

Pottinger

PERSPECTIVES

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An alpine aphrodisiac

**Five ways snowsports can
improve your business**



There is a cold bite in the air. It aches and alerts in equal measure. Despite the chill, it is a sunny day at altitude, and very quiet. My skis are perched on a ledge at the start of a run with a characteristically threatening name. There are only two other adventurers in sight – one glides effortlessly in the distance having conquered today’s challenge. The other sits entangled in a mess part way down the hill. One, two, three - - - go.

There’s a rush from snowsports that comes from combining exercise with exuberance – both on and off the mountain. Once you’ve mastered the art of skiing or snowboarding, or even just the basics, it’s a ticket to explore some of the most breathtaking parts of our natural world. But it isn’t all effortless athleticism and free-flowing happy hours. Not every tumble on skis or a snowboard ends in a cartoon-like landing in a pillow of fresh powder.

And so it is in the business world. For every day, week or month of blue skies and freshly groomed terrain in the office, there are those unexpected drops, moguls or even resort-scaled mountains you need to navigate to make it all work out. Both good

and bad, the mountains offer us valuable lessons that can be dragged back into the 9 to 5. Read on as we explore five ways snowsports can improve your business.

1. Pursue the perfect turn, not the quickest route to the bottom.

There is a distinct joy in executing the perfect turn on snow. Whether or not you have indulged in a ski lesson from “Hans” and been encouraged to “bend ze knees”, focus first on form, not speed. Take professional instruction and work hard to locate the pleasure of the parabola – the curvy wide-narrow-wide shape of modern skis when you look at them from tip to tail. This shape has been engineered to help your performance,

and to make the process of turning and stopping more effortless.

In business, there is immense value to be unlocked by nailing the small things. Do what you are good at, and do it well. Indeed, it doesn’t matter what you do, as long as you do it very well (and ideally better than the rest). Focus first on understanding the piecemeal building blocks that make up your core product or service proposition – the what, why and how. Break them down into inextricably small parts – in skiing, this involves looking at both your turn shape and your stance.

Likewise in commerce – you can’t do what you do if you’re not standing in the correct “athletic stance”, being ready for action. If



you fail to deliver that perfect left-hand turn – that product or service to an eager client or customer – then the right turn that follows, the thing that gives your business continuity and sustainability, is already hurting. Take your time. Find your groove, and don't rush it.

In the context of M&A and other transactions, do ensure each part of the puzzle is considered and nailed and that all components are fluidly talking to each other. This means approaching and analysing factors from all angles during both the

2. Know your limits – but push them, carefully...

“Hurrah! We can do this!” announces an over-enthusiastic thrill-seeker, fuelled more by aperol than ability. This is the kind of gusto that keeps ski patrol teams awake at night. Progress is fantastic, but oversized ego is a recipe for disaster on the slopes. Stick to what you know and nail that first. In the colour-coded world of ski progression, that means yellow runs are where you start, green is your comfort zone once you have

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origination and execution phases. In other words, make sure the underlying growth strategy is a good one, ensure that it informs the commercial business case development as well as the due diligence planning, know what the risks are as early as possible to implement the right mitigation measures, be thoroughly quantitative and qualitative in your assessment of the opportunity, and nail the implementation. It is easier said than done, because far too many organisations are prepared to skip stages of planning and practice to race excitedly towards execution.

mastered stopping and turning, blue takes you on an adventure into the world of parallel skiing, and black is the realm of the very experienced. Meanwhile, double black, the pet dragon of the black diamond, is reserved for those alpine adventurers who have truly mastered both the art and science of the sport.

But while you shouldn't progress to the next level until you have conquered your current mission, you must take a deep breath and try that next challenge when you are ready. Otherwise, you leave yourself destined to only know and discover part of

the mountain, only some of what she has to offer. Stretching yourself up the skill curve means having more tricks in the toolkit for when things go right, and also when they go wrong. And let's face it – we're talking about strapping long planks to your feet and sliding down a mountain – things can go wrong.

In business, you must make careful, tactical decisions about when you need to move on to bigger, harder challenges that show you are at the top of your game. Otherwise, you'll get stuck in the status quo of mediocrity. As Pottinger's Executive Chair always reminds the team, “there is almost always a better way of doing things”. So take instruction and advice from those you know and trust and go exploring to make your offering better. Be brave.

3. Stop often to take in the view, and not just once you reach the top.

I once took a pain-free tumble on a ski run one afternoon in April at a lovely resort in the US. My legs had decided to give up on me – it had been a long day. As I wiped the snow off my goggles, a beautiful view across the valley revealed itself to me for the first time (despite me having skied that run five times already). There I was, sitting on the side of a mountain in a staggeringly beautiful part of the world, completely alone, still and quiet.



Nothing phased me in that moment. Nothing even came to mind. I was a passenger, and it was great.

If you run an organisation – or work in it – and don't take the time to stop, stand up, and look up and out beyond your regular point of view, you are missing something spectacular. You are missing the reason you are there in the first place. Skiing and skiers don't exist without the context in which they

this is rarely the case, and strategic and policy planning are often constrained by short-termism. If you do look longer term, you participate in cutting out much of the noise that clutters and pollutes the short-term world of modern business – the world of fads and distractions. It also allows you to undertake the process less often, in some cases, as rarely as once every three to five years.

Universally, it also means shorter lift lines, which in turn means better snow for longer in the day, because fewer people have ventured out. In short, if you don't go looking for the opportunity, even if you don't expect it, then you'll certainly never find it.

And when absolutely all else fails, and the conditions are just completely against you, you can call it quits and indulge in a long lunch on the mountain, and have the entire restaurant to yourself.

The equivalent in business is becoming a fair weather player only. Not only does this make you less capable in the eyes of your clients or customers, it also exposes you to the most alarming of all single points of failure – that you can only deliver when the stars are aligned. If markets change, you need to have a contingency plan. If a disruptor lands on your footstep with a product that delivers twice as much for half the cost, you need to adapt quickly (or simply act – buying them or their solution are just two examples of how, but in practice it's largely about timing). If a key staff member resigns – or even a whole department – what does that mean for your fulfillment capability? You should use poor conditions to seek

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operate – the mountains. The equivalent in business is when you forget you are there to serve a customer or client, and not to drive your own agenda. Always take the time to look far and wide out across the horizon to understand the biggest of all pictures – why you do what you do.

This is extremely important in strategic planning exercises for corporations and setting policy agenda for governments. Both activities should include taking in a bigger, much longer-term perspective. Unfortunately,

4. You can still have a great day in bad conditions.

First, alpine conditions can change very rapidly, for better and for worse. If you look out the windows in the morning and all you see is grey fog, don't head back to bed. By midday it might be a bluebird day.

Second, even if conditions don't improve, there is still opportunity to be chased. For starters, when visibility is lower, so too usually is the wind. Greater cloud cover can also mean more forgiving temperatures.



and create opportunity, not just prove your strategic adaptability. This is the realm of the business elite, but you'll never be part of that crew if you haven't stopped to diligently take in the view.

5. Always ski with friends, and remember to thank the lifties.

Both for safety and for fun, skiing in numbers is generally better than doing it solo. Some purists will say being able to fit your group on a single chairlift (usually comprising four seats) is the ultimate end-game in devising your crew. This cuts waiting time and maximises social time over the course of a day. But whatever the final number is, do make it greater than one.

The cultural and operational fit of your business team is even more critical. It doesn't matter how well you do the small things, or that you are brave in pushing yourself and taking on challenging conditions, or how good you are at taking in the bigger picture, or how well you ski in a "whiteout", if you don't have the right team. For me, having good "corridor chemistry" in the organisation

is absolutely vital and a key performance indicator for how well Pottinger is doing. You need to have sparks (the good kind) to ensure people are happy and thriving in a high performance environment.

People matter most. Which is why any ski trip, or business venture, should be first and foremost team-focused, and not about the sport, per se. And on the topic of people, when at the snow, always say hello and thank the lift attendants. It can be a long, cold day out there propelling punters to the top. Be good, generous and grateful to your people, and they'll make sure you get to where you are aiming.

There are countless more lessons to be taken from skiing and snowboarding, but these top five are a very good way to breath some of that crisp, alpine air into your organisation.

Whether in the context of operating your core business, setting a long-term strategy or embarking on M&A, joint venture or capital raising transactions, Pottinger would be delighted to help, and we will constantly be advising you to

remember the two "Bs" of snowsports, which encapsulate these five lessons: Be brave, and be bold. Look over the edge, ready yourself, count to three, and go.

And while I think of it, a somewhat left-field observation to close: the best conversations happen on the chairlifts. Despite going up the hill being less exciting than sliding down it, there is a restful, rejuvenating intimacy about being on a chairlift with friends or even strangers that allows you to catch your breath, or just catch up. Share stories, show interest and make plans for how you'll continue to attack the day – and your business goals – together.

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He has advised on cross-border strategy and transactions in six continents while living and working in Sydney, London, Moscow and New York. His career spans strategic consultancy, investment banking, law and ski instructing. His favourite ski resort is Vail, CO (followed very, very closely by Val d'Isere in France).

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About Pottinger

Pottinger is a global advisory firm headquartered in Sydney and New York. We combine strategic, commercial, financial and transaction perspectives, and focus first on long term outcomes, to deliver commercial advice that is practical and complete. We navigate the uncertainty inherent in commercial decisions, helping our clients to identify value overlooked by others, and to avoid risks which others may not see.

Pottinger helps organisations to adapt, innovate and transform, by providing insight and advice on strategy and public policy matters, as well as the negotiation and execution of M&A and financing transactions. Our combination of strategic thinking, M&A advice and financing capabilities allow us to find innovative solutions to the challenges arising in industries facing dynamic change and disruption.

Our team has exceptionally broad and deep strategic advisory and transaction execution experience, encompassing all of the world's top thirty countries. Examples include:

- Advice on market entry, strategic repositioning, identification of new growth opportunities, spin-outs and other forms of restructuring and advice on strategic investments, using our proprietary Destination-led Strategy® methodology, together with analogous advice to governments on public policy;
- Advice in relation to large and small-scale acquisitions, divestments and takeover responses for both publicly listed and private companies;
- Capital optimisation and financing advice for large enterprises, together with advice on commercialisation planning, capital strategy and capital raising for emerging companies;
- Specialist input in relation to the design, formation, restructuring, sale and dissolution of large scale joint ventures and partnerships; and
- Identification and quantification of risk, by applying advanced statistical techniques to relevant data pools, thus simplifying decisions impacted by significant uncertainty.

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