

# Book Review

On the title

## Harvard BusinessReview

### ON

## Advances in Strategy

(2002 edition)

(Collection of Various Articles by different  
eminent authors)

Submitted by

Savita Punjabi

Head, Dept. Of Commerce,

Bharat College of Arts and Commerce, Badlapur (W)

### Harvard Business Review on Advances in Strategy

*"The secret to success is to do the common things uncommonly well."*

**About the Book:** Harvard Business Review on Advances in Strategies is collection of various Articles by eminent authors in the field of strategies. The current edition is a part of

paperback series published by Harvard Business School press reprinted in 2002. The book priced on USD 19.95 contains 8 articles in 242 pages. The book is designed to bring today's managers and professionals the fundamental information they need regarding strategy to stay competitive in fast moving world. The articles in the book are penned by preeminent thinkers, whose work has redefined the way we think about business like, Michael Porter etc.

**About the Authors:** All the authors contributing these articles are prominent names or rather stalwarts of Management and Strategy. They all are well renowned and their contribution in the field of Strategy is the essence to modern management. A Course in Strategic Management would not start without discussing Michael Porter's 5 force model and Competitive Advantage and would not end without studying 'The Balanced Scorecard' by Dr. Kaplan.

**Executive Summary:** The HBR on Advances in Strategy is a tribute, not only to the continuing and growing relevance and vibrancy of the discipline of strategy, but also to the quality and contemporary thinking on it. The book presents overall or rather an in Toto approach to Strategic Management. In the opening article Michael Porter beautifully narrates how internet or dot-com companies have violated every percept of good Strategy. He argues on the ground that companies should not take up internet as disruptive advantage. In future all companies would use internet not as luxury but as minimal requirement. Hence a company should focus on core advantage in terms of product, quality etc.

The same idea has been carried forward by Kathleen Eisenhardt and Donald Sull in their article "Strategy as Simple Rule". These authors also propagate that Strategy is the simplest rule for competitive advantage in these high volatile markets. Companies with simple strategies must follow them seriously and religiously and avoid temptation to change them frequently. Strategy as Simple rules would mean being different

The article by Shaw, Brown and Philip on 'Strategic Stories' is a very different approach to strategy. By narrating the success story of 3M the authors take us to the different aspect of strategy designing apart from the age old bullet form of planning. They advocate that by narrating the plans in form of story would motivate and mobilize the entire organisation in much effective manner.

Author Robert Kaplan and David Norton co-creators of Balanced Scorecard have adopted that Strategy maps are the best tools to communicate both an organization's strategy and the processes and systems needed to implement that strategy. According to them strategy maps help organizations to describe and illustrate clearly the objectives, initiatives, target markets etc.

The fifth article on "How Financial Engineering can Advance Corporate Strategy" by Peter Tufano through 5 case studies establishes that Financial Engineering is an advanced tool not only to reduce cost of existing activities but also to make possible the development of new products, services and markets. The cases show that collaboration between managers and financial engineers can help create a competitive edge by differentiation products through enhanced delivery options by increasing production capacity.

Orit Gadiesh and James L. Gilbert in their article on "Transforming Corner-Office Strategy into Frontline Action" talks about how to convert theory into practice. Here the authors talks of unique method of 'strategic Principle'- a memorable and actionable phrases that distils a company's corporate strategy into its unique essence and communicates it across an organization like EBay---Focus on trading communities, Wal-Mart—Low prices, every day. These principles should have 3 characteristics—it should force trade-off between resources and demands, it should serve as a test for soundness of action, it should set clear boundaries for employees.

The Seventh article on "Where Values lives in a Networked World" is contributed by Kellogg's Professor Mohanbir Sawhney and consultant Deval Parikh. The authors here have a foresighted opinion and they want the businesses to partner with network for consolidated growth. The authors present 4 strategies that companies can use to profit from networking advantage.—

1. Through arbitrage transfer intelligence where the cost is low
2. Integrate the processes which where earlier fragmented
3. Rewiring to connect islands of intelligence by creating common information backbones
4. Reassemble to recognize intelligence into coherent personalized packages for customers

Last but not the least; the eighth article is ‘the superefficient Company’ by Michael Hammer. In this article Michael Hammer outlines the activities and Goals used in streamlining cross-company processes. He breaks down the approach into four stages- Scoping, organizing, Redesigning and implementing. The author describes how several companies have streamlined their supply chain and product development processes

**How I feel about the Book:** As the faculty for strategic management for last many years I find the book absolutely good and useful as it give a rather practical perspective and in-depth analysis of strategy and that too coming from horse’s mouth.

**Recommended for whom:**The book can be well recommended for all types of businesses especially the dot-com companies and new businesses. It is equally good for the professors of business management and strategic management to learn and unlearn certain strategies and simple rules to quote to students with business cases. Would not recommend much for students as the style of narration would be difficult for students to connect to themselves without having working experience. The strategies still are very relevant even in Indian context today

**Limitations:** The book is a very old version i.e. 2002 and no further improvement has been made in it after that. In this turbulent global business environment a strategy has to be ever changing as per the current business environment. I would humbly put disagreement with Michael Porter where he comments that Dotcom companies will not sustain for long if they follow their current business model overlooking Strategy as what I witness in 2012, 10 years down the line is the rapid and mushroom growth of these dotcom companies and rather they all are sustaining huge profits.

**Lessons from the Book:** *“You have to be fast on your feet and adaptive or else a strategy is useless.”*

*“There is always a better strategy than the one you have; you just haven't thought of it yet” - Sir Brian Pitman*