

NIMBLE AND AGILE

The list of the Fastest Growing Mid Cap Companies in the Sultanate of Oman throws up quite a few surprises

Here is a quick quiz; name the company behind A'Safwah Dairy products and Dahabi. The answer is Dhofar Cattle Feed and Oman Flour Mills respectively. This is not a check on how knowledgeable readers are about brands, but a proof that there are companies which are redefining the market with innovative and strong offerings. These may not be companies that are in the limelight as some of the bigger companies but they are the stars of tomorrow.

On the move

The best performers never stay still, especially if they are small. The smaller a company, is the more paranoid it can be, given a certain amount of ambition, about beating the competition and outwitting the behemoths who dominate the market. For a small company survival depends on efficiency and agility.

Globally large corporations have always focused on turning themselves into oligarchs and reducing competition to the point where profits are easy and the future reassured. That move has worked for some conglomerates but sounded the death knell for others. Content, flabby large companies have increasingly seen their businesses melt in the face of competition from new players who change the dynamics and rules of the market through innovation and boldness. This is the reason why the list of OER's Top 20 companies (the largest companies in Oman) for 2008 reads differently from five years back and will read even more different 10 years hence. The future belongs to today's hungry entrepreneurs. It is they who will have the ideas, inventions and investor backing required to change the rules of the game.

As Oman's economy develops and opens up, it is new entrepreneurs who think big and act fast who will be able to read the changing mindsets of consumers and provide them with the products and services that they desire.

Only the paranoid survive

It can all go wrong for a number of these companies if not all. Playing to be a winner is a dangerous, high risk strategy. But that's what makes watching mid-sized companies all the more compelling and exciting - and rewarding. For, the companies which will make it will enrich investors beyond anything that they can get by parking money in blue chips.

While no research can identify the companies which will be the next big thing, broadly companies can be divided into two types - those which are driven primarily by money and those infused with a mission - a goal or challenge that goes beyond money making. Such passion combined with a healthy dose of savvy is what determines long term success.

Young companies have a greater chance of making it in a young country like Oman than anywhere else in the world. But this is not a message meant to reassure. Indeed assurance of any kind is like the kiss of death for the companies that have featured on OER's Fastest Growing Companies survey. Only the paranoid and hungry will make it. Only the relentless but calculated pursuit of growth, without sacrificing costs and quality, will allow the mid-cap of today to blossom into the blue chip.