

## FORMULATING BUSINESS STRATEGY AND DRIVING BUSINESS PERFORMANCES SUCCESSFULLY:

### NEED TO LEARN A LOT FROM FORMULA 1 SPORT



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I started following Formula 1 (popularly called F1) after the first F1 racing driver from India Narain Karthikeyan made his debut in year 2005 with the team Jordan. Since then I have been following the sport and have been to F1 circuit few times to watch the race live. Within no time I became a fan to this novice sport and thoroughly enjoying it till now. Some times when some of my other choice sports plays concurrently same time like cricket, tennis grand slam and badminton super series, I prefer not to miss out F1 race.

You may be wondering how come I afford to miss out our most popular game of cricket to F1. It's not because of sheer passion for the F1 sport but because of the things I have learned over the years from this sport which I have effectively used in running the business & profession for various corporates. What are those traits than;

**# Strategy formulation:** No team can win a F1 race unless they develop a robust and right strategy for the race. Each F1 team's principal along with crew and race drivers do a lot of brain storming and drawing board scratch before the race. They formulate strategy relating to selection of tyres out of permissible 8 to 9 types based on track temperature and climatic condition. They develop strategy relating to re-fueling, fuel load, number of pit stop, investment in car design, engineering upgrade and so on. The correct strategy can win the race for the team.

In business environment, firm needs to develop a robust business strategy for success. Strategy reflects the firm's strength, vulnerability, resources and opportunities. Formulating strategy for corporate vision, growth, competitive market positioning, resource allocation & operational efficiency is paramount important to drive a business successfully like winning a F1 race.

**# Strategy execution:** Mere formulating a great strategy and lacking in successful execution has no value. The hardest part is executing those strategies whether it is F1 sport or in business environment. On F1 race day team principal with crew are on high concentration in executing those strategies whether it is a pit stop decision, overtaking area, refueling timing (though this has been debarred since 2010), replacing tyres and so on. The timing of calling these shots are very critical. One or two right calls will land the team into a winner.


In business environment, strategy execution is a complex process. Each company large or small, needs to master crucial strategy execution skills. We need to break down each strategy into action plan, operational activities,

KPIs and goals. Need to assign each activities to a Key Management Person (KMP) with target time line. Periodical monitoring of progress with drive from the top and taking C-suite executives together in this process are important. Balance Score Card is a good tool in helping organization in translating high level strategy to something actionable and measurable and achievable targets.

**# Team work:** Pit stops are one of the most tense and exciting features of a F1 auto race. In fact, races are frequently won or lost because of pit stops and pit crews. In just a few seconds (typically 4-6 seconds) a huge number of actions are carried out by a pit crew concurrently as well as sequentially. F1 pit stop activities are one of the best examples of team work.

In business environment, team work fosters creativity and learning. Creativity inspires employees to thrive together and work together in a team to provide solution to business problems. Novel ideas are generated by individuals while working in a team which is than brainstormed and result into effective solutions. Teamwork also allows helping and sharing workload with another team member for the common goal. Risk taking decisions are pretty easy when employees are working in a team. Working in a team is inspiring, fun and bring pleasure. It boosts productivity. Teamwork establishes and develops strong relationship among co-workers. It teaches conflict resolution skills.

**# Accuracy & speed:** The most challenging task for F1 drivers and crews are maintaining accuracy and speed at all the time. Little error during starting stage of the race or while overtaking or any time during the race session in track or in pit lane entry and exit can throw the driver out of race competition. The margin of error is very low. Any error in formulating a strategy or error in executing a right strategy can blow the team out of proportion.

Business simply can't afford loss in quality or mistakes. Improving accuracy in workplace is best achieved with a careful and eagle-eyed companywide system of checks and balances. Implementation of Total Quality Management (TQM) can improve the accuracy. Continual training of employees and empowering them with emphasis on their strength can give them a feel good effect and can create high quality product and service. Focus on execution of task and speedy deliverables is what is expected from business leaders like F1 drivers in race track. 

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