

# July 2006 - Enduring Business Ideas

To celebrate the recent 10th anniversary of *strategy+business* magazine, the editors polled readers and contributors on the ten most enduring business ideas or concepts that have been covered in the magazine and are most likely to affect the way businesses will operate in the future. While there were differences between the two groups, the most popular all shared five key qualities that the editors believe are intrinsic to a good idea: (1) timeliness, it is important right now; (2) explanatory power, it reveals hidden patterns and interrelationships that shape what we see; (3) pragmatic value, it can be put into practice to produce replicable results; (4) empirical foundation, it can be tested with real-world experience and measurable data; (5) a natural constituency, a group of people are ready to hear it.

In reviewing the following list, how many of these ideas are in practice in your organization?

- **Execution** - Implementation of strategy drives success more than the choices themselves. In their book, *Execution*, Larry Bossidy and Ram Charan make the point that putting ideas into action is the most critical quality for managers.
- **Learning** - Organizations that encourage their people to constantly think, innovate, and collaborate create a growth environment, one that has a sustained competitive advantage.
- **Corporate Values** - Ethics, trust, citizenship should rise above just making money. The scandals of the last several years emphasize the point that corporate and social agendas must converge. Doing the right thing increases long term viability.
- **Customer Relationship Management** - The customer must be part of the corporate family. The companies that successfully do things that benefit their customers, even when there is no direct short-term benefit will be the most successful.
- **Disruptive Technology** - Preempt your comfort zone. Adopt change, do something bold before your competitors do it.
- **Leadership Development** - Companies can be more effective with smart leadership development practices. Leadership is important not necessarily because of the leader's actions, but because of the actions that everyone else takes on their behalf.
- **Organizational DNA** - An organization's structures - reporting relationships, information flows, decision making process, incentives - should be designed to create high performance by aligning them with one another and with strategic goals.
- **Strategy Based Transformation** - More than reengineering, restructuring or cost cutting, cultural change and process redesign must fulfill the organization's strategic goals.

- **Complexity** - Markets and businesses are complex systems that can't be controlled mechanistically, but their emerging order can be anticipated. Understanding the ways that complex systems evolve can help managers intervene and act more effectively.
- **Lean Thinking** - Using a heightened awareness of work flow and demand to cut waste, eliminate cost, and raise quality is not just limited to the production floor, but extends into every area of the enterprise.