

Vijay Govindarajan

VG works with CEOs and top management teams of global Fortune 500 corporations to discuss, challenge and escalate their thinking around strategy. He is often called to be the keynote speaker at events, conferences, CEO forums and leadership development programs.

Consulting

Once, strategy was about protecting your existing competitive advantage. Today, it is about finding your next advantage. In fact, the day you create a new strategy is the day it starts to decay. Through speaking engagements and executive seminars, VG challenges CEOs and top management teams to prepare for tomorrow's business realities.

VG is available to engage an audience on:

Changing the Rules of the Global Game

Organizational Capabilities for Global Leadership

VG's client engagements combine findings from his original research with those of other strategy experts. His dynamic, yet charismatic style delights members of the audience. He has addressed groups of 20 to 2000 participants, with one-hour keynote speeches, two-day executive seminars, and everything in between.

Read on to learn more about these themes and how VG presents them at leadership summits, senior management retreats, and global strategy conferences.

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"A presentation full of passion with some challenging visions!"

-Seminar Participant

Changing the Rules of the Global Game

We now live in an era of constant change, driven by the dynamic forces of technology, globalization, the Internet, changing demographics, and shifting customer preferences. As a result, companies find that their strategies need almost constant redefinition—either because the old assumptions are no longer valid, or because the previous strategy has been imitated and neutralized by competitors. Rooted in these premises, the strategic and organizational challenges become:

- How do we identify the market discontinuities that could transform our industry?
- How can we create new growth platforms that exploit new market realities?
- What are our core competencies and how can we leverage them to generate growth?
- What new core competencies do we need to build?
- What organizational DNA will allow us to anticipate and respond to changes on a continual basis?

VG customizes his presentation on Changing the Rules of the Global Game to fit a given audience and situation.

Setting the Stage: Managing the present while creating the future

Organizations must continually reinvent themselves in order to be successful. In many industries, they must do so in order to survive. VG’s discussions about *Changing the Rules of the Global Game* begin with this premise, plus the observation that everything that executives do fits into three boxes.

Despite the necessity of reinvention, executives allot their time overwhelmingly to Box 1. *Changing the Rules of the Global Game* motivates and energizes participants to shift focus to Box 2 and Box 3. It also introduces concepts to guide successful management of Box 3 activities. Creating the future involves identifying possibilities, selecting winners, and implementing innovative ventures.

“I cannot stress how timely and relevant the topics were to the issues my firm now faces.”

–Seminar Participant

APPROACH

Setting the Stage

Strategy is about managing the present while creating the future.

Once the stage is set for a discussion about Changing the Rules of the Global Game, there are 3–4 relevant topics that can be balanced to fit the particular needs of any given audience.

Topic One

Market discontinuities and industry transformation

Topic Two

New business models and organic growth

Topic Three

Organizational DNA of rule changers

During a 2-day seminar, some clients choose to add a simulation-based exercise on managing new ventures within existing corporations:

Topic Four

Managing corporate entrepreneurship

BOX 1-2-3 FRAMEWORK

BOX ONE

Manage the present

BOX TWO

Selectively forget the past

BOX THREE

Create the future

Changing the Rules of the Global Game

Topic One: Market discontinuities and industry transformation

An effective illustration of discontinuous change is the history of the high-jump event at the Olympics. In the chart to the right, it is clear that there have been four distinct “business models” in the high-jump. Each enabled athletes to achieve breakout performance.

Early on, the *Scissors* style dominated—it was much like hurdling. As all high-jumpers were using the scissors approach, the name of the game was being the best at *Scissors*. The high-jumpers were operating in *Box 1*. If they were businesspeople, they would have been competing on cost, market share, and margins.

One day, someone changed the rules of the game, by inventing the *Western Roll*. (High-jumpers launched and landed on the same foot, and kept their backs to the bar.) The *Western Roll* was the style for 25 years, until someone changed the rules again, introducing the *Eastern Roll*, a.k.a. the *Straddle*. (Now high-jumpers launched and landed on opposite feet, and faced the bar.) Then in the 1968 Olympics, former gymnast Dick Fosbury broke the Olympic record by three inches, creating a third discontinuous change. (The “*Fosbury Flop*” involved a straight approach, jumping with both feet, and twisting the body 180 degrees—like a gymnast—looking away from the pole.)

These non-linear shifts exemplify *Box 3* thinking. Each transformed the high-jump “industry.” In each case, the inventive high-jumpers were not *managing the present*, they were *creating the future*.

“VG has a great capability to bring complex subjects down to simple bullets / pictorial charts”

–Seminar Participant

Topic Two: New business models and organic growth

The universe of opportunity is tremendous, but not every opportunity is right for your company.

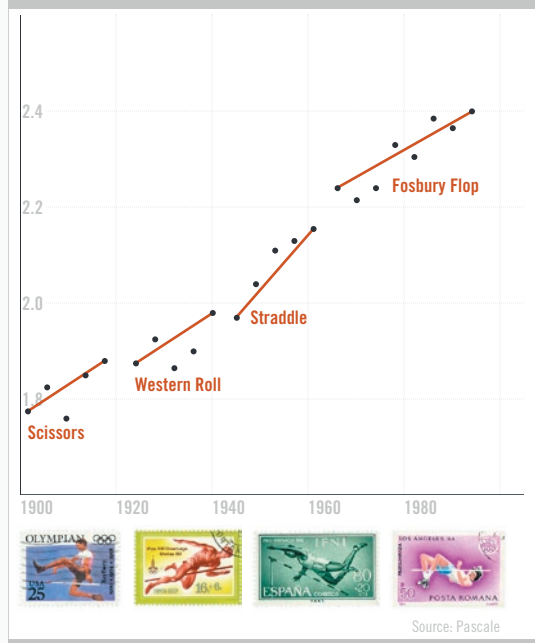
Box 3 initiatives have the potential to create discontinuous change in an industry. The most suitable Box 3 initiatives also leverage the core strengths of your organization.

For example, Honda changed the rules of the game by leveraging their expertise in small engine design. Ultimately, Honda achieved a vision of putting “six Hondas in a two-car garage.” The snowmobile and lawn mower suppliers, who monitored only their “current” competition, were caught off guard. Honda entered their markets with a powerful brand and formidable small engine capability.

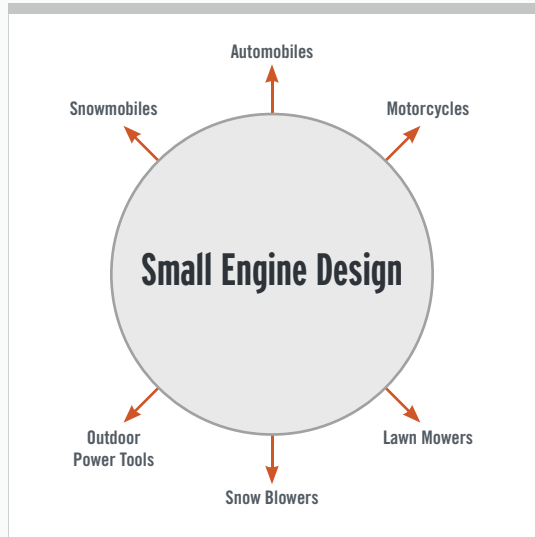
“I cannot stress how timely and relevant the topics were to the issues my firm now faces.”

–Seminar Participant

OLYMPIC GOLD MEDALS IN HIGH JUMP



HONDA



Changing the Rules of the Global Game

Topic Three: Organizational DNA of the rule changers

How can an organization become a rule changer? As shown in the diagram, Box 1 organizations are very adept at *exploiting* today's business—making the most of existing products, markets, assets, and technologies. Organizations that are successful over the long term balance exploitation with *exploration*.

Senior leaders can create a suitable mix by focusing on a handful of elements that constitute an organization's *DNA*. These elements include: staffing and promotion policies, incentives, leadership styles, culture, performance measures, and resource allocation processes. Organizational DNA determines individual and collective motivations, abilities, and behaviors. An effective DNA promotes initiative, encourages risk-taking, and enables motivated managers to pursue new opportunities.

Box 3 organizations generate a variety of ideas, encourage pervasive experimentation, apply intelligent selection mechanisms, and rapidly scale up successful efforts. Promoting this level of initiative creates an effective balance between exploitation and exploration.

“Exactly the tools and concepts my company is struggling with! Thanks!”

–Seminar Participant

Topic Four: Managing corporate entrepreneurship

In the race to redefine industries through the implementation of risky new ventures, the competitor that learns the quickest is often the winner. To learn, organizations must have an effective planning process. Learning is inextricably linked to planning—it takes place only through repeated cycles of budgeting, measurement, and performance assessment. Unfortunately, planning is much more complex in a startup environment, because startups are highly dynamic, and highly uncertain.

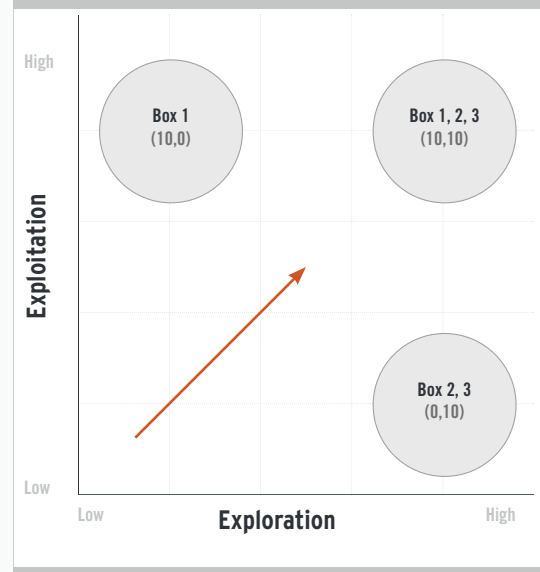
In *Managing Corporate Entrepreneurship*, VG is joined by the Executive Director of the Center for Global Leadership, Professor Chris Trimble. Using an approach that mixes computer simulation and presentation, VG and Chris introduce tools and techniques that improve planning, ensuring that it supports learning in a startup environment. In a highly engaging, rapid-fire simulated environment, participants make a series of resource allocation decisions for a startup, and judge its performance over a three-year period.

Participants go through the simulation twice—at first with little help. After a debrief of the first run, participants are taught three specific techniques for making more sensible budgeting decisions, and more accurate performance assessments. The second run through the simulation always generates many more success stories!

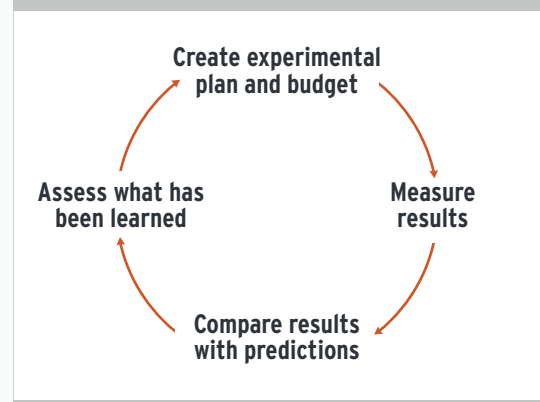
“Simulation was enlightening and applicable to large, traditional corporations.”

–Seminar Participant

EXPLORATION AND EXPLOITATION



BUDGET, MEASURE, AND LEARN



Organizational Capabilities for Global Leadership

The ideas in VG's presentation on Organizational Capabilities for Global Leadership are drawn from his recent book, coauthored with Anil K. Gupta, *The Quest for Global Dominance: Transforming Global Presence into Global Competitive Advantage*. The book is an outstanding guide for executives charged with global expansion and maximizing the potential of a global organization.

Context

Commerce across borders has been practiced for centuries. But effective management of global business organizations remains a pressing concern for executives, because the rules of the game are shifting dramatically. The twin forces of ideological change and technology revolution are rapidly reshaping the global economic landscape. Thanks to accelerating development of information and transportation technologies, supply chains can stretch across multiple continents, and still be coordinated reliably and efficiently in real time. Based on ten years of research with over 75 corporations, VG talks in-depth about the three premises:

- No one can afford to ignore global competition or global opportunities. A "global mindset" recognizes the borderless flow of capital, technology, knowledge, products and talent.
- Global presence is not the same as global competitive advantage. The distinction between infrastructure and competence is significant and critical. Success on a global scale requires both.
- Today's competitive advantage is derived from an organization's ability to mobilize a global talent base—its "knowledge engine."

APPROACH

This module focuses on five value creation opportunities. The journey from global presence to global dominance requires mastery of each.



REPRESENTATIVE CLIENTS

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