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EXECUTIVE AGENDA

IDEAS *and* INSIGHTS *for* BUSINESS LEADERS

A.T. KEARNEY
an EDS company

EXECUTIVE AGENDA VOLUME V NUMBER 2
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"Two roads diverged in a wood, and I—
I took the one less traveled by,
And that has made all the difference."

Despite what headlines howl, not all executives are traveling the same path toward some inexorable future.… Not all roads are paved with corporate misdeeds, failed mergers or lost shareholder value.

Executives may analyze and reorganize a company as if it was a human genome. Resuscitate a merger. Tackle massive changes in industry structure—with aplomb. And chart a trail through the mists and uncertainties of corporate governance reform.

Robert Frost chose the road that "was grassy and wanted wear." In describing his travels in a yellow wood, he gives us the essence of differentiation. Our role models are the leaders who *are* taking the road less traveled—and we see that it can indeed make all the difference.

The Digital Springboard

Any company can stick an "e" in front of its business processes. But some are taking digitization much further, using it as the first step in forming new—more profitable—business models.

The irony of early e-business initiatives is that the very attractiveness of the opportunities contributed largely to their downfall. Many early ventures, from business-to-business (B2B) marketplaces to dot.coms, focused on doing business more quickly and cheaply. It's true that using the Internet to improve existing businesses and value chain makes them more efficient and also more effective—often dramatically so—but it also increases the competition and decreases the potential rewards.

As hordes of new entrants flocked to emerging e-businesses, margins were squeezed beyond belief. New rivals and old discovered the potential of the Internet to ultimately shift value—right off their balance sheets.

Think of the brokerage firm Charles Schwab, which reduced the average cost of a stock trade from US$70 to US$30 by taking the transaction online. Schwab was at the top of its game with this innovation for a while, but it was relatively easy for competitors to follow suit. The playing field grew crowded, and there was little to truly differentiate the offerings. Now rivals sell a similar service for as low as US$7 a trade. Schwab created a winning concept and gained significant marketshare, but it was the customer who walked away with the prize. Schwab remains the largest online broker in terms of trade volume, but competitors such as E*Trade and TD Waterhouse have made significant inroads in marketshare.

Clearly, digitizing knowledge and intelligence to make functions faster and cheaper has become the price of admission. But some top players are taking their digitization strategies a huge step forward. They have moved beyond improving their businesses and are reinventing them, reconfiguring companies and value chains in ways that reap significant rewards.

NEW MODELS, NEW CUSTOMERS

Today, it is widely accepted that the interaction opportunities provided by technology, from the phone to the Internet, have made it possible for corporations to break themselves into smaller pieces A.T. Kearney calls "capabilities" *(see sidebar: Rebuilding the Corporate Genome)*. If a capability is believed to be leading edge, if it is digitized and if interaction costs are sufficiently low, the capability can be virtually incorporated into different businesses. In other words, a company can sell whatever that capability produces, in addition to or instead of its traditional end product, to other players or even value chains. The buyers cut internal costs by purchasing the product or service from this more efficient third party.

The implications are profound: By digitally transforming a capability, a company creates the opportunity to change the business model. In other words, companies can do things better, à la Charles Schwab—but they can also radically redefine their products, services and customers, as American Airlines did with its comprehensive electronic reservation system, Sabre. When it created Sabre in the 1970s, American enjoyed its first-mover status. However, the airline realized that once its competitors copied its approach, its advantage would quickly erode.

The solution? It offered Sabre's services to other airlines for a fee, and in the process, American Airlines' reservation system became a new source of revenue. Sabre became a business in its own right, with its own customers, products and dedicated resources. Once it gained a foothold in a less competitive reservation market, Sabre continued to build its reputation for delivery excellence and established economies of scale, making it financially unattractive for other airline rivals to compete. Today, Sabre is the world's leading computerized travel reservation system: In 2002, in fact, Sabre's market capitalization was almost double American's.

Amazon tells a similar tale. Having established its position as *the* online retailer, Amazon took yet another significant step forward in 2001, when it began to market another new business model: In addition to its retail operations, it began selling the *use* of its online book selection and ordering engine to competitors Waterstone's and Borders, whose websites now sport Amazon logos in addition to their own.

Why would Amazon sell the very capability that put it on the online map in the first place? We can think of several compelling reasons. Amazon is a relatively small player in the book and CD market, and not a particularly profitable one. Most of its rivals benefit from some form of geographic concentration; Waterstone's is focused on the United Kingdom and Borders' center of gravity resides in the United States.

Amazon has significantly lower geographic densities because it achieves its marketshare by selling to many corners of the world. This strategy costs the online retailer when it comes to shipping goods because lower volumes are more expensive to move.

The online book selection and ordering services functions, though, are a markedly different story. Amazon absolutely dominates here. The online sales of any of its brick and mortar competitors are dwarfed by the volume handled by Amazon. Amazon's

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Rebuilding the Corporate Genome

The days when one company researches, designs, makes and sells a product or service are numbered, according to the authors of *Rebuilding the Corporate Genome*, an A.T. Kearney book published by John Wiley & Sons this fall. Johan Aurik, Gillis Jonk and Robert Willen look at how leading companies are dissecting their businesses into tiny pieces and creating innovative ways to make the most of their best assets.

British Economist and 1991 Nobel Prize winner Ronald Coase wrote in the 1930s that transaction costs determine the size of a firm. Some 70 years later, the depth of Coase's insight has become abundantly clear. As transaction costs plummeted, thanks to the Internet (and other technologies and trends), it has become far easier for the individual pieces of a company, which the authors call capabilities, to break free.

Business capabilities represent specific contributions to business output. They range from component manufacturing to product development to branding to fulfillment. Less tangible contributions like patents can also be considered capabilities. In other words, they can be activities or sets of activities or assets, both tangible and intangible.

When these activities or assets are liberated from their traditional business boundaries, new forms of business become possible. In the pharmaceuticals arena, for instance, information about clinical trials need not physically reside where the trials are conducted. Once the data is digitized it can be easily and inexpensively stored, updated and shared electronically. A new subcategory of business has emerged as a result: clinical research organizations, specialized independent entities that serve the pharma giants.

Other businesses have similar opportunities. They can search for their best assets, whether tangible or intangible, and recombine them with others' in new ways.

The authors liken this process of reinvention to rebuilding the corporate genome because of the similarities they see between a corporate capability (a single element of a value chain, like manufacturing, branding or purchasing) and a human gene. Just as each human gene is a piece of DNA working as an instruction manual for a particular human characteristic, each business capability is a component of the value chain that makes a unique contribution to a company's output. The corporate genome holds the design key to what a company sells, to whom it sells and to what resources it deploys. ●

online book selection and ordering services are far superior to any of its competitors based on economies of scale alone.

And the scale advantages increased when Amazon's reach extended beyond bookselling. Toys "R" Us and Target, for example, use technology from Amazon, whose service business grew 22 percent to US$47 million in the second quarter of 2002.

Add to this the advantage Amazon has in terms of recognizing customers' purchase patterns and being able to act on them, and the attractiveness of the newly created service businesses becomes evident—the more the customers of the new business model make use of Amazon's services, the richer Amazon's buying behavior intelligence becomes. In addition, the costs of the new service business are a fraction of the costs of selling books and compact discs.

Both Amazon and American broke themselves apart into capabilities and found strengths in unexpected places. They were able to virtually incorporate these capabilities into different businesses. Amazon discovered a new world of potential in the technology business—an area with far less competition. American found a less crowded, more profitable niche in computerized travel reservations.

THE NEW BUSINESS MODEL RECIPE

Not every capability is a good candidate for digitization and the foundation for a new business. According to A.T. Kearney research, three principles determine whether a capability is a good choice for such an effort:

- The capability must be more attractive in digital form.
- Potential must exist to leverage the capability beyond existing company boundaries to obtain scale.
- The target business model must be strategically attractive.

Digital must equal better

While digitization and automation are often considered synonymous, true digital transformation requires additional effort and yields greater value. The first step in transforming a capability into digital form is to fundamentally rethink and re-engineer the capability. What processes are inefficient? How can they be streamlined? In other words, digital transformation begins with making a good process more efficient; it does not automate a broken one.

Digital transformation of a business capability makes sense only when it is worth selling—and in demand—because it is superior to its non-digitized counterpart. Weak demand is one issue that continues to plague online grocers; many shoppers prefer walking through the store aisles and choosing their own fruits and vegetables to buying online. Traditional grocers are exploiting this weakness with a digitization strategy of their own: automated checkout consumers can perform themselves. This technology hasn't fully taken off yet, but we're already seeing a shift in checkout lines as consumers take advantage of this new option.

Business capabilities also need to be composed mostly of information to be transformed. It would be impossible, for instance, to digitize the oil refining process since oil products flow through the pipes and vessels. However, operational control and process management of a refinery can be digitized and even remotely operated.

The back-office functions of an insurance company can also be streamlined and digitized. After duplicative or unnecessary processes are eliminated, the administrative tasks related to policies and claims can become web-enabled, or even web-based. Consumers enter their own data and select their own coverage online, enjoying the convenience of anytime, anywhere availability.

connectivity enable vast improvements: Auctions can be conducted in real time with different people at multiple geographic locations simultaneously.

Digitally transformed auction processes have revolutionized the way bids can be obtained. Not only can auctions be performed faster and more cost effectively, many more auctions can be organized at more regular intervals. No wonder the digitally transformed auction capability has been turned into an independent business. Players such as EDS's eBreviate and FreeMarkets offer such services on a standalone basis.

Digital transformation begins with making a good process more efficient; it does not automate a broken one.

And the insurance company benefits, too: Employees save time re-entering the information, and clerical errors are reduced. This capability allows the back office to handle a considerable volume.

Going a step further, the insurer can sell that capability to other companies. This new business model serves different customers (insurers rather than consumers) and offers an additional source of revenue by making the most of an investment that would otherwise have been a cost.

And think of getting quotes auction style. The typical process meant that physical gatherings had to be organized or that much communication was required to create a purchasing benefit. Digitization and

The capability must be exportable

The insurance company back-office services and auction facilitation examples also illustrate the next key to the successful creation of a new business model: The digitized capability needs to be exported beyond its starting "footprint" to tap into scale advantages or to increase effectiveness by clustering it with complementary capabilities.

Scale is a key incentive behind industry consolidation. When searching for scale, it is important to consider a company as a set of different capabilities at various stages of consolidation. The ones that put their mark on the balance sheet or that need critical mass will pull the consolidation along. Asset utilization requirements drive consolidation in the chemical industry, for instance, and the need to internationally leverage brand equity and trade relations pressures fast-moving consumer goods companies to seek scale advantages.

But not all capabilities in those industries benefit to the same extent from ongoing consolidation. Some are so generic they could profit from scale advantage well beyond what the industry offers. Examples include finance and administration, employee benefit administration and IT infrastructure. If these capabilities are liberated from the company via outsourcing, a retailer and a bank can buy the services from the same third party, extending the advantages of scale. Often when a business capability is digitized, more costs become fixed and more variable expenses are eliminated. This means that potential scale advantages become even more pronounced than before.

Other capabilities don't benefit from industry consolidation because they are seeking optimization in a fundamentally different dimension. A specialty plastics firm, for instance, benefits from increased scale in leveraging its assets. Its application development efforts, however, do not necessarily benefit to the same extent. Although the chemical firm will be able to reduce its R&D expenditure as a percentage of revenue, it could be argued that application development would benefit more from alliances with makers of different materials than from adding more plastics knowledge, especially if many applications require different materials.

Both Amazon and American Airlines broke themselves apart into capabilities and found strengths in unexpected places.

Strategy must prevail

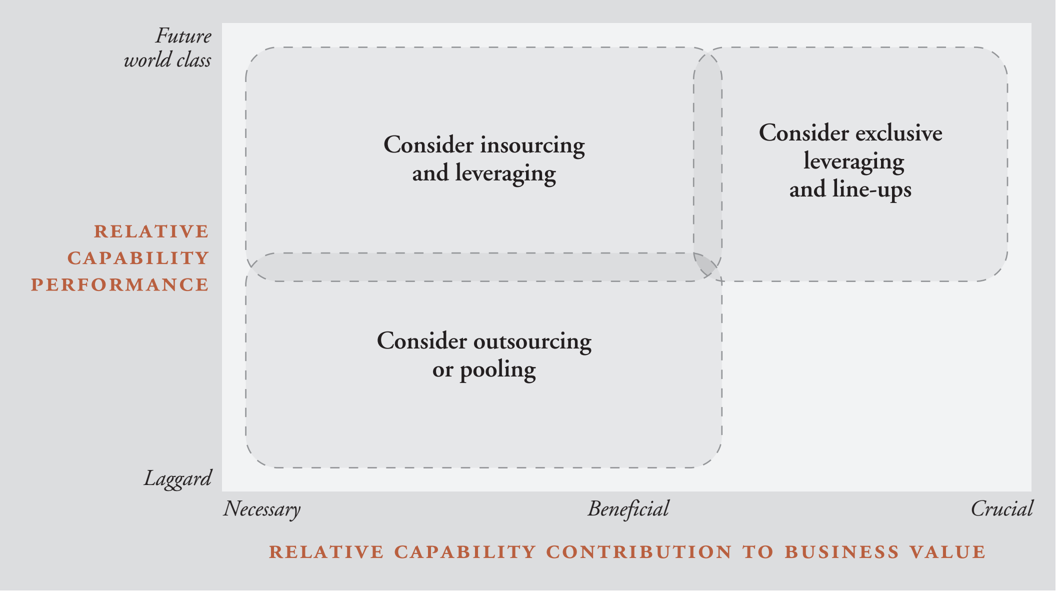
As with all opportunities worth pursuing, introducing new business models, often alongside the traditional ones, involves risk. A company that sells a capability to another generates a new source of revenue; at the same time, its forfeits the *exclusivity* of that capability.

Executives will therefore find themselves evaluating trade-offs to ensure that the new business models generate more value than they erode. They will need sound strategic frameworks for assessing strategic inter-relationships.

The strategic importance of capabilities plays a key role in their suitability for creating new business models. Suppose a capability is not at peak efficiency and benefits from digitization, but generates a defendable premium in the existing business.

Consider the early movers in the tracking and tracing of products as they moved through the supply chain—these companies used their expertise to differentiate their logistics services. The resulting competitive

Figure: *Capability Mapping*



Source: A.T. Kearney

advantage seemed greater than what could be gained on the services as a stand-alone business. Under such circumstances, it is often advisable to keep the capability completely in-house. Leveraging a superior tracking capability would create value in the new business model, but could risk destroying more in the existing business model.

The reverse can also be true. Think back to Amazon and Sabre, which both sell key capabilities to competitors. They succeeded at this in large part because their new business models operate in far less competitive industries, with far higher barriers to entry, than those from which they emerged. As a result (and in Sabre's case, also because far fewer assets are involved), they can create far more value in the newly created industries.

This indicates that it is worthwhile to do a simple strategic assessment on the capability to be turned into a business, such as an analysis of competitive dynamics, including barriers to entry, customer power and likely industry rivalry. The assessment will quickly show whether it is feasible to pursue the new business opportunity with a vengeance.

When capabilities are crucial to overall business value, exclusive forms are far more likely to yield good returns and a positive trade-off. But when they are not, opportunities arise to look beyond company boundaries, by either insourcing (selling) efficient capabilities or outsourcing laggards *(see figure).*

Leveraging capabilities in a different industry generally mitigates many trade-offs.

In Dallas, Texas, a McDonald's franchisee joined with TransCore, the inventor of TollTag™ technology, to test launch a prepaid cashless payment system that allows McDonald's drive-through customers to purchase food using their wireless TollTag, a wireless radio frequency identification technology developed for electronic toll collection.

TransCore brings two capabilities to the table: the data it captures through the wireless tag and the ability to process many small-dollar transactions. McDonald's draws a huge number of customers—many of whom want the convenience of getting their meal without having to pay cash or wait for credit card processing. The combination works from many angles: It creates convenience for the customer and increases revenues for both McDonald's and TransCore, rather than just cost savings. The key strength that TransCore brings to McDonald's business, though, is its digitally transformed *customer base*. Most people driving cars in the geographic region already possessed a TollTag, which was turned into an instantly usable payment tool for McDonald's.

The digitally transformed capability is not only turned into a business itself, but it helps other capabilities form new business models as well.

WHAT'S NEXT?

Examples such as Sabre, the insurance company and Amazon point to the opportunity for finding drastically new ways of doing business around digitally transformed business capabilities. But that just scratches the surface. These same concepts can be taken yet a step further by acknowledging the potential value of companies working together in real time. When it becomes possible for a company to collaborate with others along the value chain, it can produce a new line-up of offerings that, taken together, exceed the attractiveness of the individual pieces.

Philips Domestic Appliances & Personal Care joined forces with coffee seller Douwe-Egberts to create Senseo Crema, a hybrid between a drip coffee maker and an espresso maker. The two companies worked simultaneously on their contributions—Philips on the machine and Douwe-Egberts on the coffee pouches made exclusively for it.

The end result: a premium cup of coffee that's quick and easy to make. The concept creates significant value for consumers, but also for the two companies because of the patents on the various aspects of the new coffee-making process.

Cross-company cooperation of this type depends on effective enablement, which by definition generally requires third-party involvement. This, in turn, requires a digitally transformed development process.

Such enablement stretches beyond the

collaborative tools that are gaining acceptance in design and development. For instance, consumer goods companies that want to pool their supply chains to benefit from higher drop frequencies and smaller drop sizes at reduced costs will require the capability to integrally manage the combined flows of the goods of multiple companies as if they were one. A digitally transformed supply chain management capability is key to making this happen.

As such, the digitally transformed capability is not only turned into a business itself, but it helps other capabilities form new business models as well. The concepts of digitization and capability focus will have come full circle.

Businesses that are willing to think—and act—creatively will discover a new realm of possibility awaits them. All need to be cognizant of the new threat: Anyone could become a competitor in any capability. As this trend unfolds, innovators will find new ways to exploit their hidden assets. Their rivals will have the decidedly less exciting task of reacting.

CONSULTING AUTHORS

Gillis Jonk *is a principal based in A.T. Kearney's Amsterdam office. He has more than 10 years of industry and consulting experience, particularly with large corporate clients in the communications and high-tech, financial services, consumer products, energy and chemicals industries. He has worked extensively in the areas of strategy, business redefinition, corporate governance, and organizational and performance measurement design.*

Bruce Klassen *is the leader of A.T. Kearney's U.S. West region. He has more than 16 years of industry and consulting experience in the manufacturing and transportation sectors around the world. Today, he is a leading developer of strategies for net markets and Silicon Valley start-ups. Bruce is also the co-author of* Power Play: The Beginning of the Endgame in Net Markets *(John Wiley & Sons, 2001).*

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FEATURE

Merger Integration/ Take Two

Art Bert, Tim MacDonald and Tom Herd

Page 5

Anyone who has picked up a business magazine in the past decade or so knows that most mergers fail. This is not news. What is news is that for a CEO who recognizes the signs of failure early—within the first 6 to 18 months after change of control—and moves quickly, there is an opportunity to forestall the inevitable collapse.

In this article, the authors lay out a plan for performing a merger "re-integration"—going back to the beginning and re-integrating the companies. Using examples from their own work and research, they discuss ways to correct a company's past missteps. Among the remedies? Quick wins. Although the company cannot expect to change perceptions overnight, early successes can demonstrate to the financial markets that value is being created.

Communication is key in a re-integration, but not the same old communication. It must be demonstrably different—more controlled and tailored to meet the needs of an angry, suspicious audience. And trying to win back lost customers, although difficult, is not impossible. But the focus in the short term should be on mapping out a plan to prevent further customer defections. Also in a re-integration, the authors deploy technologies that will quickly combine critical customer- and supplier-facing processes and, at the very least, get all employees on a single communication system. The larger, enterprisewide systems integrations can take place down the road, when the acquisition is more stable.

Ultimately, a merger re-integration depends on two factors—execution and speed. Both are inexorably tied to success.

FEATURE

Hungry for New Markets

Jean Piquet, Anthony Giron and Fadi Farra

Page 17

International expansion is eventually a necessity for major retailers that want to grow—but two-thirds of food retailers' foreign ventures fail. Given the complexity of the challenge, this is little surprise. A global business must juggle the operational, organizational and strategic issues inherent in its domestic businesses with the conflicting market dynamics of international expansion, discrepancies in levels of market maturity and company scale, and variations in capabilities across countries.

To help clients forge more successful entries into new markets, A.T. Kearney developed the Global Retail Development Index (GRDI), which ranks how urgent it is to enter emerging countries.

The GRDI affirms many high-profile geographical choices such as China, India and Russia. But it also uncovers some diamonds in the rough, including the Slovak Republic, Hungary, Morocco, Egypt, Turkey and Vietnam. Conditions in these countries make them attractive candidates today.

The study also found that when it comes to store formats and product assortments, there is no single formula for success. Still, there are touchstones along the way to help guide companies. One factor that consistently counts is the timing of the entry into a country. Another is that companies that flourish globally do so by balancing their corporate priorities with the intricacies of local market needs. Finally, the most successful companies apply their core value propositions—their source of competitive advantage—and replicate it in attractive foreign countries.

FEATURE

The Digital Springboard

Gillis Jonk and Bruce Klassen

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Digitizing knowledge and intelligence to make functions faster and cheaper has become the price of admission. Some top players, though, are taking their digitization strategies a huge step forward. They have moved beyond improving their businesses and are reinventing them, reconfiguring companies and value chains in ways that are much more difficult to imitate.

Authors Gillis Jonk and Bruce Klassen explain how companies make that happen. They examine the three principles that determine whether a capability is a good choice for such an effort:

- The capability must be more attractive in digital form.
- Potential must exist to leverage the capability beyond existing company boundaries.
- The target business model must be strategically attractive.

The article looks at companies such as the Sabre Corporation, which established a solid position in a niche it created: online reservations facilitation. American Airlines took that small piece of its operations, turned it into a business in its own right, and made a strategic decision to sell the service to competitors rather than retain it exclusively.

Today, Sabre is an electronic travel supermarket, boasting 61,000 travel agencies with electronic access to 450 airlines, 54 car rental companies, eight cruise companies, 53,000 hotels, 228 tour operators and 33 railroads. It has a few competitors, but continues to dominate the industry it created.

Other businesses have similar opportunities. They can search for their best assets, whether tangible or intangible, and recombine them with others' in new ways. They can create new business models, with new products or services, and in the process, find new customers and new sources of competitive advantage.

EXECUTIVE SUMMARIES

FEATURE

Is Your Operations Strategy Obsolete?

John Blascovich and Bill Markham

Page 37

Five powerful forces are converging, creating a "perfect storm" that will force companies to rethink their operations strategies. John Blascovich and Bill Markham examine these forces, interpret their effects on operations in years to come, and offer ways to assess how well a company is positioned to craft and execute next strategies for operations.

The authors discuss how the following forces will spell the end of business as usual:

- **"Totally unreasonable" customer demands:** Customers want superior value for price, highly customized products and services, and flawless life-cycle service—a combination that places radical demands on operations.
- **Breakneck pace of technology change:** Breakthroughs in materials science, communications and computing will dramatically alter how companies identify and manage sources of innovation.
- **Changes in industry structure:** Excess capacity—predating the current global economic slowdown—continues to pose a problem for many companies, and one that they must act on to restore shareholder value.
- **Implications of a global economy:** From struggling with different accounting standards to creating "virtual" cross-border companies, globalization raises new issues that affect how companies operate.
- **New threats to business continuity:** Concerns about safety, security, privacy and trust mean that companies are likely to move toward fewer but closer relationships with trusted suppliers.

Given these changes, merely extending current operations strategies will be insufficient for success in 2010. Leading companies are anticipating changes and setting direction based on a blend of insight, strategy and creativity.

STATE OF AFFAIRS

Mapping a Course for Corporate Reform

Paul Laudicina, Larry Hitchcock and Lanny Timan

Page 49

Revelations of corporate misdeeds over the past months have shaken investor confidence to its core. New legislation will prompt some measure of change, but the most meaningful—and effective—reform rests squarely in the corporate boardroom. In this article, the authors take a close look at the changing profile of corporate boards. Often derided as stagnant, the board has, in fact, changed markedly over the past decade. From the average board size and the frequency of meetings to compensation and the number of women members, there are discernible trends that show progress being made. Still, much work remains.

As calls for reform grow increasingly louder, boards must work to implement best-practice changes—but not fall victim to taking unnecessarily drastic steps under duress. Anticipating how corporate reform will take shape at the board level is critical for companies in determining their own course of action. Among the changes, look for boards to become more independent, accountable and responsible. They will have access to better—not simply more—information when making decisions, but will be required to spend more time on board duties. Greater scrutiny of CEO incentives and a shrinking directors pool round out this overview of significant changes boards will see.

In the end, however, the foundation of corporate reform rests with tried-and-true common sense. Three fundamental principles underpin good governance and investor trust: transparency, communication and a duty of care and reasonable judgment.

TECHNOLOGY WATCH

Safer Skies

Jim Dullum and Bret Kidd

Page 59

U.S. airways are safer—but not as safe as they should be. And no one would call them convenient. Is there a way to ensure safety without a total loss of convenience?

Jim Dullum and Bret Kidd argue that airline security at its best is not just about detection, but prevention as well. The authors describe how technology can be a key ally by enabling more accurate identification of passengers and providing additional data about them. In essence, it will enable better resource allocation: Airline and airport staff can spend less time on prescreened travelers and more on those whose data indicates an elevated security risk.

One solution is a "known traveler" program, which allows authorities to identify pre-registered passengers, speed their movement into and through security checkpoint areas, and then focus limited physical security resources on a smaller "unknown" population.

The authors also call for a new generation of the Computer Assisted Passenger Prescreening System (CAPPS), which was mandated by the Federal Aviation Administration in the late 1990s to help assess passengers based on the information they supply when they make their reservations. An upgrade would be built around a central data warehouse, based on concepts similar to those used in credit card processing. It would be accessible at all points of passenger processing: booking, ticketing, check-in, security screening and aircraft boarding. It could also include information such as biometric data for registered passengers and airport employees or other government watch lists.

VIEWPOINT

Alpha Leadership: It's Not What You Learned in Business School

Anne Deering

Page 67

Thinking around leadership tends to be very outside-in—holding up models of successful leaders and saying, "Be more like them." In this article, Anne Deering draws from her latest book, *Alpha Leadership: Tools for Leaders Who Want More Out of Life,* and argues that the process should be turned inside-out—starting with the individuals and reconnecting them with a sense of purpose and value as leaders.

Alpha Leadership works on two levels. The first is a personal level, providing practical tools to help leaders increase their own performance and have a more balanced, satisfying working life.

The second is on the corporate level, creating corporate cultures that build effective leadership throughout the organization. Corporations need to adopt *inside-out* thinking, aligning an individual's skills and sense of purpose to the demands of the job. Effective leadership focuses on both the actualization of people within the organization and the business agenda to win the discretionary energy that really makes the difference.

Alpha Leadership builds on three core principles:

1. Anticipate: Get ahead of the curve, detect weak signals and have the agility of mind and resources to act on them

2. Align: Connect with your core purpose, and from there, improve your ability to form coalitions for change and to manage task through relationships

3. Act: Reprioritize tasks, making a shift from doing things right to doing the right things. Be prepared to act quickly, constantly. Doggedly pursue goals, adjusting your means as you go.

These are not skills that are taught in business school, and companies don't recruit, train or promote against them, yet they are key to success.

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EXECUTIVE

AGENDA

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to senior executives and opinion leaders worldwide.

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A.T. Kearney, Inc.
Marketing & Communications
222 West Adams Street
Chicago, Illinois 60606 U.S.A.
1 312 648 0111
fax: 1 312 223 6759
email: insight@atkearney.com

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