Don’t stop thinking about tomorrow

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Simon London opens our month-long summer school with a look at the twin challenge that today’s executives face — to deliver efficiency gains while creating new sources of growth.

Companies with an eye to effectiveness are thinking again about how the internet may change their business.

sense? How does one make sure that companies rearrange their strategies to focus on the “right” things, not on just improving their products and processes that are already in place? Scrutinizing the hard labour of Prof. Drucker and others, the answers are rarely understood. All we can says with certainty is that effectiveness has something to do with strategy, innovation, change, leadership, organization, learning and much more besides.

The essays in this year’s book deal with many of the topics that today’s newly downsized, newly refocused companies will have to tackle as they seek for the success formula for growth.

W. Chan Kim and Renée Mauborgne argue that excessive focus on competitive advantage leads companies to think too narrowly about their strategic options. The net result is indiscipline that converges on a single paradigm. The strikingly similar business models of the large airlines are a clear example of this “convergent thinking.”

The danger is that companies become blind to the opportunities for fundamental innovation in the way their customers are served. As in the case of JetBlue, which dared to think outside the paradigm, continue to seek value away from the big carriers.

Drucker, of course, can’t claim he was the originator of the idea that “the internet may change your business.” His ideas have been around for a while, and the internet has been around for even longer. But the impact of the internet on business is still evolving, and the potential for change is enormous.

As the internet continues to evolve, companies will need to rethink their strategies and consider new sources of growth. This is where Simon London’s summer school comes in. By providing a forum for discussion and debate, the school helps executives think critically about the future of business and identify new opportunities for success.