The Sharper, Racier Side of Strategy

Sick of the seriousness with which strategy gets treated by most practitioners of the art, the experts who co-authored *Strategy Bites Back* demonstrate the importance of differentiation by differentiating themselves with an unconventional collection of strategic insights. Like no other book on the subject, the authors have collected many nuts-and-bolts strategy lessons as well as cheeky quips and quotes from those whose ideas can give executives much to contemplate when determining their own strategies for organizational success. The combination creates a collection of short essays that turns the history of dull strategy books on its head while offering a vast array of inspirational strategies, options and advice in one volume.

In the straightforward parts of *Strategy Bites Back*, management expert Henry Mintzberg and others describe the valuable points that must be remembered for a strategy to succeed. For example, in Michael Porter’s essay, “The CEO as Strategist,” he writes, “To be successful, an organization must have a very strong leader who’s willing to make choices and define the trade-offs.”

The authors of *Strategy Bites Back* have gathered ideas from a plethora of sources, including *The Economist*, *Financial Times*, *Fast Company*, *Harvard Business Review* and other leading-edge publications, as well as the works of business experts such as Peter Drucker and Gary Hamel. Beyond these usual sources, the authors also tap strategists from history, including chess grandmaster G.M. Alexander Kotov and convoluted orator Mao Tse Tung. Even Hans Christian Andersen gets tapped for his expertise on a world where common sense and ego collide.

Smart Toilets

The more whimsical parts of *Strategy Bites Back* include a poem about the powers of spin and perceptions in the chain of command called “The Creation,” and a short essay by James Brooke called “Positioning the Derrière: Toilet Nirvana” that describes the novel ideas used to differentiate the strategies among Japanese toilet manufacturers. In it, Brooke describes smart toilets that can not only greet users by flipping their lids, but can also automatically measure the user’s urine sugar levels by making a collection with a little spoon held by a retractable, mechanical arm.

Bites and Bytes

*Strategy Bites Back* is composed of tidbits of wisdom that the authors call either *bites* or *bytes*. The “bytes” are the interesting excerpts on strategy that they have gleaned from the spectrum of strategic wisdom to enlighten readers about the depth and possibilities of strategy. These eye-opening thoughts present unusual stories, poems and quotations that get the mind working on the level of the great strategists who once appeared a little nutty at first glance.

The “bites” are the chunks of critical ideas that provide cutting insight into the entrenched beliefs that once passed for useful knowledge that have now outlived their usefulness.

The balance *Strategy Bites Back* provides between the bites and bytes, as well as the theoretical and the practical, demonstrates the sometimes contradictory aspects of the complete strategic picture that must be addressed to create effective strategy. For example, in the chapter “Figuring Strategy,” Henry Mintzberg describes the figuring view of strategy with the extended metaphor of a product launched into the market, complete with launching device, projectiles, targets, rivals and fit. This conceptual view of strategy is nicely balanced by the chapter, “A Vision of Strategy,” in which Patricia Pitcher recognizes the CEO as an artist and entrepreneur.

Why We Like This Book

It is obvious from the jovial spirit surrounding the strategic advice found in *Strategy Bites Back* that the authors have found a more creative way to stretch the perceptions of readers to help them think about strategy in a new and emotional way. By presenting strategy as a multifaceted phenomenon that can be executed successfully in many, many ways, the authors offer a welcome and realistic perspective of strategy that can help anyone get a better grip on its wild and tricky nature.

Reviews by Chris Lauer
Setting the Agenda and Delivering Results

According to corporate advisers Marianne Broadbent and Ellen Kitzis, chief information officers (CIOs) today are at a crossroads in the business environment. In one direction lies a lingering dissatisfaction with information technology (IT) that is left over from the bust of the Internet bubble, the belief that IT is irrelevant to competitive advantage, and concern over IT jobs being outsourced to faraway countries. In the other direction lies the view of IT as a source of business innovation; a foundation for products and services; and a way for companies to comply with the timeliness, completeness and accuracy of corporate information that are required by the current regulatory environment. In The New CIO Leader, the authors describe how CIOs can most effectively follow this second path, win credibility and earn a higher role in their organizations.

According to the authors, the role of the new CIO leader requires changes to the traditional CIO skills, approach and priorities. Although these changes might not appear to be revolutionary, they point out that CIOs who do not make them will have difficulty in their executive experience.

To determine how CIOs can consistently deliver results that matter to the executive team, the authors have performed years of research and surveys that have taught them much about the changing demands on CIOs. In The New CIO Leader, they explain the results of their studies and describe how CIOs can face the challenge of becoming an irreplaceable part of a company’s success and what new skills, priorities and actions they need to take to reach the next level.

Three Categories of Enterprises

The authors write that all enterprises tend to fall into one of three categories at any given time. They call the three categories of enterprises fighting for survival, maintaining competitiveness, and breaking away.

In the first category, companies struggle to find ways to cut costs while going through layoffs and scaling back capital investments and long-term projects, including IT development. Maintaining-competitiveness companies tend to mirror the economy: In tough times they are cautious about new business projects; in better times, new projects gradually increase. Breaking-away enterprises tend to aggressively increase their business investments — and IT budgets — each year, and seek IT-enabled business innovation to gain competitive advantage. The authors write, “Enterprises that are fighting for survival need CIO leadership every bit as much as enterprises that are breaking away.”

Ten Critical Points of Focus

Throughout The New CIO Leader, the authors present 10 critical points of focus that differentiate the new, more effective CIO leaders from their struggling counterparts. They explain that the first and second points in their list provide the firm foundation that is required for the rest to be effective. These are:

1. New CIO leaders must lead, not just manage. Leadership and management are not the same; they are complementary. To lead, a CIO needs a personal vision and a point of view about how information and IT can make his or her enterprise more effective.

2. New CIO leaders must know their enterprise inside and out, as thoroughly as, if not better than, their executive colleagues do. A CIO needs to know his or her industry and competitive environment and be able to engage key decision makers and stakeholders on their terms.

Based on these points, the rest of the principles described in detail throughout The New CIO Leader develop the role of the CIO in any organization by laying down the clear actions a CIO must take while becoming more proactive. These critical points of focus are:

3. Create a vision for how IT will build your organization’s success.

4. Shape and inform expectations for an IT-enabled enterprise.

5. Create clear and appropriate IT governance.

6. Weave business and IT strategy together.

7. Build a new information services (IS) organization — one that is leaner and more focused than its more traditional predecessor.

8. Develop and nurture a high-performing team in your IS organization.

9. Manage the new enterprise and IT risks.


The authors write that, although these 10 points of focus are not the only issues with which a CIO must cope, they are the most critical issues facing CIOs today. New CIOs must be ready to build credibility by working on each of them.
Taking Action When Your Values Are Put to the Test

At the intersection of action based on core values, awareness of the risks, and a willingness to endure necessary hardship is the difficult yet vital concept of moral courage. According to Rushworth Kidder, the founder of the Institute for Global Ethics, moral courage is a practical necessity for modern life. Kidder writes that moral courage is the bridge between talking ethics and doing ethics, and can be defined as the readiness to endure danger for the sake of principle. In Moral Courage, Kidder provides the tools and stories that can help anyone make clear, confident decisions when faced with complicated moral challenges at work, at home and in the community.

While people may have terrific values and develop great skill at moral reasoning and ethical decision making, such mental activity means very little if their decisions go unimplemented. Moral Courage examines the ways that many people have found to complete the third step in the process: to have the moral courage to put those decisions into action and live a moral and ethical life.

Standing Up for Values

In the first chapter of Moral Courage, Kidder explains that standing up for values is the defining feature of moral courage. Citing many examples from recent memory, including the U.S. soldiers who abused Iraqi prisoners at Abu Ghraib prison, the CEO of Italian food giant Parmalat who kept quiet as financial malfeasance proliferated, and Olympic athletes who succumbed to steroids, Kidder points out that in moments of moral consequence, these people failed to act with integrity because they lacked the moral courage “that lifts values from the theoretical to the practical and carries us beyond ethical reasoning into principled action.” Without moral courage, even the best virtues grow weak from inactivity. With moral courage, Kidder writes, a more ethical world is slowly constructed.

Why should moral courage matter so much? One reason that Kidder describes is because we see a lack of it in many corporate settings and legal proceedings; in politics, sports and entertainment; as well as in personal and social relationships. But the deeper reason is that if moral courage is indeed one of the core virtues of humanity, we need to find ways to express, support and teach it.

Kidder writes that there are seven checkpoints along the path to promoting moral courage in ourselves and for others. These are:

1. Assess the situation. Do I think it calls for courage?
2. Scan for values. Can I spot values and build on them?
3. Stand for conscience. What principles need to be articulated and defended in this situation?
4. Contemplate the dangers. Do I have a clear picture of the risks I’m facing?
5. Endure the hardship. If I take this stand, will the hardship make me give up, or will I be able to persist?
6. Avoid the pitfalls. Can I stand firm against timidity and foolhardiness — the inhibitors of moral courage?
7. Develop moral courage. How can moral courage be nurtured, taught, practiced and attained?

Each chapter in Moral Courage addresses one of these checkpoints, and provides a “Moral Courage Checklist” at its conclusion to help readers examine the elements of each step to developing the courage it takes to stand up for their values.

Courageous Leaders

In a chapter called “Practicing Moral Courage in the Public Square,” Kidder points out that moral courage typically unfolds in our private, interior life rather than “across the consolidated consciousness of a community.” But if we look beneath the daily headlines, we can see the presence or absence of moral courage in public settings. Citing examples from real life, Kidder shows what that courage — and its absence — looks like from many angles. He points to Juan Guillermo Ocampo as an example of a man who has worked for years to turn thousands of Columbian teenagers from guns to violins with classical music programs that teach them to become role models instead of killers.

He also describes how Senate majority leader Trent Lott found himself on the wrong side of moral courage when his apology for off-the-cuff remarks that were apparently pro-segregationist made matters worse. Kidder writes that Lott left his leadership post in disgrace shortly afterward, “reminding us that a failure of moral courage can be a career-ending move.”

Moral Courage presents so many examples of those who have made tough moral choices in a wide range of situations that it offers more than a simple primer on what living by ones values looks like. By describing the challenges that have been overcome by those who choose to live and lead by their own values rather than taking the easiest path, Kidder unfolds a detailed road map to changing the world, one moral step at a time.

Navigate Your Career Without Leaving Your Organization

In their search for greener pastures, many employees leave their organizations with dreams of overcoming all of the difficulties they face in jobs that fail to offer them the opportunities they need to reach their fullest potential. In *Make It Work*, leadership expert Joe Frodsham and human resources expert Bill Gargiulo show disgruntled employees how the same problems they face where they are today are probably waiting for them in the next venue they choose. They also describe numerous ways employees can improve their jobs, lives and careers by staying where they are and engaging more effectively with their organizations.

The authors write: “The career-related patterns and issues in which you constantly find yourself are not a result of the problems in your company. They are largely a result of the way you think and act.” They explain that career success comes from adopting the beliefs and behaviors that drive career success in your organization, and if you keep doing what you are doing, “you will keep getting what you’ve got.” *Make It Work* presents clear ways employees can find passion and success while continuing to work for their current employer.

**Your Heart + Your Organization = Your Success**

The authors explain that the answer to your career problems is inside of you and what you love because the people who find sustained fulfillment in their careers are those who have chosen to do what they love. Making a deep, heartfelt commitment generates opportunities through both predictable and unpredictable ways. Bringing what you love into your work and life might be difficult and rare, but it can be transformative. The authors write that the ability of any employee to achieve an elevated title or a higher salary increases exponentially when he or she dedicates him- or herself to doing what he or she loves.

*Make It Work* begins with a self-assessment tool that is designed to help readers assess their current level of career success. By completing it, individuals create a basis from which they can begin to build their careers.

Next, the authors debunk 16 prevailing myths about careers by stating an assumption that many people make about their careers and explaining the truth behind the myth.

For example, “Myth #1” is “You must manage your image — be your own brand.” The authors explain that focusing your energies on style instead of substance can become a prison of your own making, and worrying about what others are thinking about you can actually create great anxiety. Instead of managing your image, they write, you should be clear on who you are and what you love, and find opportunities to pursue this within your organization.

Understanding the truths behind the myths can be liberating, the authors explain, and can free employees from the false beliefs that bottle them up, allowing them to take control of their own careers: an important first step in building a career of purpose and passion.

**Build a Foundation**

The authors then describe four steps for starting on the inside that can help employees build a foundation for their careers: Identify your passions, discover your core, find your career fit, and declare your career. To describe the importance of making a deep choice that is based on your passions, the authors point to Michael Dell, whose passionate core of computers, efficiency and cutting-edge growth has helped him create a multi-billion dollar company that has revolutionized the way goods are sold and distributed.

The second part of *Make It Work* offers the following six practices for working more effectively in an organization: Shape your perfect role, make key decision makers your champion, develop your capabilities, follow your company’s real rules for success, surface opportunities through your connections, and stay connected with your passionate core.

The authors remind readers that real career wealth starts on the inside, and these six navigating practices are most powerful when they are aligned with your passionate core because that helps them support what you love.

*Make It Work* offers an exciting new perspective on the problems of the workplace. Instead of showing employees how to find solutions elsewhere, the authors provide them with many straightforward tools to help them look inward to find the passions inside them that are at the root of their satisfaction problems, help them choose a direction, and show them how to build skills from that valuable personal foundation.
The Marketing Authority Answers Your Questions

Marketing guru Philip Kotler has been asked just about every question on marketing that has ever crossed the lips of an inquisitive marketer. In According to Kotler, he answers the most common of those questions in a question-and-answer format that makes it easy for those with marketing inquiries to find the solutions they need to face just about every marketing dilemma. By organizing the questions he answers around a variety of subjects, including strategy, planning, organization, control, brands, areas of application and excellence, Kotler makes it easy for readers to quickly access his expert advice.

Starting with the broad strokes, Kotler begins According to Kotler with questions and answers about markets and marketing. This section includes the question, “What is marketing?” to which Kotler replies, “Marketing is the science and art of exploring, creating and delivering value to satisfy the needs of a target market at a profit.” He adds that the fact that marketing is often performed by a department within an organization is both good and bad: good because it brings together trained people who focus on the task; bad because marketing activities should be manifest in all the activities of the organization.

The next section of According to Kotler tackles marketing strategy and its main ideas, which include segmentation, targeting, positioning, differentiation and innovation. While explaining what marketers can do to address a lack of creativity, he writes that there are three ways companies can become more creative:

1. Hire more people with a creative bent, whose minds are more free-wheeling, more curious and more questioning.
2. Employ creativity tools and processes in the course of solving company problems, such as brainstorming, synectics, modification analysis, forced relations and morphological analysis.
3. Occasionally hire the services of a creative agency that offers to help generate big new ideas.

Marketing Tools

Next, Kotler digs into the main tools of marketing, which are product, price, place and promotion. While exploring these “4 Ps,” Kotler answers the question, “How do you build a brand?” with one of the shortest of the short answers he provides throughout the book. Essentially, he writes that this question is best answered by reading a book by any number of other marketing experts, including David Aaker, Jean Noel Kapferer and Scott M. Davis.

When answering the question, “Do you think that global brands can be developed in smaller countries?” Kotler points out that country size is not that important. Sweden, a country with only 5 million people, is the home to Volvo, Saab, Electrolux, Ericsson and Sandvik. Switzerland, a country with only 9 million people, has Nestlé, Swatch, Rolex, ABB, Hoffman LaRoche, Bauer and many other highly visible brand names. On the other hand, many large countries, such as Russia, India, China and Brazil have very few global brands that have reached mainstream America.

Planning and Control

Questions about marketing planning, organization and control come next, followed by those about marketing application. Issues covered in this section include consumer packaged goods, retail marketing, small business marketing, direct marketing, Internet marketing and just about every other form of marketing yet devised.

When answering the question, “Will online marketing make some retail stores superfluous?” Kotler explains that the Internet will be a curse to some retail sectors, including travel agents, insurance agents, bookstores and music stores. “Store managers need to start figuring out how to make their stores more interesting to customers. Instead of simply carrying products, they must think about how to design a more satisfying store experience.”

The final section of According to Kotler delves into questions about marketing excellence and the ways that the best companies have found to become more effective. Here, he lists companies that have appealing and innovative marketing strategies that have either dramatically reduced customer costs, such as IKEA and Southwest Airlines; dramatically improved product quality or customer experience, such as Starbucks and Sony; or reinvented the nature of their business, such as Barnes & Noble and FedEx.
### SHORT TAKES

#### Capitalism at the Crossroads  
*by Stuart L. Hart*

Stuart Hart has written some of the most pivotal and provocative articles about the implications of sustainable development and environmentalism for business strategy in the *Harvard Business Review*. In *Capitalism at the Crossroads*, he explains how corporations can help to create a sustainable force of global development for everyone on the planet. Showing how there is no inherent conflict between improving the world and achieving economic prosperity for all, Hart shows how responsible corporate growth can be done. Wharton School Publishing, 241 pages, $27.95 (ISBN 0-13-143987-1).

#### Charming Your Way to the Top  
*by Michael Levine*

According to Hollywood’s top public relations executive Michael Levine, charm is good business. Not only can it significantly increase your income and improve your status, but it has the power to help you establish and maintain your reputation as well as draw customers. To help others “wield charm as a tool,” Levine describes the secrets of the “Most Charming Man Ever” (Cary Grant), how to use charm on the telephone and Internet, and offers insights about such charming stars as Vanna White and Tom Hanks. The Lyons Press, 201 pages, $22.95 (ISBN 1-59228-440-X).

#### Joy at Work  
*by Dennis W. Bakke*

Dennis Bakke believes that work should be fun. In *Joy at Work*, he describes how he took this belief and applied it to the company he co-founded where he was president and CEO for nine years — AES, a company with 40,000 employees and revenues of $8.6 billion. By demonstrating how decisions can be delegated and all employees can be empowered to use their talents without the burden of corporate bureaucracy, Bakke offers leaders a business model that removes labor-management divisions and challenges the business establishment with revolutionary ideas about work and joy. PVG, 314 pages, $24.95 (ISBN 0-9762686-0-4).

#### Leading Innovation  
*by Brian McDermott and Gerry Sexton*

Leading Innovation offers business leaders a blueprint for making their people their “most valuable asset” by providing them with the tools they can use to tap into employees’ talents and passions. Leadership consultants Brian McDermott and Gerry Sexton present stories from dozens of business experts and their own experiences that demonstrate how companies can sustain excellence while creating cultures of perpetual innovation. Throughout, they describe ways to overcome obstacles, maximize opportunities and turn ideas into actions. Nova Vista, 160 pages, $18.95 (ISBN 90-77256-05-9).

#### Let Them Eat Cake  
*by Pamela N. Danziger*

Pamela Danziger has combined the results of recent consumer research with her 20 years of experience as a marketing consultant to create an important book about marketing luxury items. *Let Them Eat Cake* offers valuable insight into the luxury experience that goes beyond the product. It also presents strategies for maintaining premium pricing in the face of competitive discounting, ways to develop word-of-mouth to spread a company’s luxury values, and an understanding of the potential of marketing luxury to the masses. Dearborn Trade, 299 pages, $27.00 (ISBN 0-7931-9307-9).

#### Metaphorically Selling  
*by Anne Miller*

Anne Miller understands the selling power of metaphors — the visual words that conjure a vivid image in the listener’s mind. As a sales speaker, author and consultant, she has tapped the magic of the metaphor and its ability to sell ideas, clear up confusion, inspire customers and close a sale. In *Metaphorically Selling*, Miller presents numerous examples from modern business, media and politics, and shows readers how to master the metaphor in a four-step model that can help anyone get heard, understood and remembered. Chiron Associates, 168 pages, $14.95 (ISBN 0-9762794-0-1).
September 2005

SELECTIONS

PART 1

The 8th Habit
by Stephen R. Covey

PART 2

The Prime Solution
by Jeff Thull

PART 3

Bridging the Culture Gap
by Penny Carté and Chris Fox

SOUNDVIEW SPEED REVIEWS

Strategy Bites Back
by Henry Mintzberg, Bruce Ahlstrand and Joseph Lampel

The New CIO Leader
by Marianne Broadbent and Ellen S. Kitzis

Moral Courage
by Rushworth M. Kidder

NEXT MONTH

Tough Management
by Chuck Martin

As chairman and CEO of NFI Research, Chuck Martin has studied how successful companies meet increasing demands to do more, deliver more and increase more — while keeping stress low and morale high. In Tough Management, he presents techniques that can help managers align those who execute strategies with those who create them.

Winners Never Cheat
by Jon M. Huntsman

In Winners Never Cheat, self-made billionaire Jon M. Huntsman describes the honest principles that have helped him win his fortune and can help others build their organizations on standards of which they can be proud. Huntsman also shows leaders how they can find the bravery to act on what they know is right, and build teams with the same courage.
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Audio Conference With Stephen R. Covey on October 4th

As you may have already learned from the enclosed brochure, we're hosting a Soundview Audio Conference with leadership expert Stephen R. Covey on October 4th. We're excited to have this opportunity to work with Dr. Covey and to investigate concepts from his recent book, *The 8th Habit*. It will be interesting to see how this concept builds on his previous book, *The 7 Habits of Highly Effective People*, and to hear his responses to Soundview Editor in Chief Chris Murray's probing questions.

If you would like to participate in this conference, you can register on our Web site and invite a whole room of people along for no additional cost.

World Business Forum New York on September 14th and 15th

We saw several of you at the World Business Forum L.A. in March, where Chris Murray moderated Jack Welch's session. We are now looking forward to the next World Business Forum in New York at Radio City Music Hall on September 14th and 15th, where there will be another great lineup of speakers. Our Soundview contingent will be at this conference as well, and we would love to meet you. You can look us up at our booth, where we'll have available a set of custom summaries just for the conference. Please let us know that you're a Soundview subscriber when you stop by.

To keep up on Soundview happenings between receiving your monthly issues, you can also check out the News & Events area on our Web site. I hope that you enjoy this month's summaries, and encourage you to comment on our services at any time through the Customer Service area on our Web site, or by e-mailing us at service@summary.com.

Regards,

Robert B. Carter
V.P. Marketing