

RAJ REVIEW

Ideas

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News

Monthly Briefing for the Business Professional

A Message From RAJ

Happy New Year! We hope you had a wonderful holiday season and are now looking forward to new beginnings. With Robal's encouragement and support, David and Jonathan have been extremely busy creating updated training programs and visiting with clients, old and new. If you haven't yet had a chance to meet them, this would be a great time to schedule a visit. In the meantime, please continue to enjoy our monthly newsletter.

Featured Article

How Managers' Everyday Decisions Create – or Destroy – Your Company's Strategy

Joseph L. Bower and Clark G. Gilbert, Excerpted from Harvard Business Review (October 2007)

The Idea in Brief: Top leaders' formal strategies determine how business gets done in your firm – right? Wrong,
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January 2008 Edition

Reader Highlights

NEWS: Seminar Success

FEATURED ARTICLE: How Managers' Everyday Decisions Create—or Destroy—Your Company's Strategy

FOOD FOR THOUGHT: Selecting Management Tools Wisely

TIP OF THE MONTH: Employee Development

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say the authors. It's other managers' decisions about where to commit resources that really drive strategy. Sometimes these choices support corporate plans and at other times they do not. Take Toyota: it launched the Echo, a no-frills, inexpensive vehicle, to fight low-cost rivals, but salespeople, seeking higher commissions, steered customers to higher priced models instead. If upper management is to avoid such scenarios, it must understand exactly who is driving allocation-resource decisions. For example, is a division manager sending you proposals only for projects that will expand the turf? Is an R&D manager giving a large customer too much say over product development decisions? Once answers to questions such as these are determined, upper management should step in as needed and prompt unit managers to ask "What's best for the company?" (not their division). Cross-divisional teams that discuss strategic options can also be highly effective. By managing the company's resource-allocation process, upper management aligns bottom-up actions with top-down objectives and will drive the company in the right direction.



The Idea in Practice: To regain control of your company's strategic process, upper management must understand who is driving key decisions – general managers, operational managers, customers, or capital markets. Actively manage resource allocation by understanding the people whose names are on the proposals you read, make sure managers address the strategic issues, and connect the dots for managers.



BOOKS OF THE MONTH

Leader Effectiveness Training LET: The Proven People Skills for Today's Leaders Tomorrow.

Thomas Gordon

7 Moments that Define Excellent Leaders,

Lee J. Colan



Food For Thought

Selecting Management Tools Wisely

Darrell Rigby & Barbara Bilodeau, Bain & Company
(Summarized from Harvard Business Review, December 2007)

Managers have a profusion of tools at their disposal so it is often a challenge to choose the right one for the job at hand. Bain & Company set out to learn how organizations were using tools, the goal being to help executives make informed decisions about which ones to try. The tools were grouped into four categories: rudimentary implements, specialty tools, blunt instruments, and power tools. The findings were as follows.

Rudimentary implements, such as RFID technology, corporate blogs, and consumer ethnography create a buzz but are generally underdeveloped. They scored very low in both usage frequency and satisfaction.

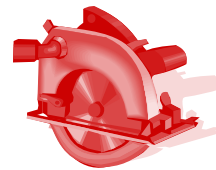
Specialty tools, like process re-engineering, fill niche needs and are highly effective when applied correctly. Used incorrectly, however, they can be like crowbars in the hands of children. They are used sparingly but get high marks in satisfaction.

Blunt instruments attack pervasive problems, such as employee know-

how, in cumbersome ways by gathering too much extraneous data or not giving people incentives to share knowledge. They score high in usage but low in satisfaction.



Power tools, such as strategic planning, receive the highest scores in both usage and satisfaction and can be applied with rigor in a variety of settings. They are used by managers with success and incur very little risk.



When evaluating a tool's potential, managers should consider whether they have the people and skill sets to develop it to meet the company's objectives. If so, they should set realistic expectations in terms of complexity of implementation and the level of investment needed. Organizations without the capacity or patience for an involved, slow implementation may want to wait and see what others do. Once you select a tool, make sure people understand why they are using it. If they know which needs they are trying to meet, they're more likely to make it work for the organization.



Tip of the Month

Employee Development

If you help people develop the confidence that they have marketable skills, then they can choose whether they're going to stay with your organization or leave. When they choose to stay, you get commitment. If people feel, "I'm staying with this organization because I have no other options," you will get compliance. But you're never going to make it to the top with compliant employees. You need their commitment.

**Carol Kinsey Goman,
Management Consultant**

Inspirational Thoughts

In all human affairs there are efforts and there are results, and the strength of the effort is the measure of the result. James Allen

Persuasion is the art of getting people to do what you want them to do, and to like it. Dwight D. Eisenhower



On the Humorous Side

A young executive was leaving the office late one evening when he found the CEO standing in front of a shredder with a piece of paper in his hand. "Listen," said the CEO, "this is a very sensitive and important document here, and my secretary has gone for the night. Can you make this thing work?" "Certainly," said the young executive. He turned the machine on, inserted the paper, and pressed the start button. "Excellent, excellent!" said the CEO as his paper disappeared inside the machine. "I just need one copy."-anon

GET IN TOUCH

We love feedback. Let us hear from you about what's most useful in our newsletters, how we can make it better, and topics you'd us to tackle for you.

Call us to discuss your needs, explore how we can help, and learn more about our services.

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