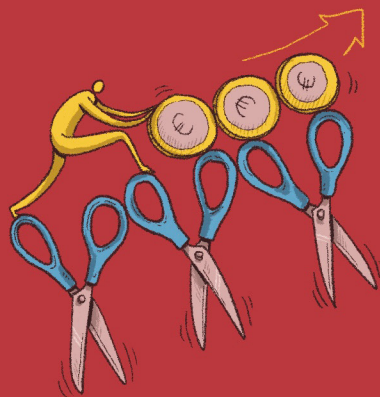


NUMBER 12:

Betting on growth as an alternative to cuts



We need ambidextrous companies that protect current businesses while betting on new lines of business, with products that satisfy new needs or that better respond to the usual needs.

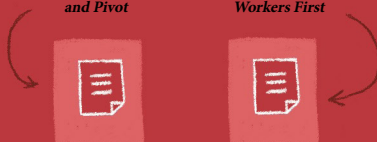
Instead of cutting back, if in difficult times we bet on the company's human team, clients and other interested parties, we can achieve consistent and long-term commitment.

- Covid-19 and Revolution 4.0 accelerate disruptive changes that are sources of opportunity.
- If we have less agility and creativity than our sector, we have no future.
- If we have liquidity that we will not be need in the coming years, in the midst of the crisis it is a good time for purchases. There are properties and shares of solid companies and sectors with a future that fall beyond what is reasonable.
- Good company acquisitions can be made to boost growth. Successful companies are characterized by purchasing operations in years of crisis.
- We can also reduce costs that we have not seen clear for years but that we continued to assume to avoid problems. An example: Anheuser-Busch spent a lot of money being an exclusive sponsor of the Winter Olympics, but it was an expense that had no impact on its customers, although it motivated distributors. When the 2008 crisis broke out, they eliminated this item.
- As Einstein said in 1929, "crises bring progress because creativity is born from anguish". During the crisis years many companies are created which, in some cases, end up being very successful.

Link:

The COVID Two-Step for Leaders: Protect and Pivot

How Bob Chapman Built a \$2.4 Billion Company by Putting Workers First



But we cannot forget that the current business must be protected. Therefore, efficiency must be improved: new ways of operating that are more sustainable (teleworking, etc.) and which reduce costs can be discovered.