

How to beat the competition?

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A football match between Germany and the Netherlands is always something special. On 13 June 2012 the two teams meet again at the European Football Championships. In that context, in this asset management column a brief comparison between the two countries is made. On basis of that a conclusion is drawn on how the competition can be beaten. And a prediction of the outcome of the football match is given as well.

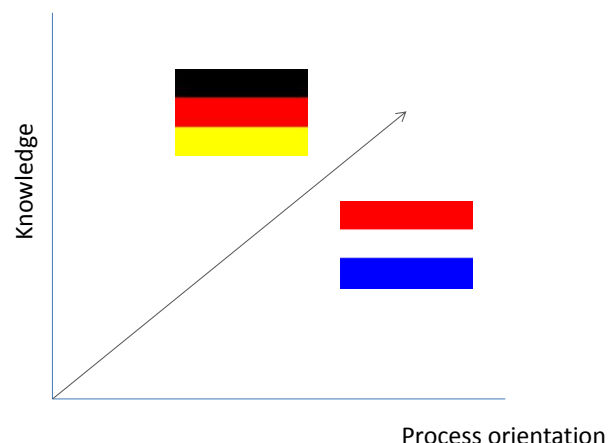
As a child I grew up in the east of the Netherlands. Those days we had 2 Dutch TV channels and 3 German. So I regularly watched the German TV programs such as Sesamstraße (Sesame Street), Sendung mit der Maus (broadcast with the mouse) and Bundesliga Fußball (German premier football league). Perhaps there my sympathy for our eastern neighbours and the German language has been starting. Meanwhile I have been working very regularly in German asset intensive companies on asset management projects. Without trying to generalise, it is beautiful to consider the differences between German and Dutch companies.

If you ask anyone in German companies to give an overview of processes, then that person often quite rapidly goes in the details. Employees sometimes seem to have difficulties to get an overview. My impression is that a process orientation at the companies which I visit is less developed than in the asset intensive companies in the Netherlands. However the knowledge level Germany is very high (many employees have completed a PhD) and that is reflected in the quality ('Gründlichkeit') of the products. For example, last year the German premium car brands have performed better than ever (do we have a financial crisis?). When there is a failure of a technical asset, people want to find the root cause and resolve it to ensure that it does not happen again. In the Netherlands I noticed that the asset had to be rushed into service, without knowing the real cause. And so after some time same problem occurred again. I feel that in the Netherlands we can therefore learn from our neighbours. Sometimes it seems that the Netherlands it is 'not done' to be a specialist. A technical specialist at some point can no longer grow in terms of salary and if a specialist wants to earn more money, this specialist needs to transfer to a commercial job or join the management.

In the Netherlands, many employees currently are quite process oriented. Companies have for example assigned process owners. Employees know what their role in the process is and which interfaces link to their process and how they look like. Related to this element I believe the companies in the Netherlands are slightly more mature than the German companies which I regularly visit.

If we put the axes of knowledge and process orientation in a picture, you will see something which looks like you see here.

So in terms of knowledge, Germany leads with 1 : 0 against the Netherlands. In terms of process orientation the Dutch lead with 1 : 0. So at half time it is 1 : 1.



Before the second half starts first some figures. The table below shows the educational expenditure per pupil/student in all education sectors (in USD)¹. It can be seen that the Dutch spend more on education per pupil/student than is done in Germany (at least until 2008).

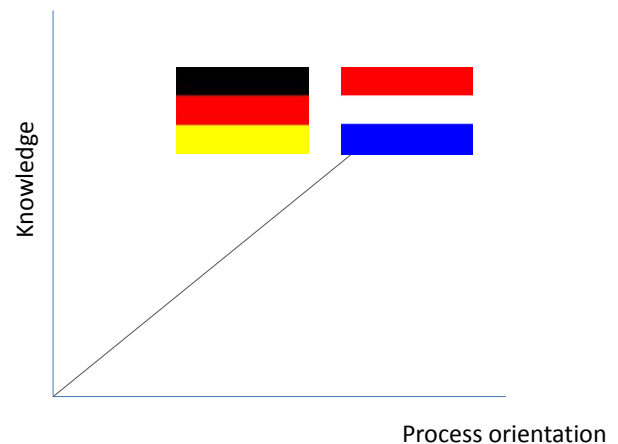
	2001	2002	2003	2004	2005	2006	2007	2008
Germany	6.696	7.129	7.368	7.802	7.872	7.925	8.270	7.849
The Netherlands	6.733	7.241	7.501	7.999	8.147	9.330	9.883	9.606
Average OESO countries			6.827	7.061	7.527	7.840	8.216	7.238
Average EU19 countries			6.519	6.811	7.036	7.682	8.013	

Also compared to the gross domestic product (GDP) the Netherlands scores higher than Germany (5,5 against 4,6% in 2008 according to the same site). In the Netherlands, the education budget is 33,7 billion in 2012². On a GDP of 591,3 billion Euros³ this is 5,7%⁴.

The Netherlands spend therefore relatively more on education than is done in Germany. Now some simplistic reasoning: the Dutch lead on the knowledge axis and will therefore, according to this theory, win against Germany with 2 : 1. The final results can be seen in the graph.

I do not know if the Dutch trainer Bert van Marwijk has time to read this, but perhaps someone can inform him? Then he can benefit from it.

To summarise for the asset intensive industry: make sure that your company is both process oriented and that having technical knowledge is appreciated. If required do also improve the financial benefits for technical specialists. Both the knowledge and process orientation are important starting points for beating the competition.



Now the Netherlands should not only show beautiful football (such as the Dutch like way the German team of Bayern Munich played against Chelsea from the United Kingdom, which died in beauty). After all, at a German company I already saw a picture of the Dutch player Arjen Robben (who plays for Bayern Munich) who missed the penalty in the final with the following caption: 'no Dutchmen on key positions....'

For the 13th of June I wish both teams good luck. Only the Dutch team just a little more than the German ☺

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¹ <http://www.stamos.nl/index.rfx?verb=showitem&item=1.63.16>

² <http://www.nu.nl/politiek/2616949/overzicht-begrotingen-2012.html>

³ <http://www.rijksoverheid.nl/onderwerpen/schuldencrisis>

⁴ According http://www.trendsinebeeld.minocw.nl/TrendsInBeeld_2011.pdf; in 2011 it was 36,7 billion Euros