

# Asset Optimization Guidance Note

*Please have a go at answering the questions below to get the most out of the assets available to you.*

## **1. Physical Assets**

- Are you using all of the physical assets available to you in the best way possible? Are you getting the most out of the equipment you use?
- How could your own working environment (including home working) be modified to get the best your of your own energies, skills and talents and those of your colleagues.
- What message is your team / department / organization trying to convey via its buildings and offices to its customers, suppliers and employees? Do they reflect the uniqueness of the team / department / organization? How could the buildings / offices be modified to ensure they give the right impression?
- Are the buildings conducive to the types of work required by your team? Is it possible to reconfigure the existing layout of the offices in such a way as to reflect and support the overall objectives of your team. For example:
  - If collaboration and interaction between co-workers is important - What changes could you make to the layout of the building or offices in order to create formal as well as informal meeting areas so as to support this?
  - if the team is reliant on innovation - how could the layout of the offices be modified to:
    - help facilitate collaboration and the cross-fertilisation of ideas; and
    - incorporate quiet study areas?

## 2. Human Resources

It will normally be possible to further enhance the quality of the staff members within a team - but in order to achieve this it is important that we appreciate that employees perform at their very best only when:

1. They have the knowledge and skills to perform their tasks (**Ability**)
2. They are motivated to do so (**Motivation**)
3. Their work provides them with the opportunities to utilise their knowledge and skills in ways that will benefit the organisation (**Opportunity**)

*(Ref: Strategy and Human Resource Management by Peter Boxall & John Purcell, Palgrave Macmillan)*

Each of these is explored in more depth below:

### a) Ability

In order to ensure that each employee has the requisite abilities to perform at their very best it can be useful to ask them the following questions:

- Do the skills you currently have match those required of you in your current role? If not, is there any additional training you could receive that will help in your work?
- Is there any information relating to the organisation itself or in terms of where it is headed or in terms of the external environment in general that could be useful in helping you perform your tasks?
- Are there any training courses that could help you in your role?

Put yourself in the shoes of an external management consultant. What kind of questions would you ask that will reveal those factors that could enhance the ability of employees in the organisation?

### b) Motivation

In order to ensure that everyone in the organisation is fully motivated, an organisation will need to ask itself how its reward programmes could be improved to help to get the best out of its people.

As a general rule, financial rewards can help an organisation to recruit and retain good people. Nevertheless, after a certain level of hygiene, an increase in pay will often only lead to a temporary improvement in performance.

However, other factors also play a role in motivating employees. For example, employees in certain roles are often motivated to perform well when their work provides them with meaning, purpose and fulfilment and offers them some kind of significant mental stimulation.

It is always essential for an employer to identify what it is that drives their staff members. This can often be achieved by asking employees questions such as:

- *Which aspects of your work do you find to be the most meaningful, fulfilling, satisfying, challenging or exciting?*
- *What really motivates you?*
- *What is propelling you forward?*
- *What most attracted you to your present work in the first place?*
- *What do you want your achievements to be?*

Put yourself in the shoes of an external management consultant. What kind of questions would you ask that would help reveal the factors that motivate the employees in your organisation?

### **c) Opportunity**

Individuals must also be provided with the opportunity to fully express their energies, skills and talents in a manner that is consistent with what the organisation is trying to achieve. To help to ensure each employee has the requisite opportunities, they should be asked questions such as:

- Which of your skills do you feel that if you were to fully utilise, you could help your team / department better execute its strategies? If so, is there anything that the organisation could do to unlock this potential?
- Is there anything you would like to be able to achieve in your work but feel unable? What would need to happen for this to become possible?
- What would stretch and challenge you?
- Are you being provided with the appropriate equipment and a working environment that helps you to perform at your very best?

Put yourself in the shoes of an external management consultant. What kind of questions would you ask that would help reveal steps that could be taken by the organisation to ensure that everyone has the opportunity to perform at their very best?

Consider if there are any ways in which the existing human resources could be enhanced so that they are transformed into Key Assets.

### 3. Organisational Assets

Organisational assets include agreements with third parties, intellectual property and software. Each of these is dealt with separately below:

#### a) Agreements with third parties

Strategic resources often lie beyond the boundaries of the organisation itself. These can often be accessed through agreements with third parties. To help ensure that an organisation is getting the most out of its agreements with third parties we can ask questions such as:

- How could agreements with third parties be utilised to help execute the Business Strategies (e.g. Bic Biro's agreements with the supermarkets ensure pens are kept by checkouts to encourage impulse buying; and South West's agreements with the airports ensure fast turnaround times and therefore efficient use of its assets).
- How could the organisation work more closely with those third parties with which it already has agreements - for example: would it be possible to synchronise IT systems to ensure efficient working practices?
- Are there any other ways in which you could partner / share strengths with another organisation in order to execute your Business Strategies in a superior manner to the competition?

#### b) Intellectual Property

- Has the organisation fully protected its intellectual property?
- Is there any intellectual property owned by the organisation that could be better utilised?
- Do you feel that the organisation's logo, trade mark and marketing materials are consistent with image the organisation wishes to convey?
- Is there any other material that is protected by copyright that could be used more effectively by the organisation or which could be licensed to third parties?
- Is there any material that could be patented by the organisation? Could the organisation licence any of its software / patents to third parties?

#### c) Software

Software can improve an organisation's operations with regards to speed, productivity, efficiency, cost reduction, administration and enhanced customer services. The following questions can be asked to help to ensure that an organisation is getting the most out of its software:

- *Is the software being used as effectively as possible?*
- *Are there any measures the organisation could take to ensure that the software is being used as routinely as it should be?*

- *Does everyone know how to use the software? Would training in its use help staff to use the software more effectively?*

Consider if there are any ways in which the organisational assets (including: agreements with third parties, intellectual property and software) could be enhanced so that they are transformed into Key Assets

#### 4. Organisational Processes

Processes are organisational routines, habits and systematic ways of working that can be both formal and informal. Processes are commonly overlooked as being a potential source of an organisation's competitive advantage. However, they can be key to its success. For example Amazon's success is reliant on its efficient supply chain management processes that ensure that its orders are carried out in an efficient and timely manner.

Accordingly, processes should be linked with all of the other Key Assets to ensure they are being used in the best way possible to execute the various Business Strategies.

In relation to this an organisation should ask itself what processes can be developed to:

- Help the organisation differentiate itself from its competitors in accordance with the Strategy Canvas?
- Ensure that the organisation operations are fast and responsive to customer needs?
- Enhance quality and ensure that products are error free and appropriately designed?
- Improve efficiency and reduce costs?
- Help to ensure that all aspects of the physical assets are being used as effectively and efficiently as possible?
- Help to ensure that each member of staff uses their time as effectively and efficiently as possible?
- Help the organisation to work more effectively with third parties?
- Help to ensure that software is being used as effectively and efficiently as possible?

Specify any ways in which the organisation's processes could be enhanced to get the best out of each of the assets and ensure that they are transformed into Key Assets

## **5. Financial Assets**

If you have any financial assets available to you, what could you purchase that will help you to achieve your goals?