How Can Big Companies Compete with Agile Startups?

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March 6, 2020

> **Startups have changed the way business used to be done.** 😎

Big companies and organizations have their work cut out for them because of startups. These traditional companies are not as fast as startups in adapting to change.

But with some proper guidance and a commitment to making things better than before, even larger companies can compete effectively with new startups.

Here is how big companies can compete with agile startups:

Innovate.

Startups are in the business of innovation. But they don't only use innovation for their offerings. Instead, startups bring innovation to all parts of their operations and business as a whole.

Large organizations, on the other hand, are slow at adapting and are often against change. Most of these organizations have a culture that does not support innovation.

Companies that don't innovate are bound to sink.

If a company tends to stagnate too much, their customers will opt to try and test out products from some of their competitors. In business, complacency can be the end of the line.

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Just think about Kodak and Nokia, two giants in their separate industries that didn't want to change.

The result? Both of them lost their standings and served as an example to organizations that aren't willing to change.

Once companies realize that innovation is something that they should be actively doing, they're going to have to make several changes in their organization.

A change in attitude and corporate culture is a must for these organizations. Only then can you start your innovation journey.

But let's be honest, your business is not going to start coming up with innovative ideas the day after tomorrow. There need to be incremental changes in your business. You want your employees to help you become more competitive, not run away.

Make existing processes faster.

Big companies are well known for their over the top processes that take too long.

If you want to get something done at a big company, you're going to have to go through a list of people whose approval is mandatory. People working at startups don't have to deal with that kind of issue.

These time-consuming practices of large organizations prevent them from making timely decisions.

Business conditions change so rapidly these days that even a delay in hours can stop businesses from taking full advantage of a scenario.

To make your existing processes shorter, you're going to need to breakdown individual processes one by one.

Identify how long does it take for a task to get done. List the steps and see if there are any unnecessary steps. If there are remove them. If some steps can be merged into one, do that.

One area where big businesses struggle is customer satisfaction. If you have a large customer base, it will be increasingly difficult for you to take care of each individual. Startups can take a more personalized approach with their audience that guarantees customer loyalty and satisfaction.

Using technology can help you improve your existing processes. A free live chat app for websites will help you engage with your audience in a more personalized way. It will also be much faster than communications on an email.

By making your processes faster and more straightforward, you'll be able to optimize your resources. Your employees will also be happier because they won't have to go through multiple steps to get one task done.

Form smaller units.

Smaller units perform better.

One of the biggest reasons as to why startups can outperform bigger competitors is that they are smaller in numbers. It is easy to get everyone onboard, working towards a common goal. For more established businesses, getting everyone on board is a complex task.

Divide your company into different departments and let them work independently. Keep dividing until you are left with just a couple of people who are working on the same project within the department.

These smaller units will be able to work much faster and faceless friction than before. Being in smaller groups will also encourage every member of the unit to raise his opinion on how things could be done better.

Startups have smaller teams than traditional companies. These smaller teams can produce results much faster because they don't have to go through any paperwork or committees.

Another advantage of having smaller, modular units in your business is that you avoid a lot of unnecessary confrontations between different teams working on the same project. The less friction your employees encounter, the happier they will be. And happy employees equal increased productivity.

By having a smaller unit, your employees will be more engaged and proactive in their work and duties.

Partner up with other companies.

History and experience are things that a startup just doesn't have, especially in its early stages.

Traditional companies have been in the market for a while now. They know most large players in their industry as well as others.

Since you're not a new entrant in the market, other organizations will be more likely to partner up with your business.

By partnering up with different companies and organizations, you'll be able to work together and reach your common goal faster than when you were alone.

Partnering with other businesses helps you in multiple ways. You get to leverage your combined audiences as well as get more press for your brand.

Yes, collaborations might be costly, but a traditional company has the means to burn some cash if it means that they'll have a competitive advantage over their opponents.

And the thing about partnerships that makes them so lucrative is that they lead to other business opportunities. The more opportunities and exposure your business gets, the more your chances of success will increase.

Hire employees who can perform in multiple environments.

The employees in larger organizations are also not used to taking a more agile approach.

If you want to have some sort of agile attitude in your organization, you're going to need to take on board employees that are comfortable with working in a structured as well as unstructured environment.

You also want to give your employees more responsibilities as they progress. Some people can get fed up with the time it takes to climb the corporate ladder. However, with startups things are a little different.

Since the majority of startups are short on resources, the people working at startups have to assume multiple roles in all kinds of situations. This trains their employees to be less stressed out when disaster strikes.

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Mass hiring of new employees will be troublesome for any business, even a big one. The best thing you can do is incrementally train your staff to work in different environments.

You'll end up training your staff and it won't have a major impact on your finances. A win-win opportunity that you certainly don't want to miss out on.

Big companies can learn a lot from startup employees and how they are completely involved and engaged in the growth of the startup.

Use their financial capabilities to their advantage.

Startups are constrained by the amount of capital they have at hand. They are often looking for investors and ways to raise money.

Traditional organizations don't have to face that problem. They already have a product or multiple products that are bringing in significant profits.

These larger companies have the potential to inject serious cash when they feel like it would make a difference. Most startups won't have the luxury to do so.

When it comes to marketing, startups need to spend their money wisely and come up with a campaign that gets a lot of traction on its own. While established businesses need to do more of the same, but additional financial and human resources can have a large impact on the end product.

By using their financial capabilities, larger organizations can outsource any operation that is not their area of expertise. A startup just doesn't have the capital to do something similar.

Sponsor a startup.

If you want to learn the inner mechanics of a startup, you should consider supporting entrepreneurs who are starting their ventures.

By sponsoring a startup, you'll be able to get deep insights into what it takes to run a startup. By careful observation, you will be able to identify critical areas where being agile propels the startup forward.

You'll also be able to have a first-person account of what it takes to run, maintain and develop a startup. You can incorporate your findings later into your more established business later on. Taking a risk with a smaller venture is wiser than experimenting with your already profitable and well-established business.

Using these insights at hand, you'll be able to make better decisions that will help you improve your business and make it more agile. Giving you a chance to compete with these pesky agile startups.

Conclusion:

Big companies have a lot to learn from startups. But at the same time, startups can learn a thing or two from their traditional adversaries as well.

By adopting the best practices that successful startups use and improving their existing processes, these big organizations can give themselves the best foundation to compete with agile startups. 😉

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