

# ZOOM

## How 12 Exceptional Companies Are Navigating the Road to the Next Economy

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**MAIN IDEA**

To succeed and excel in the emerging economy, business leaders need to master six basic strategies:

Six Strategies for Success in the New Economy	Companies That Excel in Each Strategy
1 Be capable of doing everything at speed.	Akamai Technologies, Commerce One
2 Create a true learning organization.	The Motley Fool, eBay
3 Obsess over the needs of the customer.	Sun Microsystems, Storage Networks
4 Reward rather than punish risk taking.	Yahoo!, Wal-Mart.com
5 Learn to live with greater uncertainty.	General Motors/e-GM, General Electric
6 Master the art of deal making and partnerships.	Cisco Systems, BEA Systems

Interestingly, these six strategies are not entirely new. It is now starting to become abundantly clear the key to being a good manager in the future will be to combine the best of what has always worked with the best of what has suddenly become feasible with the ongoing arrival of the new economy. The winning recipe will be to partner enduring principles of leadership with execution performance that takes full advantage of new technology and the Internet.

Thus, the success strategies of the future will be a blend of timeless leadership principles and new management practices. Business managers that get this mix just right are on to a winning formula. The high growth companies of the future will be those which succeed in combining together enduring leadership principles and the execution innovations made possible by new technology and the Internet. This applies in every industry right across the economy.

*“Each company will find different ways to weave these tenets together. Some emphasize speed, while others focus on customer feedback. Sometimes it’s hard to distinguish among the principles because they are so tightly interwoven. But these rules of the road are certainly the pillars that support a successful business strategy and structure in a tech-driven world. The most talented individuals want to be part of a successful team and feel as if they are working toward important and common goals. This is what’s required of every successful company in the Next Economy – whatever direction it ultimately takes.”*

– James Citrin

**Strategy #1 – Be capable of doing everything at speed.. . . . . Page 2**

Today, speed has become an obsession. Consumers expect rapid and responsive service. Organizations must act with urgency to gain a first-mover’s advantage while still allowing enough time for thought and reflection. Thus, the first key to success in the future is to structure your business to do everything at speed.

**Strategy #2 – Create a true learning organization . . . . . Page 3**

The key drivers of corporate value are moving from physical to intellectual capital. Thus, your company’s ability to capture and disseminate what is being learned is a critical business building activity. The second key to success is to enhance your organization’s capacity for learning.

**Strategy #3 – Obsess over the needs of the customer. . . . . Page 4**

Smart companies stay in tune with their customers in real time. That way, as customer needs and priorities evolve, the company can move right along with them. The third strategy for success is never to lose sight of what customers want and to keep coming up with new ways to deliver precisely that.

**Strategy #4 – Reward rather than punish risk taking. . . . . Page 5**

Every important new business initiative will involve some risk. Thus, when evaluating performance, the level of risk involved must also be taken into account. The fourth strategy for success is to make it as attractive as possible for the best employees to get involved in the high-risk projects the company needs.

**Strategy #5 – Learn to live with greater uncertainty.. . . . . Page 6**

It’s only natural for people to dislike the uncertainty generated by change. Without change, however, there will not be any progress. Thus, the fifth strategy of success is to be confident about the future, and to inspire similar levels of confidence in others.

**Strategy #6 – Master the art of deal making and partnerships. . . . . Page 7**

Core competencies are becoming more focused and specialized. Thus, it is becoming increasingly more important to partner with others who can provide world-class expertise. The sixth strategy for success is to become highly adept at making and running high quality partnerships and alliances.

**Key Thoughts . . . . . Page 8**

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