



## The Parable of the Boiled Frog

If you have not heard the parable of the boiled frog I will enlighten you. If you place a frog in a pot of boiling water it will understandably scramble out pretty quick. Not stupid these frogs. If you place him in a pot of water at room temperature and don't scare him too much he will stay put. If you then set the pot on a heat source and gradually turn up the temperature something very interesting happens. As the temperature gradually increases the frog will do nothing. In fact he will show every sign of enjoying himself. As the temperature continues to increase he will become groggier and groggier until he is unable to climb out of the pot. Though there is nothing restraining him he will sit there and boil.

This is because the frog's internal apparatus for sensing threats is geared to sudden changes in his environment not to slow gradual changes. The American automotive industry didn't see the Japanese parked on their lawns for quite some time. I am working with a top FMCG company where the Board have been quite content to be asleep at the switch and margin and share has been eroded over the last few years. Now, of course drastic action is required and only when a sizable lump of the workforce has been made redundant will the company be in a financial state to face the future. Just like the frog. The Board became groggy and happy to sit on their well-upholstered wallets on their well-upholstered backsides on well-upholstered expensive executive chairs and doze while the environment was changing around them. Sadly they have not lost their jobs – yet.

If you look into a tidepool the next time you are by the coast you will notice that initially you won't see much of anything going on. If you watch long enough you will see it come to life. The world of beautiful creatures is always there but moving a bit slowly to be seen at first. The lessons for business are so

obvious. Quite often it takes someone from outside to see the movement and wake the slumbering. The problem is that our minds are so locked in one frequency – if it is tuned to 78rpm we can't see anything at any other speed. This is often the issue for the larger company. They are much more inward-looking and generally the Boards are content in the lukewarm water just like the frog. They seldom see the enemy until it is too late. Look at Laura Ashley for a classic example of a business that has been losing its way for years. Plenty of boiled frogs there I fear.

We will not avoid the fate of the boiled frog until we learn to slow down and see the gradual processes that often pose the greatest threats. Very seldom does the competition make large steps – they are normally small precise movements over time. Remember the bigger they are the slower they are and normally the dumber they are. If you are a boiled frog you probably won't even notice; in fact you will probably enjoy the experience until it's too late. If you want to avoid it then get out of the comfort zone and into the business. Sample your own and the competitor's products and just be a customer. At least that way you don't have to rely on the prejudice of the marketing department or be taken in by sophisticated answers to regular questions. Get off the pot.

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