to make it through and survive in these unsettling times. The first is an acceptance that continued change is inevitable and that the business model of yesterday has no place in tomorrow's world. That's not to say that we have to scrap

everything and rebuild from scratch, but it is saying that the traditional model of planning ("the plan is the plan is the plan" mentality) and executing without building on the ability to change and modify based on changing circumstances will not work. Every decision we make will need to be fluid, accommodating and flexible. No longer can we make a decision and then put it on the shelf; we'll need to continuously revisit these decisions to ensure that they are still relevant and meaningful based on unanticipated impacts and elements in a changing environment.

Though everything we deal with seems intertwined and interrelated, we need to cut through to identify those most important facts that affect our businesses and learn as much as possible about them to make the best decisions. Producers need to factor in knowledge not only about growing and manufacturing, but also about consumer attitudes, trends and psyche, the impact of job layoffs on disposable income, and housing starts and re-sales.

Attitudes toward change can paralyze or empower. Some companies will "stick their heads in the sand," refusing to accept today's realities and trying to stay the course with old strategies and programs that no longer are viable. Others will accept these same changes as a challenge and an opportunity to turbo-charge their business. Some time ago, someone asked Wal-Mart why they prospered during an economic downturn when many of their competitors suffered; didn't they know there was a recession going on? Their response was "Sure, we knew there was a recession, we just chose not to participate in it." Some of you may say that this response was egotism at its best; I offer that this was an example of an attitude that accepted change, recognized realities and empowered the company to search for opportunities that allowed them to adapt to a changing environment.

2002 will be a year of continued change, challenge and uncertainty. No one's crystal ball can tell us with any degree of certainty what will happen, what the outcomes will be and the timing of when things will occur. Our business ecosystems will change for sure and the only way to survive and prosper will be to adapt to the changes, just like the chameleon. **GNR**

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