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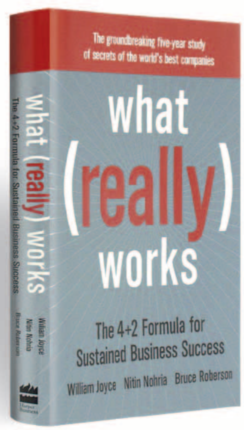

The 4+2 Formula for Sustained Business Success

WHAT REALLY WORKS

By William Joyce, Nitin Nohria
and Bruce Roberson

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THE SUMMARY IN BRIEF

Business is full of mysteries, but none greater than this: What really works? Today's managers realize all too painfully that many, many things matter in achieving business success, but few of them can tell you much more than what worked for them. They spend years guessing at what really matters in business, and guessing wrong — they pursue fads and follies without getting to the heart of the fundamental practices that create business success.

The authors of What Really Works *conducted a 10-year study that turned 50 academics and business consultants loose on dozens of companies, looking for the answer to that elusive mystery — What really works? From that study emerged the 4+2 Theory, which provides the correct combination of primary and secondary management practices that form the crucial practices that achieve lasting business success.*

What You'll Learn In This Summary

✓ **How to make your strategy clear and focused.** Managers must devise and maintain a clearly stated, focused strategy that is clearly communicated, and effectively understood by employees, customers, partners and investors.

✓ **How to execute your strategy flawlessly.** You must be efficient in your planning and perfect in your execution.

✓ **How to build a performance-based culture.** Performance makes the difference — the setting of performance standards and consistent achievement of those standards drive a company in the right direction, consistently.

✓ **How to make your organization fast and flat.** Cut through the layers and silos and create an open, communicative and effective organization.

✓ **How to make talent stick around and develop more.** Going outside the company for talent might occasionally be necessary, but you likely have a star or two in your organization right now, waiting for their chance to shine.

✓ **How to make industry-transforming innovations.** Keep your organization off life support by supporting research and development.

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Primary and Secondary Management Practices

There are eight management practices — four primary and four secondary — that directly correlate with superior corporate performance, as measured by total return to shareholders (TRS). Winning companies achieve excellence in all four of the primary practices, plus two of the secondary practices — hence, the 4+2 formula. All eight practices have features that are both intuitive and counterintuitive.

The Four Primary Management Practices

The four primary management practices are strategy, execution, culture and structure.

Strategy. Managers must devise and maintain a clearly stated, focused strategy. Whatever your strategy — whether it is low prices, innovative products, or some other initiative — it will work only if it is sharply defined, clearly communicated, and effectively understood by employees, customers, partners and investors.

Execution. Companies must develop and maintain flawless operational execution. You might not always delight your customers, but you must make sure you never disappoint them. Winners consistently meet the expectations of their customers by delivering on their value proposition, slashing operational costs, and increasing productivity consistently, year in and year out.

Culture. Organizations must develop and maintain a performance-oriented culture. It is the setting of performance standards and consistent achievement of those standards that make the difference. How one deals with poor performers is also a key factor.

Structure. Companies must build and maintain a fast, flexible and flat organization. Simpler and faster are the best goals for all reorganization efforts.

The Four Secondary Management Practices

Any combination of two secondary management practices (talent, leadership, innovation, mergers/partnerships), when combined with the four primary management practices, can make a company a winner. Each secondary practice, however, has its own surprises.

Talent. Companies must hold on to talented employees and work to find more. The most important indicator of the depth and quality of talent in your organization is whether you can grow your own stars from within, not whether you can buy or rent talented outsiders.

Leadership. Firms must keep leaders and directors committed to the business. Boards that choose great chief executives can see significant gains in performance. Good boards must possess at least two significant characteristics: They must truly understand the business, and be passionately committed to success.

Innovation. An agile company keeps turning out innovative products and services, and anticipates disruptive events, rather than constantly reacting to them.

Mergers/Partnerships. Internally generated growth is essential, but companies that can also master mergers and acquisitions are more likely to be winners. Companies that do two or three small deals each year, consistently, are more likely to be successful than organizations that do large deals only occasionally. ■

4+2 in the Real World

How does the 4+2 formula work in the real world? Take, for example, Dollar General Corp., a retailer that brings in $5 billion in annual sales by targeting customers making under $20,000 a year, placing its stores in small towns and low-income areas, selling half its

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The authors: William Joyce is professor of strategy and organization theory at the Amos Tuck School of Business at Dartmouth College. Nitin Nohria is a professor of business administration at the Harvard Business School. Bruce Roberson was a partner with McKinsey & Co. for 11 years and is part of a new management team undertaking the turnaround of a major corporation.

For Additional Information on the authors, go to:
http://my.summary.com

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4+2 in the Real World

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wares for $1 each, and catering to customers who spend, on average, less than $8 on any given visit. Dollar General excels because it exemplifies the 4+2 formula in its across-the-board pursuit of all four primary practices, while also carrying through on two of the secondary factors.

Primary Practices

Strategy. Dollar General maintains a clear focus on its chosen market of low-income customers. The company's strategic purpose is to help its customers improve their standard of living by selling them high-quality goods at the lowest possible prices. The organization's customers are pursued by many companies, but almost as an afterthought; most go for more affluent clients and fatter profit margins. Dollar General, on the other hand, deliberately focuses on its "salt of the earth" customers.

Execution. The company consistently delivers on its promise to provide quality goods at everyday low prices; the stores are replete with bargains designed to astonish customers. Since its stock is basic consumer goods, Dollar General holds no special sales, nor does it rely on advertising to bring in new customers. The company passes on the savings of a "word of mouth" marketing strategy to customers.

The company's suppliers are also eager to do business with Dollar General, because it guarantees their products high volume and limited competition. Each store carries, on average, 3,500 items, or stock-keeping units (SKUs). Each year, the stores review their SKUs to ensure they are still delivering value; as a result, the store drops 150 to 200 items, replacing them with new ones.

Culture. Winners design their corporate cultures to support the highest possible levels of performance, fulfilling their strategies and satisfying the specific needs of their markets. In accordance with this focus, excellence in management at Dollar General starts with adherence to the fundamental value of hard work, the dignity of work, and the dignity of every person.

Dollar General's commitment to the overall well-being of its customers goes beyond providing affordable, quality goods. In its inner-city stores, where the company has invested heavily in community career development, it runs learning-center work programs, as well as programs that teach people to read, write and earn their high school equivalency diplomas.

Structure. Dollar General possesses a lean, quick organization that responds rapidly to market changes without wasting time or incurring unnecessary costs. Its corporate structure, no matter how big the company becomes, must always remain simple and productive.

Secondary Practices

Dollar General also excels in two particular secondary practices: talent and leadership.

Talent. The company watches out for its store employees, offering stock options and profit-sharing bonuses in an effort to make all employees feel like owners, operators and independent merchants. Employees at the company's headquarters are likewise treated very well, and can take advantage of an on-site day-care center, training center, fitness center, dry cleaner, ATMs, travel agent, and other first-class amenities.

While the corporate campus was intended to be a magnet for talent, in the end, it is Dollar General's strong corporate culture and values that attract and keep the most appropriate employees to achieve its goals.

Leadership. The dedication, intelligence, and personality of Dollar General's CEO Cal Turner, Jr., have played a major role in making the company a winner. Turner recognizes the talent and solid ideas of his employees, and is very quick to give and share credit. He also recognizes when things aren't working, such as in 1987, when he set a new leadership tone by replacing 200 of his top executives with more seasoned professionals. He did so in order to be able to gain truthful advice from his people, not simply to have a corral of "yes men" agreeing with everything he said or did. ■

Make Your Strategy Clear and Focused

One thing most managers can agree upon, at least in principle, is that growth of one's core business should be one's major strategic focus. In the heat of the moment, however, when too many entities within the organization demand too much support, too many leaders allow their resources to be nibbled away for lesser purposes, while their core business languishes. That doesn't happen in winning companies, where leadership observes five mandates of strategy management:

Build a strategy around a clear value proposition. A value proposition is not so much a statement of what you want to be, but of what you are. It connects a company's ability to deliver a product or service with the needs of a targeted market segment. Clear value propositions are essential; winners' value propositions are rooted in a deep, certain knowledge of their customers and a realistic appraisal of their own capacities.

Develop strategy from the outside in. Winners in every industry are guided by the words, actions and behaviors of their customers, partners and investors in creating their strategies. They don't (as many do) insist

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Make Your Strategy Clear and Focused

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on following their "instincts" in devising strategy. They don't prattle endlessly about their "feel" for the market. They don't write off failed product lines as victims of bad timing. They ask for feedback, and see that it is incorporated into strategy.

Remain alert and flexible to address changes in the marketplace. In a blizzard of ideas and innovation posted on the Internet and spread by cell phone, spotting the new developments that will have an impact on a particular business is tougher and more important than ever. Winners possess antennae sensitive enough to pick up early on marketplace trends and changes that count. Winners do not shrink from the challenge of keeping track of it all. They develop ways to anticipate change, and tools that help them take advantage immediately.

Clearly communicate your strategy. For strategy to be implemented properly, it must be presented and explained first and foremost to the people who will be bringing it to life — your managers and employees — and those who will benefit from it — your customers. By sharing strategy, a company paves the way for its products and sells itself to its customers. It also invites customers to become partners in the chain that leads from raw materials to finished products to sales.

Keep growing your core business. Company leaders like to talk about growth. The word itself quickens the pulse of many executives. It's a sign of progress, a proof that the organization is vital and alive. It is also one of the chief measures by which markets judge a company. True winners embrace growth, but in an intelligent manner. They grow within their core business or niche, building their growth businesses before the potential of their core is extinguished. This dynamic approach to growth is essential for long-term success. ■

Execute Flawlessly

Most of our days as businesspeople are spent making incremental decisions about small, everyday matters. Every so often, however, inspiration hits, and we find ourselves at a fork in the road, with one path leading to familiar ground, and the other leading into new territory, toward a future rich in promise and uncertainty. To fully embrace these opportunities, we must achieve superior execution, which can only be done through intense and continuing study and constant effort, along with a willingness to try something new. Flawless execution is also dependent on meeting three key mandates.

'Quantification Johnson' Turns Around Campbell Soup

When David Johnson arrived at Campbell Soup Co.'s headquarters in 1990 as CEO, he joined a company whose sales were flat, its profits in decline, its market share dwindling, and its stock price in the doldrums.

He immediately turned his attention to cutting costs and raising productivity. Within nine months, he had closed down or sold 20 plants, slashed the work force by 15 percent, sold unprofitable overseas businesses, and ditched dozens of unprofitable product lines. The plants that survived the ax were instructed to bid for business that had been handled by the deceased operations, forcing plant managers as never before to focus on cutting costs and improving productivity.

For his flawless execution in cutting costs and holding both executives and managers accountable for meeting bottom-line goals, the new CEO was given the name "Quantification Johnson." He was also witness to an annual growth of 18 percent for each of his first five years in charge.

The first is to **deliver products and services that consistently meet customers' expectations.** Winning companies excel behind the scenes, developing the systems and processes that produce the products customers see and use, and that meet customer expectations. Winners consistently deliver the quality their customers expect. While perfection is not necessarily required, customers recognize poor quality, and their trust in a company evaporates when they see it.

Flawless execution also requires you to **empower front-line employees to respond to customer needs.** The moment when the customer interacts with an employee, your organization's chances for success are on the line. Winning companies understand that front-line people must be given the authority to make real-time decisions, along with the training that will help them make the right ones.

The final mandate is to **constantly strive to improve productivity and eliminate all forms of excess and waste.** The goal is to achieve perfect operational execution, constantly improving systems and processes, hiring better people, routing waste and inefficiency. Winners recognize there is no way they can be truly flawless in outperforming competitors at every turn. Instead, they determine which processes are most important to meeting customer needs, and focus resources on making those processes as efficient as possible. ■

Build a Performance-Based Culture

In some corners of the business world, culture is only now beginning to be taken as seriously as other aspects of management and business, such as operations. Winners become winners, though, because virtually everyone in the organization is performing at a high level — an effort brought about by a focus on culture.

Too often, companies fool themselves into believing they are doing well because they have better results than the previous year. While year-to-year improvement is indeed a positive measurement, it is also an insufficient one, because it does not take into account the performance of one's competition. A cutback in expenses of 2 percent in a given year is no cause for celebration if your rivals have cut back 3 percent.

A high-performance culture constantly raises the bar, aiming to surpass top-ranked companies in one's immediate industry, as well as those in other industries. When stretch goals turn out to be unreachable, a company often finds opportunities (such as outsourcing possibilities) it might have otherwise missed. Such a culture requires businesses to observe four key mandates.

Four Key Cultural Mandates

1. Inspire all to do their best. Winning companies seek to design and support a culture that promotes high levels of individual and team performance: one that holds both employees and managers responsible for corporate success. Along with that responsibility, employees and managers are empowered to make many more independent decisions, and are urged to find ways to improve company operations.

2. Reward achievement with praise and pay-for-performance, but keep raising the bar. People must earn a livelihood, and the greater our income, the greater our psychic satisfaction in a job well done. Winners recognize extra money in one's wallet provides at least a modicum of inspiration, so they use financial rewards to urge employees to higher levels of performance. They also develop programs to give productive employees public recognition of their achievements.

3. Create a work environment that is challenging, satisfying and fun. There is a fine line between a high-performance culture and a high-anxiety culture, and leaders cross that line at their peril. Winners maintain a pleasant, satisfying workplace, and reap the benefits in increased teamwork, trust and efficiency.

4. Establish and abide by clear company values. Good behavior promotes good business. Conversely, weak or nonexistent values will, in the end, destroy lives and ruin enterprises (as shown by Enron, WorldCom, and other recent examples). Winners abide by the mandate to establish and live by a strong value system, one that is well-considered and well-communicated. Implicitly or explicitly, such values should be part of every communication a company sends employees and every interaction between employees. ■

Make Your Organization Fast and Flat

Some procedures and protocols are absolutely necessary to the smooth functioning of any large organization. But there is such a thing as having too much of a good thing. Superfluous bureaucracy is a tax on the value your employees create. It leads to impatience, which can devolve into an unhappy acceptance, which breeds indolence. Winners are dedicated to trimming away every possible vestige of unnecessary bureaucracy.

In every business, there is a natural drift toward complexity. The urge to add permanent new rules and procedures to existing processes reflects a desire to quick-freeze current results. It can also reflect a manager's desire to fix his or her control of the process in concrete. Winners are aware of this drift, and have established systems to prevent it. They also observe three essential rules of keeping organizations fast and flat.

First, they **eliminate redundant organizational layers and bureaucratic structures and behaviors.** Simplifying the structure of a company yields many benefits, not the least of which is the ability to make decisions quickly. Too often, promising ideas get hung up in bureaucratic traffic, slowly inching their way through the layers of approval that must be met before being put into action. Winners, on the other hand, consider ideas rapidly, setting reasonable limits to deliberations. They are able to do so because they have kept the layers of bureaucracy to a minimum. This means they can also turn on a dime and reverse course, if necessary.

The second essential rule for keeping organizations fast and flat is to **promote cooperation and the exchange of information across the whole company.** Even when a company is not held up unnecessarily by the silos of long-time privilege and resulting turf wars, it can suffer from boundary problems. Competition for resources can be fierce, with technical discoveries and best practices held close to the vest of people defending their own turf, teams or departments. Such impenetrable boundaries pose a danger to the performance of a company as a whole. Winners combat this by establishing programs to foster cross-functional cooperation, and by

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Make Your Organization Fast and Flat

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opening communication between departments.

Finally, winning companies **put their best people closest to the action and keep their front-line stars in place.** The futures of winning companies rest not on the brilliance of their executives, but on the dedication and inventiveness of their managers and employees. Winners tap into this well of creativity by cutting away layers of command, becoming more front-line driven. They also strive mightily to keep their best front-line people at the fore, working side-by-side with their star performers to keep operations moving ever forward. ■

Make Talent Stick Around And Develop More

Winners dedicate major human and financial resources to building an effective, innovative work force and management team. They also show a distinct preference for developing their own stars from inside the organization, and an ability to retain their top talent, in part because they recognize the value of this talent in creating a high-performance organization. The existence of a talent-rich environment also attracts people from outside a company. No organization can have too much talent, and winners pursue it outside and inside their ranks, even though new hires tend to be more expensive.

Winners demonstrate special skill in satisfying four mandates:

1. Fill mid- and high-level jobs with internal talent whenever possible. Winning companies devote major resources to preserving in-house talent and developing their own stars. It is much cheaper to do this than to go into the marketplace to buy stars who may be untested. Talented people under your roof are a known quantity.

2. Create and maintain top-of-the-line training and educational programs. Employees who have bonded with an organization are more likely to give their best efforts to their jobs. The company that helps employees rise through the ranks, supplying training and educational assistance, is well-positioned to create these bonds.

3. Design jobs that will intrigue and challenge your best performers. The late, great Washington Redskins football coach George Allen once said, "The achiever is the only person who is truly alive." There is an unstated assumption that bright, talented people want to be challenged, want to achieve greater and greater things. One way to keep them achieving is to give them assignments with incrementally greater responsibility attached.

4. Become personally involved in winning the war for talent. Winners focus on grooming talented in-house employees for higher-level jobs. Senior executives in winning companies are very much aware of the recruitment imperative, and involve themselves in helping their companies win the war for talent. ■

Valspar Makes Room For Employees to Move Up

One corporation that has a strong commitment to filling job openings from within is Valspar, a paint and coatings provider based in Minneapolis. The company has 6,500 employees in more than 80 locations around the world, and a 30 percent annual growth in return to shareholders.

When it makes an acquisition, Valspar merges more than just facilities and technology from the purchased company into the parent fold — it also integrates key people from the new company's management into Valspar's management. This policy raised a potential problem — how to handle talented parent company employees whose promotions might be held back by incoming managers from the newly acquired business.

Valspar responded to the situation by combining its acquisition efforts with a major program to achieve internal growth. As company president Bob Pajors once noted, "People will not be satisfied without internal growth. Employees have to know that there's a place for them to move up, too."

For Additional Information on a company that's winning the talent war, go to: http://my.summary.com

Make Your Leaders Committed to Your Business

There are few events of greater significance to an organization than the selection of a chief executive. The best CEOs are able to communicate their vision so convincingly that others will adopt that vision as part of their own personal agenda. They also have unquestioned integrity, in word and deed. When the company is confronted by a moral dilemma — a product defect, for instance — there is no hesitation: The company will do the right thing, quickly. The CEO walks the talk.

When leaders demonstrate their true and firm commitment to their beliefs, they reinforce their leadership roles. Employees see that the chief executives live by their words and can be trusted, and that trust is precious, particularly when times are hard. No one wants to hear bad news, but it goes down better when it comes from a trustworthy leader.

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Make Your Leaders Committed to Your Business

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Winners that excel at leadership management practice a shared dedication to several key precepts.

First, they **inspire management to strengthen its relationships with people at all levels of the company.** Winning companies believe in fostering strong relationships between management and employees. They understand that such relationships are the key to building a positive attitude in the ranks toward a company and its goals. When CEOs present themselves as flesh-and-blood people — as fellow employees, rather than as masters — they can foster positive attitudes that translate into improved company-wide performance.

They also **inspire management to hone its capacity to spot opportunities and problems early.** Chief executives and their top aides, in general, know how to deal with the immediate problems of their organizations. Winning companies that excel in leadership place a major emphasis on improving management's ability to anticipate change and its potential impact on the organization. They want to make certain that the organization isn't blindsided by new regulations or trends, and that they are alerted to forthcoming business opportunities.

The third key leadership management practice is to **appoint a board of directors whose members have a substantial financial stake in the company's success.** Boards of directors play a significant role in the fate of their companies. The best way to inspire directors to take a truly informed and active role is to make sure they have a major financial interest in the company: Their personal money should be at risk. When it is, directors select and support superior chief executives.

Finally, winning companies **loosely link the pay of the leadership team to their performance.** Members of top management need to be rewarded for their achievements in dollars, as well as in shares of company stock. However, the executives' remuneration should reflect their performance against a set of corporate goals. In most winning companies, these goals are defined in terms of profits or stock price — if the targets are missed, bonuses are not forthcoming. ■

Nucor: 'We All Run the Place'

The giant steel maker Nucor expected its management to connect with all levels of its organization. CEO Ken Iverson demanded it of all his executives, and led the way by example, making regular tours of the company's plants and making himself available to workers for question-and-answer sessions.

Iverson's focus on improving relationships extended to every individual Nucor plant. At the Crawfordsville mill, smack in the middle of Indiana cornfields, the general manager, Larry Roos, explained the importance of such communication.

"I think it's very important for everyone to know that [managers] are accessible and can talk about everything," Roos noted. "I get lots of feedback from the managers, but I know a lot more about what's going on by being out there talking or listening to everybody. You break down some of the idea that there is a big difference between management and people — we all run the place."

Make Industry-Transforming Innovations

What passes for technical achievement in most companies — marginal, incremental improvements to products — would never pass muster at organizations that excel in innovation management. Their eye is on the main chance, a breakthrough that will transform their industry. At such companies, this goal drives every aspect of the organization. If they fail to continue innovating, the company itself will stagnate and die. The very premise on which many organizations exist is to stave off this mortality, to create breakthrough innovations, one after another.

Innovation isn't limited to product lines. The application of new technologies to the internal workings of a company can yield savings so great as to give it a huge edge, and transform its industry in a different way.

Winners that show expertise in innovation tend to fulfill three key mandates:

- **They introduce disruptive technologies and business models.** Great ideas move mountains. The garden-variety idea is a staple of personal and corporate life — a better way to do something basic or an incremental improvement. Innovations that improve on old products or yield modest but profitable new ones represent the vast majority of successful business ideas. But for most companies satisfied with nothing less than double-digit increases in growth and earnings, modest improvements do not suffice. Their focus is more on the blockbuster innovation — one that will set the competition back on its heels.
- **They exploit new and old technologies to design products and enhance operations.** There is a natural tendency to emphasize the innovations and technologies that directly affect the products and services that companies rely on for their sales and profits. The impact of innovation on the internal operations of a business can

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Make Industry-Transforming Innovations

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be quite important to the bottom line. Winning companies that shine in the innovation practice found ways to use technical breakthroughs to advance both internal and external goals.

● **They don't hesitate to cannibalize existing products.** One of the oldest accepted practices in business is that a company will not bring out a new product that competes with existing products until the existing products are long past their prime earning days. Winning companies, however, believe in cannibalization. Given the ever-shorter shelf life of so many products, a head start is essential to get the most from an innovation before competitors rip it off and commoditize it. ■

For Additional Information on a company that cannibalizes its customer base, go to: http://my.summary.com

Make Growth Happen With Mergers and Partnerships

Diversification is good — sometimes. Mergers in the last century have mainly been driven by the desire to broaden a company's portfolio of offerings as a hedge against the downside of its industry's economic cycle. Indeed, in the 1960s and 1970s, many corporations merged in an effort to achieve "synergy" — the additional value to be realized by a company as the result of its purchase of another. Many of these synergies never materialized, and the companies involved in these mergers were simply weighed down with debt. Companies in the United States still merge for these same reasons, many of them with the same negative results.

Among winners that excel in merger management, diversification is not a mandated goal. These companies pursue acquisitions as a route to growth, but only when the move leverages the buyer's or seller's existing customer relationships, or the two companies complement each other's existing strengths.

How to Grow Through Mergers and Acquisitions

Since it is difficult for any company to find enough internal sources of growth to keep up with the need for expansion, growth by mergers is a secondary practice that many winning companies pursue. To grow through mergers and acquisitions, keep the following in mind:

1. Acquire new businesses that leverage existing customer relationships. If growth is the target, then one's immediate goal should be to expand the customer base. One of the easiest ways to accomplish this is to acquire companies whose customers will purchase your goods and whose goods will be attractive to your customers. This is an expensive route, particularly in the short term.

2. Enter new businesses that complement your company's existing strengths. Diversification for the simple sake of diversification is generally a losing proposition. For acquisitions to work, make sure they match up well with your company's own profile.

3. With a partner, move into new businesses that can use the partnership's talents. Partnerships are to mergers what dating is to marriage — companies and individuals that merge must adjust to (or suffer with) each other's strengths and weaknesses in a permanent arrangement with no guarantees of a satisfactory conclusion. Partnerships or alliances do not demand that partners change to accommodate all of each other's idiosyncrasies. While they both benefit if the business venture is successful, they remain separate entities.

4. Develop a systematic capability to identify, screen and close deals. If you're entering into a merger or partnership, devote substantial resources to developing an efficient, ongoing process that covers the various aspects of deal-making. Mergers and partnerships are too important to be left to ad-hoc decisions. Form a team of people who have the requisite investigative, financial and business skills to make the relationship work. ■

Polaroid Loses Its Innovative Edge

Polaroid was a company built on a disruptive technology, the instant camera. In its first decades, the company dedicated itself to finding more such breakthroughs, funding its research and development (R&D) entity at an enormous level. Eventually, as the instant camera became less and less of a player in the consumer photography market, Polaroid sunk deeper and deeper into debt, as few of its new inventions attracted customer interest.

In 1995, Gary Dicamillo came aboard as CEO, and immediately called for a refocusing on the "neglected" instant photo business. He presided over the introduction of the I-Zone instant camera, a minor hit with teenagers, but could not lead Polaroid into a leading position in the burgeoning digital camera market. By spring of 2001, the company's share price was $3, down from $45 in 1995, when Dicamillo took over. With over $1 billion in debt and no new innovations on the horizon, Polaroid filed for Chapter 11 bankruptcy protection in October 2001. The once great company had lost its ability to create breakthrough, innovative products, and had suffered the ultimate consequence.