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Going Global

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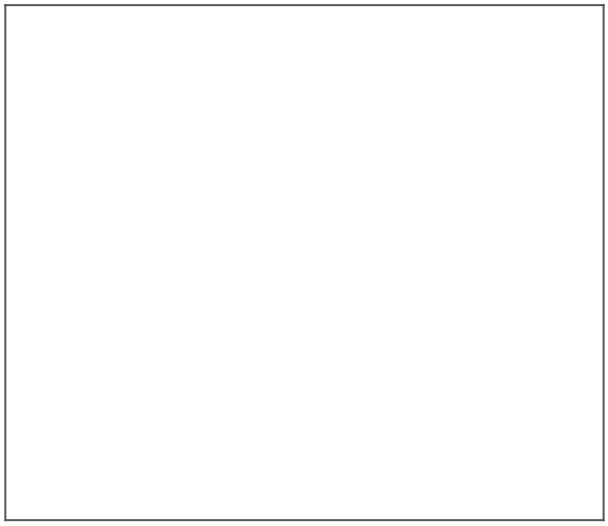

By Alan Margulius and Anita Wortzman of Acumen Corporate Development

Transformational Growth: For many companies, *Going Global* can be transformational. *Going Global* sets the stage for unprecedented growth and profitability, making your company more appealing to investors, employees and customers. If management has the skills and commitment to get the entire company behind an expansion effort, amazing things can happen.

Building Blocks: For some companies, *Going Global* means launching sales and operations hubs in new markets around the world. This can be challenging beyond the **complex legal** and accounting requirements applied in particular countries. The level of success achieved with such international endeavors depends on how well a company implements its proven best practices, products and services to effectively establish a position in new markets. Some of the key tasks facing companies looking to create substantive growth abroad include:

- building and managing offshore sales and operational teams;

- establishing productive distribution networks; and

- achieving operational excellence in key logistical hubs around the world.

Execution is everything: No matter what your expansion plan entails, *Going Global* requires all hands on deck. We rarely see poor strategic expansion plans but more often see weak implementation. A client we recently advised said it best when describing a previous missed opportunity to capitalize on export business: "*Our lack of export achievement was preventable and success was there to be had, had we secured the necessary buy-in from internal and external stakeholders while staying true to what we do best.*"

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Company-wide commitment: While this “all-in” concept might seem blatantly obvious, companies often begin major expansion endeavors without ensuring that key internal personnel are onboard with the plan. Expansion plans often begin with the CEO or VP of Sales deciding that it is time to take on the world. Without thoughtful and careful planning, problems can arise early, especially in mature, well-established companies where key personnel simply don’t see the value in expanding.

Resistance to change: Further complicating matters, most companies have key stakeholders who are reluctant to change, particularly if they see disruption coming to their coveted daily routines. These people have power and are not necessarily just naysayers. They may legitimately feel that export pursuits will result in a company taking its eye off its core business. Regardless of the specifics, if a company is *Going Global*, it can ill afford to have its own people circumventing growth simply by not being brought in to the expansion strategy that the company has determined to execute. Having the support of experienced international experts can positively impact this challenge; ensuring that key internal stakeholders are engaged and ready to do their part to ensure success.

Anticipate roadblocks: It is critical to expect and anticipate adversity whenever structural changes are made. Smart companies don't take this adversity personally and they don't get autocratic. They simply understand and build this into their expansion plans.

Focus on best practices: As noted, companies that stay focused on building export revenue by focusing on what they do best, far outperform companies that try to reinvent their product line to suit each new market. Effective exporters are laser focused on customer needs and agendas and then work to employ their strengths to gain market share. There are of course exceptions to this rule but for the vast majority of companies, export success is about successful implementation of the strongest parts of its existing platform. This approach stresses execution and on time performance to build the credibility a company needs to establish an optimum offshore position.

Time to *Go Global?*: To sum it up, smart companies plan meticulously as they work to expand internationally. They anticipate and prepare for internal and external roadblocks that they will undoubtedly face. They understand what they do best and they select markets where they are able to perform at a high level for end customers. With a lower Canadian dollar and a reputation for neutrality and stability that Canadian companies bring to the table, now is an ideal time for many companies to intelligently consider expansion beyond their natural borders.

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