



# Trim & Fit

Prevail in Tough Times – Seize the Upsides

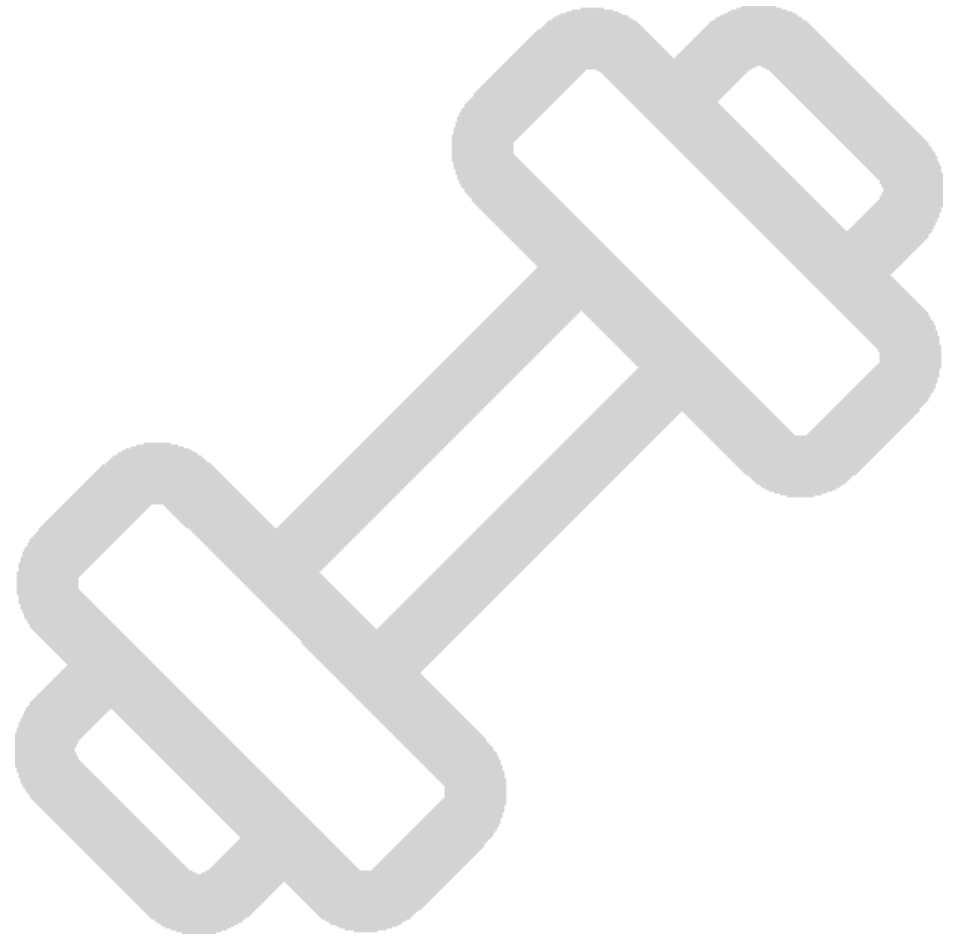
ANALYZE > STRATEGIZE > REALIZE

# Why your business needs a 'Trim & Fit' approach – as a response to Covid-19

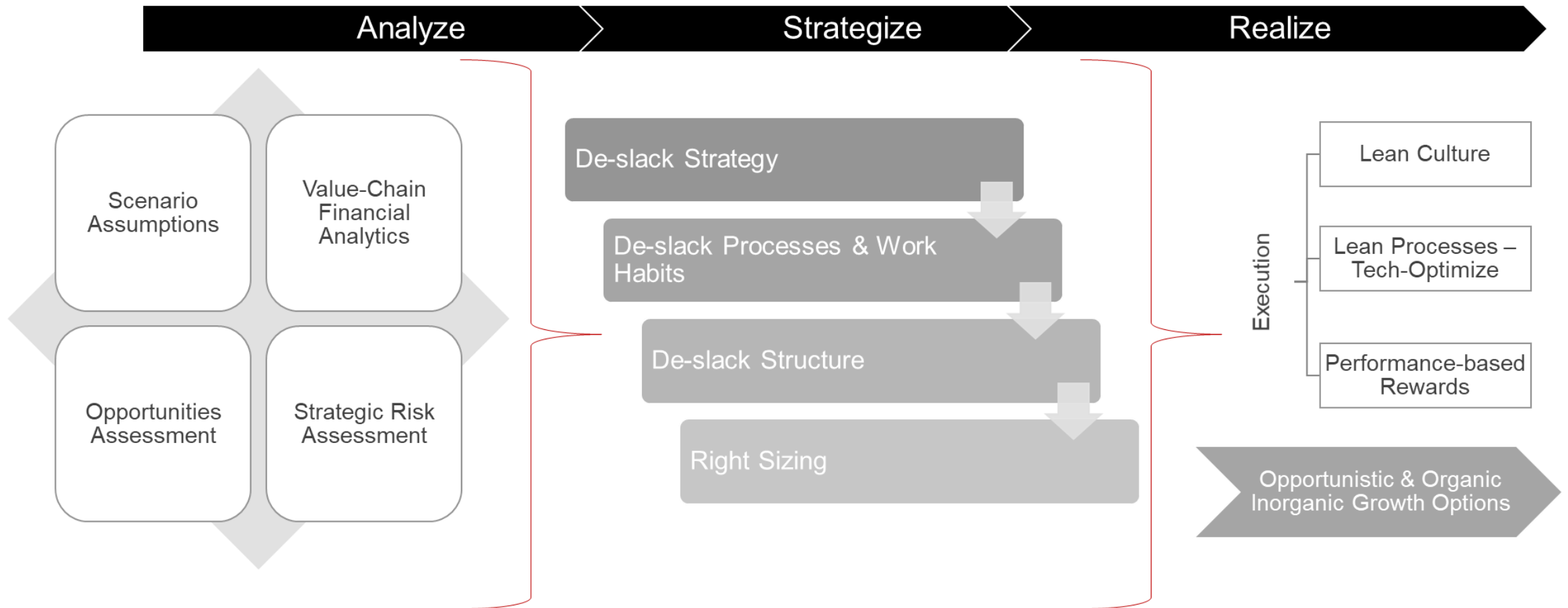
- A common feature in all financial crisis' that the world has faced over since the Tulip Crisis in 1637 to current Covid-19 Crisis, is the failure of some of the strongest companies that enjoyed meteoric rise in the good times.
- Research clearly shows that, how companies respond to the crisis, is what separates the 'living' from the 'departed'.
- Most organizations tend to cut costs indiscriminately, freeze all forms of developmental work and adopt a 'wait & see' approach. We call them the 'Chop & Cripple' companies.
- By contrast, the Smarter Companies (we call them 'Trim & Fit' companies), while being prudently cautious, use crisis periods as opportunities to critically evaluate every aspect of their Strategy, Structure, Staff and Systems, challenging every dollar and every stroke of work as to the value added.
- They also see the upside of acquiring low valued assets, strengthening their market position (given the lower level of competitive / marketing activity) and gear their organizations for the upturn.

# Introducing MTI's Trim & Fit Approach

- MTI's Trim & Fit Approach is a Performance-Driven Consulting Solution to help companies to prevail (not just survive) the tough times and seize upside opportunities.
- It takes a 'direct-2-bottomline' route, thus ensuring sustainable results with the optimum level of resources.
- The entire process of change is lean and effective, which is further reinforced in the recommendations and outcomes.
- Trim & Fit has been developed based on extensive international research of successful and unsuccessful tough times strategies and MTI's own experience in the last 23 years (over 650 projects in 47 countries across a multitude of industries)



# MTI's Trim & Fit Model



# MTI's Trim & Fit Model explained:

## Phase 1: ANALYZE

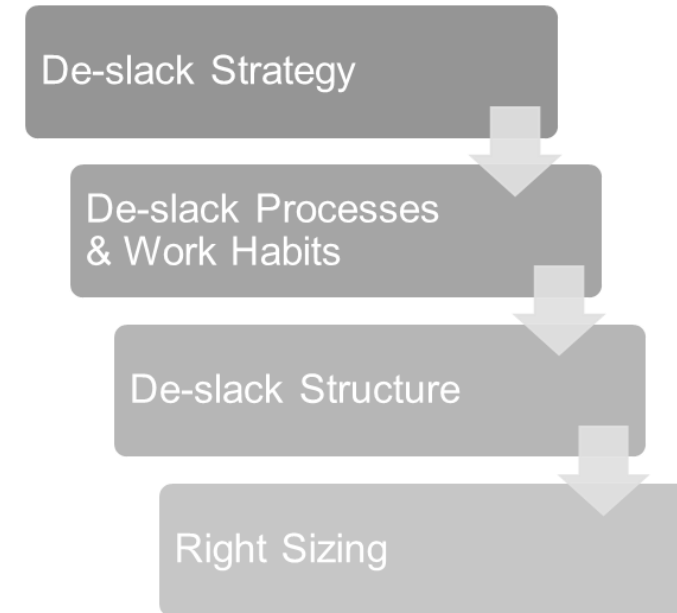
- The starting point of the Trim & Fit process is to carry out a swift assessment of these 4 aspects – that could have a profound impact on the 'Strategize' process.
- **Scenario Assumptions:** Based on extrapolation and future macro possibilities, developing likely scenarios – based on which the business will respond
- **Value-Chain Financial Analytics:** Converting the traditional P&L to a Value-Chain P&L - thus exposing the real costs (and returns) of each element of the value chain and 'unearthing' the low-value addition functions
- **Opportunities Assessment:** Based on the adage "Never waste a crisis!", identifying the potential opportunities for the business
- **Strategic Risk Assessment:** Identify and profiling the strategic risks – arising from the crisis and how this will impact the business



# MTI's Trim & Fit Model explained:

## Phase 2: STRATEGIZE

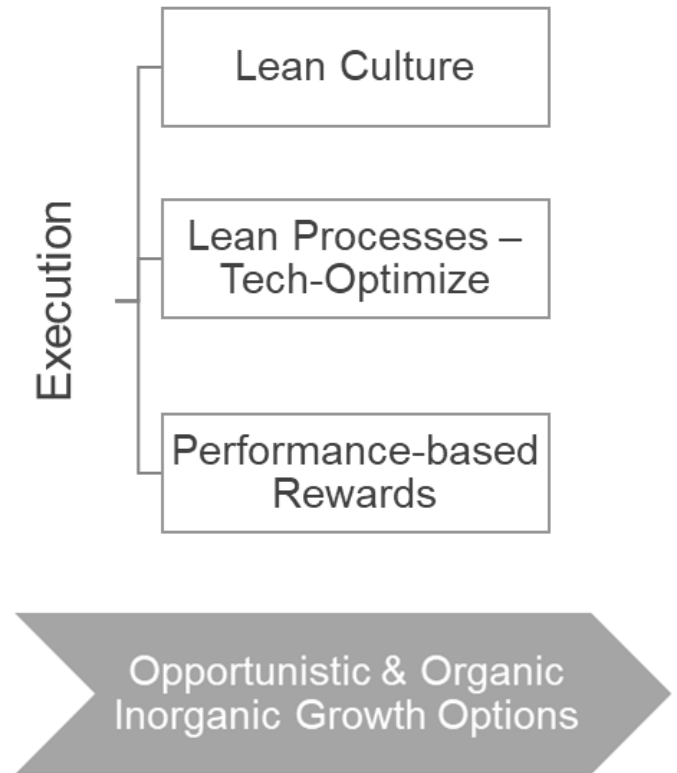
- As diagrammatically illustrated, this is a sequential process of de-slacking the unproductive 'fat' that has been added in good time. By initially de-slacking the Strategy, then the Processes, Work Habits and Structure, it helps to arrive at the optimal size of the organization – as opposed to the knee-jerk reaction of head count reduction as a first resort in a crisis.
- **De-slack Strategy:** Via the analytics based rationalization of Business Units, Customers, Products, Brands, Value Proposition, Channels, Demand Generating Initiatives and the Supply Chain
- **De-slack Processes & Work Habits:** Based on the de-slacking of the Strategy (above), the redundancy of some processes and work habits will become transparent and obvious. There would still be slack in the elements of Strategy that have been identified as ones to continue with. By challenging the value delivered for each of these processes (and associated work habits), redundancies are identified here.
- **De-slack Structure:** Based on both the above de-slacking, the redundancies in the positions (not people at this stage), the layers, levels and latitudes in the structure will become transparent and obvious.
- **Right Sizing:** Arising from the sequential de-slacking process above, the optimal team size will be arrived. Based on this, the dual challenges of selecting the best-fit for remaining positions and dealing with the excesses – in a transparent, fair, responsible and humane manner.



# MTI's Trim & Fit Model explained:

## Phase 3: REALIZE

- **Lean Culture:** The aftermath of a crisis is an opportune window to institutionalize a lean culture – in all actions of the organization, challenging every action for the value it delivers . Not just cost, also use of resources and time – always asking the questions “Do we really need this?”, “What value will it deliver, when?” and “So what?”
- **Lean Processes – Tech-Optimize:** Going ‘Ground Zero’ and redefining the business critical processes, asking the questions above and importantly optimizing technology. Thus ensuring that ‘humanware’ is not doing what ‘system ware’ can doing more cost-efficiently.
- **Performance-based Rewards:** This is also a good opportunity to introduce performance-based rewards, including attractive low-risk upside that will drive quantum performance leaps. This is also within a broader framework of cost agility and variable cost optimization.
- **Opportunistic Inorganic Growth Options:** Identifying opportunities to ‘acquire’ businesses, products, brands, channels, people – making use of the low valuations in the aftermath of a crisis. Whilst, of course, divesting the excesses identified in the Strategy de-slacking process.



# The 10 Tough Questions

## – that MTI's Trim & Fit will address

1. How to rationalize your Customers, Product, Brands, Suppliers and Initiatives, thus removing the slack created in 'good times', with direct-to-bottom-line savings? How to prudently divest – any aspects arising from the rationalization process (above)?
2. How to institute ROI measures for all marketing, branding, channel, sales and service initiatives, which will even permit prudent investments to grab competitor market share?
3. How to tighten the disciplines of supply chain and working capital management, with an integrated approach within the organization?
4. How to develop a clean-slate based lean and effective structure that will feature zero slack, minimized layers and supervision only jobs?
5. How to institute a performance based pay structure and culture – that will drive every stroke of staff work?
6. How to identify and lock-in high performers (based on the risk analysis) and how to 'acquire' high performers (you have tried and not been able to attract)?
7. How drive towards a lean, simple and minimalist culture, including rewards and recognitions for living these values?
8. How to develop lean and robust processes (on a clean-slate basis), thus objectively exposing the excess 'fat' and reducing process time?
9. How to optimize the use of cost-effective technology (including optimizing existing systems), that will ensure leaner processes, cycle time and efficiency?
10. How to identify opportunities for acquisition of businesses, brands, products, patents etc.?



# The Top 6 Capabilities for Tough Times

## – that MTI's Trim & Fit will address

1. **Resilience:** Based on Risk Management and Sensitivity Analysis, enables the organizations to withstand the fundamental and short term threats
2. **Sensitizes** the entire organization through a highly inclusive, interactive and educative process that will get the buy-in of key stakeholders, also ensuring ownership in implementation
3. **De-Slacking:** Organization inefficiencies are accumulated over long periods of good times and tend to get hidden in the overall profitability. De-Slacking through a process of rationalization helps to achieve a cost optimized operation, by weeding out unproductive Value Chain Components, Plants, Products, Brands, Channels, Customers, Structure, Systems and Initiatives
4. **Re-modeling** the business on a Ground-Zero basis (given the environmental dynamics), thus arriving at a business model and scale that will ensure business sustainability and in a position to capture the upturn opportunities
5. **Up-siding:** Seizing the Opportunities arising from the tough times and making prudent investments
6. **Toughening:** Gearing the organization to make Tough responses a part of their DNA, through a Lean, Minimalistic and Performance Drive Culture

# How will MTI deliver ‘Trim & Fit’?

- Given the tough conditions we are in, the delivery of this Trim & Fit approach will be based on the following principles:
- An inclusive and interactive process that see key internal stakeholders being part of the analysis and solution development process, via Consulting Workshop and Consulting Clinic
- Based on Strong Analytics as the foundation of the solution
- Extremely lean and effective documentation, with the focus being on Straction (converting Strategy to Action) and swiftly to implementation
- Given the above, ensuring rapid and condensed project timing
- Internal Marketing and Sensitivity Appreciation to ensure smooth executions
- Implementation Audits by to ensure it is being effectively implemented

## Consulting Practices:

-  **Strategy**
-  **Go-to-Market**
-  **Operations**

-  **HRM**
-  **Corporate Finance**
-  **Digital & Analytics**

## Experience



## Regional Offices

### Middle East & Africa

Bahrain

### South Asia

India, Sri Lanka & Bangladesh

### Asia Pacific & Oceania

Australia

### Europe & Americas

United Kingdom

## Associates in:

Afghanistan	Kyrgyzstan
Angola	Moldova
Armenia	Namibia
Argentina	Nepal
Bhutan	Norway
Belarus	Pakistan
Belize	Palestine
Bulgaria	Singapore
Cameroon	Sweden
Denmark	Switzerland
Ethiopia	South Africa
Georgia	Tajikistan
Ghana	Tanzania
Hong Kong	Turkmenistan
India	UAE
Italy	Ukraine
Kazakhstan	Uzbekistan
Kenya	Vietnam
KSA	Yemen

\*These are organizations for whom MTI has carried out projects – at some point in time during the last 23 years.

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