In 1971, after graduating at the young age of 20, I was one of twelve students among thousands of applicants who were offered a position in a management rotation program for one of the most prestigious firms in India. According to the logic accepted within my circle of friends, my life was set. All I had to do was follow the path in front of me.

Within just a couple of years, however, I felt trapped within the rigid boundaries inside my company. The accumulation of frustration, painful at the time, later became a positive force in my career. It created a curiosity and source of energy that sustained me for decades of inquiry into one simple question: How can organizations become more effective?

I did not follow the path in front of me. Instead, at great personal and financial risk, I emigrated from India to attend the Harvard Business School. Most students at Harvard Business School, then and now, have a great deal of intellectual curiosity. My own was in overdrive. To satisfy this curiosity, I chose to pursue a doctorate at Harvard. As I worked towards my degree, I naturally gravitated to questions of organizational effectiveness.

For the past 30 years, I have built expertise in strategy execution. What choices must senior executives make to ensure that their organizations can achieve their strategic intent? Of course, senior executives cannot make every decision on their own. Instead, they must establish an environment which favors actions that are consistent with strategy. They create such an environment through practices and policies for hiring, promoting, compensating, budgeting, assigning authority, formalizing work processes and information flows, evaluating business performance, evaluating individual performance, and more. They strengthen the environment through their own leadership style and by reinforcing certain values, mindsets, and assumptions about what constitutes desirable behaviors and what it will take for the company to succeed.
There have been several paradigm shifts in the field of strategy over the past few decades, and these have opened compelling questions in my own field of strategy execution. I have been fascinated by the process by which radically new strategic ideas are translated into action. Corporations can adopt new strategies relatively quickly – that is just a matter of changing the way they think and plan. But figuring out how to actually achieve newfangled strategies is a much tougher challenge, one that takes many years. Throughout my career, I have tried to understand how organizations need to be modified so that corporations can fulfill their latest strategic ambitions.

**Phase I Strategy Execution Within The Diversified Firm**

In the 1960s and early 1970s, while I was still a student, many corporations were vast conglomerations of disparate businesses. The only evident logic seemed to be that bigger was better. Little thought was given to the question of which combinations of businesses made sense and which did not. The field of strategy barely existed.

As “strategic thinking” began to take hold, thinkers like Michael Porter began to analyze sources of competitive advantage for each individual business unit (see Porter, *Competitive Strategy*). His key insight: corporations win and lose at the business unit level, not at the corporate level. There are several reasons. Business units have different missions, they are in different stages in product life cycles, they have different competitive strategies, and more. For example, at General Electric, the light bulb business and the jet engine business are worlds apart. Success or failure in these businesses has more to do with individual business unit strategies than it has to do with General Electric’s overall corporate blueprint.

Also in the 1970s, “portfolio planning” became all the rage. Strategists began to carefully analyze the pros and cons of combining specific business units under the same corporate umbrella. They examined potential linkages between businesses, and argued that where companies could achieve synergies between businesses, they could win tremendous competitive advantage.
As is consistently the case, the strategists were several years ahead of what executives knew how to achieve. When I came onto the scene in September 1980, the notions of business unit strategy and portfolio planning had been fully adopted by strategic planners. But what would it take for individual business units to succeed? And, how should linkages be created within the organization so that each business unit benefits from being a part of large corporation? For the top management of General Electric, for example, it is critical to know how the light bulb organization should be shaped differently from the jet engine organization.

Researchers were only beginning to tackle the question of how to build a coordinated, multi-business-unit organization. Companies needed to achieve a tricky balance. They needed some differentiation between business units — each business unit had a distinct strategy, and thus each needed a distinct organization to achieve that strategy. At the same time, they needed to create linkages between business units so that they could share hard assets, brands, expertise, and more — and these linkages worked best when there was homogeneity throughout the corporation. How could the two needs be reconciled?

Nobody really knew. I spent the entire decade of the 1980s researching how to systematically vary approaches to execution across business units with different strategies. This period constituted the first of four distinct phases in my career. I conducted in depth empirical research consisting of hundreds of interviews and surveys of executives at dozens of Fortune 500 corporations, and ultimately was able to advance thinking on the important question of strategy execution in multi-business-unit organizations. (See Exhibit 1, Publications in Phase I.)

During that time, it became clear to me that I had embarked on an unusual line of inquiry. There were far more scholars interested in questions of strategy formulation (what should the company do) than strategy execution (how can the company achieve its strategy). I believe that the reason for this is that research in execution is more difficult. It is more behavioral than economic, and thus more qualitative than quantitative. Many top-notch academic journals frown on qualitative research, and thus many young professors seeking
tenure will see this line of work as too risky to their career prospects. In addition, this research is extremely expensive and time consuming. Finally, it can only be conducted with deep access within corporations because public sources of information are woefully inadequate. Put it all together, and this kind of research is pursued only by the few that not only are interested in the issues, but are also well-funded, tenured, and in possession of a deep rolodex. This is a small set indeed. Through luck, through hard work, and by dedicating a great deal of time building relationships with practicing executives (See Exhibit 2, Consulting Experience), I have managed to succeed in this unusual career path (See Exhibit 3, Awards and Recognition).

The central theme in my work has always been achieving the right balance of organizational differentiation and organizational integration between distinct business units. After the evolution to business unit strategy and portfolio planning presented the initial impetus for this line of work, subsequent advances in strategy afforded me the opportunity to ask similar questions in different contexts.

**Phase II Strategy Execution Within The Multinational Firm**

In the 1980s, following an onslaught of foreign competition, companies began to consider strategy from a global perspective. No longer was the “rest of the world” viewed strictly as an export opportunity. Companies acquired a much more extensive global presence, and located different value-chain activities such as basic research, product development, manufacturing, etc, wherever it made the most sense. Classic books from the era included *Managing Across Borders* (Ghoshal and Bartlett), *Multinational Missions* (Prahalad), and *Global Strategy* (Porter).

Corporations began building complex global operations before they really understood how they could work. Different subsidiaries faced entirely different strategic contexts, with different demands from customers, different competitors and so forth.

In the second phase of my career, I spent the 1990s investigating how global companies can achieve the most effective balance of differentiation and integration among country

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subsidiaries. For example, how should the relationship between global headquarters and individual country subsidiaries vary? What processes ensure that each country subsidiary can tailor its operations to the local environment? How can companies identify which aspects of their operations must be consistent around the world? Again, through this phase in my work, I contributed significant advances. (See Exhibit 4, Publications in Phase II.)

Phase III Executing Breakthrough Strategies

As I was conducting this work through the 1990s, a new dominant business force came on the scene: the internet. Suddenly, the most influential strategic thinkers were the most radical ones — those who argued that no competitive advantage was secure. Strategy was a matter of creating a new and better future, not finding the best way to compete within the existing boundaries and conventions of an industry. Notable books of the time were Competing for the Future (CK Prahalad and Gary Hamel) and The Innovator’s Dilemma (Clayton Christensen). The ideas in these books and others like them generated a great deal of energy among CEOs. Many launched new high-growth business — but again, the field of strategy was well ahead of knowledge about how to execute.

In the third phase of my career, since 2000, I have focused on exactly how corporations can build breakthrough businesses while simultaneously sustaining excellence in their core business. I have observed that the prevailing wisdom is that the key success factors are discovering a great idea and finding a great leader capable of building the new business. But a great idea can only get you started, and even the best leader cannot build tomorrow's business inside an organization that is fully dedicated to efficient operation of today's. Companies must shift focus from ideas to execution, and from leadership excellence to organizational excellence.

Based on ten years of field research in 10 corporations, I have completed two books Ten Rules for Strategic Innovators — from Idea to Execution and Great Idea What’s Next: How To Execute An Innovation Initiative (see Exhibit 5, Publications in Phase 3, for related works). In these books, we explain three central challenges of building
breakthrough businesses within organizations that are already established and successful. You must forget some of what to this point has made your company a success. You must borrow some of your company’s existing resources - the most important advantage you have. And, because experimental businesses rarely stay on plan, you must learn as you proceed.

A natural instinct is to create a separate organization - one in which a more entrepreneurial culture can flourish. But that leaves far too many questions unanswered. True, the new business unit must be distinct from the core organization. But what distinctions should there be? And how are those differences achieved? Further, distinct does not imply isolated. So where should there be interaction? And how can the natural tensions between new and old be overcome? Finally, how exactly do you learn as you proceed?

**Phase IV Organization For Innovation in Emerging Markets**

I plan to continue to focus on issues of innovation within large corporations for several more years, to complete this phase of research. I am also entering a rich and rewarding fourth phase. The next generation of global strategy will focus on the emerging economies.

CEOs are spending more and more time wrestling with the rise of China and India. We have learned a great deal about how to work across cultural differences within a global organization. But the asymmetries between the developed world and the developing world go far beyond just cultural difference. There is vast economic asymmetry as well. We are only just beginning to understand the full nature of the challenge of building organizations that can be simultaneously effective both in a country with a GDP of $30,000 per capita and one with a GDP of $300 per capita. In parallel with the vast economic disparities are stark distinctions in consumer buying habits, distribution systems, dynamics of local competition, environmental sustainability, and the role of government. Global corporations are only beginning to understand the extent they will have to stretch and innovate to succeed in such environments.
Finally, in Phase IV, it appears, I got the opportunity to return home, and give my full energies to India. In January 2008, I was invited by General Electric to be their first Professor in Residence and Chief Innovation Consultant. As part of this assignment, I was asked to operationalize a concept that Jeff Immelt coined, Connected and Scalable Localization (CSL), as a way to talk about GE’s globalization efforts in emerging economics like China and India. Under the CSL concept, GE intends to develop and commercial local solutions in China and India talking a “market back” view; these solutions will not be developed in isolation but emerging economy efforts will be connected to GE’s global resource base. GE will then use global brand and global distribution to scale those solutions to the rest of the world as opportunities allow.

I published an article with Jeff Immelt, the CEO of GE, in the October 2009 issue of *Harvard Business Review* based on my work on CSL. (See Exhibit 6 for publications in Phase IV and Exhibit 7 for an overview of each phase of my research).
Exhibit 1
Publications in Phase 1


# Exhibit 2

## Consulting Clients

<table>
<thead>
<tr>
<th>Category</th>
<th>Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Automobiles</strong></td>
<td>Chrysler, Volvo</td>
</tr>
<tr>
<td><strong>Chemicals</strong></td>
<td>Celanese Corporation, The Dow Chemical Company, (Hoechst Celanese)</td>
</tr>
<tr>
<td><strong>Computers</strong></td>
<td>Hewlett-Packard, IBM, Microsoft</td>
</tr>
<tr>
<td><strong>Consumer Products</strong></td>
<td>Bang &amp; Olufsen, Bausch &amp; Lomb, Campbell Soup, Clorox, Coca-Cola, Colgate, General Electric, Hershey, Kodak, Louis Vuitton Moet Hennessy, Procter &amp; Gamble, Quaker Oats, SAB/Miller, The Gap</td>
</tr>
<tr>
<td><strong>Forest Products</strong></td>
<td>Champion International (acquired by International Paper)</td>
</tr>
<tr>
<td><strong>Government</strong></td>
<td>IRS, U.S. Postal Service</td>
</tr>
<tr>
<td><strong>Financial Services</strong></td>
<td>Capital One, Fidelity, General Electric, Heweyll, Ingersoll-Rand, J.J. Case, J.M. Huber, Johns Manville, Johnson Controls, Phelps Dodge, Quaker Fabric, Tamrock, The Tata Group, Thermo Electron</td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
<td>Aetna, Albermale, Chubb, Continental Casualty(CNA), The Hartford</td>
</tr>
<tr>
<td><strong>Professional Services</strong></td>
<td>Accenture, Gemini Consulting (affiliated with CapGemini), KPMG, McKinsey &amp; Company, PriceWaterhouseCoopers, US Chamber of Commerce</td>
</tr>
<tr>
<td><strong>Retailers</strong></td>
<td>Reynolds &amp; Reynolds, The Home Depot, Wal-Mart</td>
</tr>
<tr>
<td><strong>Technology</strong></td>
<td>McDonald's, Microsoft, Time Warner, Microsoft</td>
</tr>
<tr>
<td><strong>Telecommunications</strong></td>
<td>ADC Telecommunications, AT&amp;T, Avaya, Bellcore (acquired by Telcordia), British Telecom, Corning, GTE, Lucent, QUALCOMM, Telcordia Technologies</td>
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<tr>
<td><strong>Pharmaceuticals</strong></td>
<td>Abbott Laboratories, Becton, Dickinson and Company, Johnson &amp; Johnson, Purdue Pharma, Wyeth</td>
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<tr>
<td><strong>Petroleum, Utilities &amp; Energy</strong></td>
<td>American Electric Power, Amoco (acquired by BP), Atlantic Energy, Chevron, ConocoPhillips, Entergy, Exxon Mobil, Maxus Energy, Schneider Electric, Square D</td>
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Exhibit 3
Awards and Honors

Emerging Business Brain
By London Times

“Winner of the 2006 Accenture Award”
By California Management Review for his article “Organizational DNA for Strategic Innovation” (co-authored with Chris Trimble)

Global Indian Thought Leader
Rated by Across The Board

Global Indian Thought Leader
Rated by India Today

Cited as a Top 50 Management Thinker
Rated by London Times

Top Five Most Respected Executive Coach on Strategy
Rated by Forbes

Top Ten Professor in Corporate Executive Education
Rated by Business Week

Top 50 Non-Resident Indian of the Year
By NRI World, the lifestyle and business magazine for Indians living abroad.

Top 10 Indian Global Management Guru
Selected by BusinessWorld as one of the top Indian-born management gurus who have made it big overseas.

Outstanding Faculty
Named in Business Week Guide to Best Business Schools

Outstanding Teacher of the Year
Voted by MBA students

Top Ten Most Frequently Cited Research Paper
In the 40-year history of the Academy of Management Journal (AMJ) (reference to “Business Unit Strategy, Managerial Characteristics, and Business Unit Effectiveness at Strategy Implementation,” with Anil K. Gupta.)

Second Most Frequently Cited Research Paper
of Columbia University (reference to “Business Unit Strategy, Managerial Characteristics, and Business Unit Effectiveness at Strategy Implementation,” with Anil K. Gupta.)

**Top 20 Academic Superstar**
In North America for research in strategy and organization by *Management International Review*

**Gluek Best Research Paper Award**
In business policy and strategy from the *Academy of Management*

**Academy of Management Hall of Fame**
Honorable Mention, Recognition for the number of articles published in the *Academy Journals*

**Notable Contribution to Management Accounting Literature Award**
The Management Accounting Section, *American Accounting Association*

**Robert Bowne Prize**
For Best Thesis Proposal, *Harvard Business School*

**President's Gold Medal**
First rank nationwide in Chartered Accountancy (Equivalent of CPA), *The Institute of Chartered Accountants of India*

**15th Annual Dartmouth Presidential Lecture**
Selected by *Dartmouth College's President Wright* to share expertise on global business strategy
Exhibit 4
Publications in Phase II

Books

*The Quest for Global Dominance*, Jossey-Bass, 2008 (with Anil K. Gupta). Translated into one foreign language.


Articles


Exhibit 5
Publications in Phase III

Books


Articles


Exhibit 6
Publications in Phase IV

Exhibit 7
Phases in Career Path

*Balancing Organizational Differentiation and Integration*

<table>
<thead>
<tr>
<th>Phase</th>
<th>Years</th>
<th>Strategy</th>
<th>Analysis</th>
<th>Illustration</th>
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<tbody>
<tr>
<td>I</td>
<td>1980s</td>
<td>Business Unit Strategy; Portfolio Strategy</td>
<td>Multiple business units</td>
<td>Johnson &amp; Johnson is in both pharmaceuticals and surgical equipment – two very different businesses with some commonalities</td>
</tr>
<tr>
<td>II</td>
<td>1990s</td>
<td>Global Strategy</td>
<td>Multiple country subsidiaries</td>
<td>The French and Japanese subsidiaries of Unilever.</td>
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<tr>
<td>IV</td>
<td>2008-2010</td>
<td>Strategy for Emerging Economies</td>
<td>Organizing across Highly Asymmetric Borders</td>
<td>Ford expands operations in India</td>
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