

Index

• Numerics •

80/20 rule for products and services, 171

• A •

Abbey, 74, 75
abdicator, 233
absconder, 233
absolutes, finding your ethical, 238–239
Accenture, 317
accidents and injuries, 270
achievement, products and services
 targeting your sense of, 181
acquisitions. *See also* mergers and
 acquisitions
 described, 278
 overview, 278–279
active attraction, 33
Active Kids, 287
active loyalists, 184
actively assessing risk, 272–273
advantage, turning constraints to your, 196
adventure as reason for
 mega-ventures, 284
advertising costs, 112
advocate, role of, 95, 98
Aer Lingus, 49
Aero Engineering, 268
Air France, 49, 56
Alitalia, 56
alternatives to competition
 assessment of, 109–111
 collaboration, 59–60
 cooperation, 59–60
 joint ventures, 60
 overview, 59–60
 partnership agreements/
 arrangements, 60
 preferred contractor status, 60
 regularised alliances, 60
Amazon, 146
analysing your environment, 63–69
apostle type of customer and client, 184

appraisal strategies, 18
Arthur Andersen, 55
Asda, 29, 39, 115
assessment
 of activities, 205–207
 of environmental factors, 77–84
 of financial performance, 153–155
 of mergers and acquisitions, 340
 of opportunities, 191–192
asset stripping, 281
assets
 calculating, 155–156
 defined, 155
 in football industry, 158
 liabilities, shifting between
 assets and, 157
 overview, 155–156
 selling, 157
 weighing, 341
attitudes in organisation culture, 222–223
attributes of strategic leadership, 88
authority, defining, 231–232
axis of globalisation, 294–296

• B •

bad behaviour, 267–269
balance of control in financial
 agreement, 152
Balfour Beatty, 132
bank loans, 152, 153
Bannatyne, Duncan (business angel),
 19, 190
barriers
 entry, 210–211
 exit, 212
 industry, 112–115
BCG (Boston Consulting Group), 171
Be My Guest (Hilton), 330–331
The Beatles, 211
behaviour in organisation culture
 encouraging specific, 227–228
 overview, 222–223

- benefit to your organisation, determining, 284–290
 - benign neglect, 271
 - best advantage, competing to your, 43–45
 - Bevan, Judi (*The Rise and Fall of Marks & Spencer...And How It Rose Again*), 331
 - Beyond the Deal: Optimising Merger and Acquisition Value* (Clark), 332
 - Blair, Tony (prime minister), 93
 - blockages
 - breaking through, 211–213
 - in distribution, 213
 - in maintenance, 213
 - overview, 211–212
 - on supply side, 212–213
 - in support functions, 213
 - blue water competitive markets, 58
 - BMW, 29, 32
 - Body Shop, 91, 113, 245
 - bonds, 152
 - Boo.com, 221
 - books
 - Be My Guest* (Hilton), 330–331
 - Beyond the Deal: Optimising Merger and Acquisition Value* (Clark), 332
 - Competitive Strategy: Techniques for Analyzing Industries and Competitors* (Porter), 328–329
 - Dot.Bomb: The Strange Death of Dot.Com Britain* (Cellan-Jones), 329
 - The Eddie Stobart Story* (Davies), 330
 - Green, Inc.: A Guide to Business and the Environment* (Cairncross), 331–332
 - Investment Appraisal: A Managerial Approach* (Pettinger), 330
 - Management Stripped Bare: What They Don't Teach You at Business School* (Owen), 329
 - Maverick: The Success behind the World's Most Unusual Workplace* (Semler), 328
 - The Rise and Fall of Marks & Spencer...And How It Rose Again* (Bevan), 331
 - Ryanair: how a Small Irish Airline Conquered Europe* (Creaton), 328
 - Boston Consulting Group (BCG), 171
 - Boston Matrix
 - cash cow classification on, 172
 - classifying products and services with, 171–173
 - dog classification on, 172
 - overview, 171
 - question mark classification on, 172
 - star classification on, 172
 - Bradford and Bingley, 55
 - brand
 - customers and clients, brand used to compete for, 186
 - described, 29
 - brand leadership and advantage core position, 28–30
 - brand values, 29
 - Branson, Richard (industrialist), 19, 92
 - breaking the law, avoiding, 261
 - British Airways, 29, 40, 49, 120, 176, 223, 292
 - British Post Office, 51
 - budgets
 - over-statement of demands in, 164
 - overview, 162–163
 - present situation based, 162
 - zero-based, 162
 - Bugden, Barry (business ethics), 248
 - Business NLP For Dummies* (Cooper), 88
 - Butterley Brick Company Ltd., 281
- C •
- Caffe Nero, 194
 - Cairncross, Frances (*Green, Inc.: A Guide to Business and the Environment*), 331–332
 - call centres, 234
 - capital as entry barrier, 210
 - capital management strategies, 18
 - carbon emissions, 72
 - Cartwright, Roger (*Mastering the Organisation in its Environment*), 68
 - cash cow classification on Boston Matrix, 172
 - Caterpillar, 31–32
 - celebrity restaurants and nightclubs, 106
 - Cellan-Jones, Rory (*Dot.Bomb: The Strange Death of Dot.Com Britain*), 329
 - Centrica, 36
 - challenging existing methods of risk management, 352
 - Chamberlain, Neville (prime minister), 94
 - change, progress and development, 12

- characteristics needed by organisation
 - culture, 221–222
- charisma, 92–94
- cheerleader, role of, 96, 98
- Chelsea Football Club, 145
- Chrysler, 288
- Churchill, Winston (prime minister), 94
- Citigroup, 343
- Cityscape, 287
- clarity of strategy, 11–13
- Clark, Peter
 - Beyond the Deal: Optimising Merger and Acquisition Value*, 332
 - Value Management*, 279
- classifying costs, 151
- client niches, 170
- clients. *See* customers and clients
- close challenger position, 30
- Coca-Cola, 29, 30
- Coffee Republic, 194
- cohesion of organisation culture, 221
- Coleman's, 239
- collaboration
 - as opportunity, 323
 - overview, 59–60
- collapse of a competitor, 55–56
- commitment of organisation culture, 222
- communications in teams and groups, 235
- company loyalist, role of, 95
- competition. *See also* forces of competition
 - alternatives to, 59–60, 109–111
 - best advantage, competing to your, 43–45
 - blue water competitive markets, 58
 - for customers and clients, 186–188
 - developing new markets, 57–58
 - expanding in your existing market, 56–57
 - overview, 15–16
 - red water competitive markets, 58
 - what it is not, list of, 16
- competitive environment
 - constraints in, 195
 - overview, 197
- competitive position, 15–16
- Competitive Strategy: Techniques for Analyzing Industries and Competitors* (Porter), 328–329
- competitors and alternatives assessment
 - knowing your competitors and alternatives, 110–111
 - outside sources, gathering information from, 110
 - overview, 109
- complaints
 - everyday customer complaints, 251
 - handling, 251–252
 - serious customer complaints, 251–252
 - from staff, 252
- conditions of environment, 62
- confidence
 - being aware of changes in, 104–105
 - building, 249
 - of customers, need for, 13
 - described, 104
 - high levels of, 104
 - low or falling levels of, 105
 - overview, 94
 - of suppliers, need for, 13
- conformist culture, 220
- connection with people in organisation, 95
- consequences
 - direct, 144
 - indirect, 144–145
 - power and influence affecting, 145–146
- consequent activities, 206
- consequential costs, 150
- consolidation, 316
- constant need for decisions, 163
- constantly assessing risk, 272–273
- constraints
 - advantage, turning constraints to your, 196
 - avoiding, 196
 - described, 194
 - overview, 194–195
 - working within present and envisaged, 83–84
 - in your competitive environment, 195
 - in your economic environment, 195
 - in your physical environment, 195
- context
 - overview, 73–75
 - working with your business or market's, 24–25
- contingencies, preparing for, 292
- contingency approach, 317

- contingency funds, 280
- control, items outside of your, 345
- convenience and access position, 30
- convenience used to add value, 208
- Cooper, Lynne (*Business NLP For Dummies*), 88
- cooperation, 59–60
- Coopers & Lybrand, 131
- core positions
 - aspects of, 25–26
 - brand leadership and advantage, 28–30
 - close challenger position, 30
 - convenience and access position, 30
 - cost leadership and advantage, 26–28
 - flexibility, maintaining, 37–38
 - niche position, 30, 31–32
 - overview, 24
 - personal and/or professional knowledge
 - understanding and confidence position, 30
 - priorities, setting your, 36–37
 - priorities, specifics about future, 38
 - for public services, 27–28
 - reinforcing, 32–38
 - rules, developing your own, 35–36
 - second in the field position, 30
 - “something else” position, 30–31
 - what you will do, being clear about, 34
 - what you will not do, being clear about, 34
- corner shops, 33
- corporate raiding, 281
- corporate social responsibility (CSR), 245–246
- cost advantage used to compete for
 - customers and clients, 187
- cost leadership and advantage core position, 26–28
- Costa Coffee, 194
- cost-cutting programmes, 114
- costs
 - classifying, 151
 - consequential, 150
 - defined, 158
 - described, 149
 - as entry barrier, 210
 - falling costs and rising revenues, 159
 - fixed, 149–150
 - income and expenditure connecting to, 161–162
 - as industry barrier, 112–113
 - managing your, 149–151
 - marginal, 150
 - marketing and advertising, 112
 - opportunity, 150
 - rising costs and rising revenues, 159
 - rising costs and steady or falling revenues, 160
 - staff, 112
 - sunk, 150
 - supply and delivery, 112
 - switching, 150
 - technology, 112
 - variable, 150
- costs of finance, 149
- country pubs 33
- Coutts, 31–32
- Creator, Siobhan (*Ryanair: how a Small Irish Airline Conquered Europe*), 328
- credit availability, 72
- CSR (corporate social responsibility), 245–246
- Cuban, Mark (Broadcast.com), 195
- culture of organisation. *See* organisation culture
- customers and clients
 - apostle type of, 184
 - best advantage informing your approach to, 45
 - brand and promotional strength used to compete for, 186
 - competing for, 186–188
 - confidence of, need for, 13
 - cost advantage used to compete for, 187
 - demands of, identifying, 182–183
 - expectation of, 208
 - growing your own customer base, 187–188
 - loyalist type of, 184
 - mercenary type of, 183–184
 - mergers and acquisitions, customer and client base as reason for, 283
 - needs of, identifying, 183
 - overview, 182
 - passing trade type of, 185–186

quality advantage used to compete for, 187
 size and strength used to compete for, 186
 specific value or quality proposition used to compete for, 187
 stakeholders, 165–166
 terrorist type of, 185
 time spent waiting by, 208
 trust and confidence with, 249
 types of, 183–186
 wants of, identifying, 183

• D •

Daimler-Benz, 288
 data sources, 73
 Davies, Hunter (*The Eddie Stobart Story*), 330
 decisions
 about investments, 137–146
 constant need for, 163
 process for decision-making, 142–143
 speed of decision-making, 117
 decisiveness and sharing your vision, 90
 deficit finance, 151, 280
 delivery stage, assumptions made during, 161
 demands of customers and clients, identifying, 182–183
 denial of problems with investments, 141
 developing new markets, 57–58
 dilemmas, ongoing ethical, 250
 direct consequences, 144
 Direct Line, 248–249
 direction, finding, 13–14
 disasters, 270–271
 dishonesty, avoiding, 350–351
 dispersed organisations, 231
 distribution, blockages in, 213
 distribution channels
 as entry barrier, 210
 mergers and acquisitions, distribution channel access as reason for, 283
 dog classification on Boston Matrix, 172
Dot.Bomb: The Strange Death of Dot.Com Britain (Cellan-Jones), 329
 dotcom revolution, 76

double-checking, 347–348
 drives, 79–82
 due diligence, 131
 Dutton Engineering, 223

• E •

easyJet, 29, 71, 119, 314
 economic environment, constraints in, 195
 economies of scale, 286–289
 Economy, Peter (*Managing For Dummies*), 160
The Eddie Stobart Story (Davies), 330
 effectiveness of strategy, 10–11
 80/20 rule for products and services, 171
 Electrolux, 320
 Emirates, 49
 emotions targeted by products and services, 180–182
 enduring value, 244
 energy prices, 72–73
 Enron, 55, 246–247, 268
 enthusiasm and sharing your vision, 89
 enthusiast, role of, 95, 98
 entry barriers
 capital as, 210
 cost as, 210
 distribution channels as, 210
 overcoming, 210–211
 reputation as, 210
 environment
 analysing your, 63–69
 aspects of, 62
 assessing environmental factors, 77–84
 assessing the strength of factors relating to, 78–79
 competitive arena for, 62
 conditions of, 62
 constraints of your, 62–63, 83–84
 drives, 79–82
 equipment and technology
 breakdowns, 80
 ethics of your, 62
 force field analysis, 82–83
 future concerns, 72–73
 markets, knowing your, 69–70
 opportunities, 73–77
 organisational methods for, 62

- environment (*continued*)
 - overview, 61–62
 - philosophy of your, 62
 - physical location of, 62
 - present concerns, 72–73
 - restraints, 80–82
 - supply-side hold-ups, 80
 - technology, use of, 70–71
 - threats, 73–77
 - Website glitches and crashes, 80
 - workforce, use of, 70–71
 - environmental scanning
 - overview, 63–64
 - PEST (political, economic, social, and technological) analysis, 64–66
 - SWOT (strengths, weaknesses, opportunities, and threats) analysis, 66–69
 - envisaged constraints, 83
 - equipment and technology breakdowns, 80
 - Equitable Life, 52
 - esteem, products and services targeting
 - your sense of, 181
 - ethical authority, role of, 96
 - ethical stance, 251
 - ethics
 - absolutes, finding your, 238–239
 - complaints, handling, 251–252
 - corporate social responsibility (CSR), 245–246
 - developing an ethical stance, 251
 - dilemmas, ongoing, 250
 - of location, 242
 - loyalty, earning, 250–251
 - openness and honesty, encouraging, 252
 - overview, 238
 - profit, making a, 247–252
 - reasons for high standard of, 240
 - right and wrong, distinguishing between, 242–243
 - standards, achieving, 246–247
 - standards, gaining a competitive edge
 - based on your, 248–249
 - of survival, 244
 - trust and confidence, building, 249
 - ways and means, 244
 - what you do, 240–242
 - what you do not do, 240–242
 - of your environment, 62
 - Eurotunnel, 108, 153
 - evaluation
 - of all activities, 217–218
 - of information, 122
 - of new locations, 57–58
 - everyday customer complaints, 251
 - examining specific locations, 107–109
 - excessive compensation, avoiding, 261
 - exit barriers, 212
 - expanding in your existing market, 56–57
 - expectations
 - of clients and customers, 208
 - setting, 153–154
 - expenditure, 161
 - expertise
 - acquiring, 301–304
 - as reason for mergers and acquisitions, 283
 - as source of power and influence, 224
 - external growth path, 316
 - external shareholders, 164
- **F** ●
- failure
 - avoiding, 38–40
 - extreme, 130–131
 - learning from, 199–200
 - of mega-ventures, 279
 - falling costs and rising revenues, 159
 - feasibility of investments, 133–134
 - federations, 230
 - finance. *See also* costs; returns
 - assessing financial performance, 153–155
 - assets, 155–157
 - availability, 72
 - balance of control in financial
 - agreement, 152
 - bank loans, 152, 153
 - bonds, 152
 - deficit, 151
 - expectations, setting, 153–154
 - gifts, 152
 - goals, setting, 154–155
 - guidelines, setting, 154–155
 - liabilities, 155, 156–157
 - nature of business activities influenced
 - by backers, 152
 - obligations, 148

- overdrafts, 152
 - partnership, 151
 - personal wealth, 152
 - and resources, acquiring, 299–300
 - revenues, 158–160
 - share capital, 152
 - staffing influenced by backers, 152
 - strategies, 18
 - structures for, 151–153
 - success, understanding the reasons for, 154
 - wrongdoings, avoiding, 261
 - financial management
 - budgets, use of, 162–163
 - connecting costs, income and expenditure, 161–162
 - constant need for decisions, 163
 - overview, 161
 - reporting activities to stakeholders, 163–166
 - financial transparency, 246–247
 - first mover, 193, 318
 - five parable, 37
 - fixed costs, 149–150
 - fix-it person, role of, 95
 - flexibility, maintaining, 37–38
 - focus groups, 143
 - football industry
 - assets in, 158
 - liabilities in, 158
 - overview, 111
 - force field analysis, 82–83
 - forces of competition
 - collapse of a competitor, 55–56
 - overview, 45–46
 - power of buyers, 50–52
 - power of suppliers, 52
 - rivalry, 46–47
 - substitutes and alternatives, 47–48
 - threat of entry, 48–50, 51
 - threat of regulation, 53–54
 - threat of withdrawal, 54–55
 - Ford Model used for classifying products and services, 173–175
 - Ford Motor Company, 173
 - formal structures and titles for workers, avoiding, 232
 - fraud, 267, 268
 - friendly bids, 282
 - fuel prices, 72
 - funds for mergers and acquisitions, 280–282
 - future issues. *See also* opportunities
 - consolidation, 316
 - environment, 72–73
 - external growth path, 316
 - growth and expansion, planning for, 315
 - growth expectations, 314
 - internal growth path, 316
 - overview, 311–312
 - present pressures and concerns, building on, 312–314
 - strategic leadership, 100
 - strategy for, establishing your, 315–317
 - withdrawal, 315–317
- G ●
- General Motors, 292
 - gifts, 152
 - global expertise, 296
 - global networks, 297
 - global reach, 297
 - global reputation, 296
 - global technology, 296
 - globalisation
 - buying up a key resource or expertise in a locality, 299
 - expertise, acquiring, 301–304
 - finance and resources, acquiring, 299–300
 - joint ventures, 299
 - local partnerships, having, 299
 - locally established player, taking over a, 299
 - locations seen for yourself to get a feel for the area, 302–304
 - long-term presence, 297
 - outsourcing partners, 307
 - overview, 294
 - physical presence, buying a, 299
 - prejudices, researching, 301–302
 - preparation for expansion, 294–298
 - principles of competitive strategy, applying, 307–308
 - short-term presence, 297
 - technology, role of, 304–306
 - transportation issues, 305
 - goals, setting, 154–155

grand strategy, 17
 Grant, Avram (football coach), 145
 greater market share as reason for mergers and acquisitions, 283
Green, Inc.: A Guide to Business and the Environment (Cairncross), 331–332
 Green, Philip (businessman), 92
 Greenbury, Richard (Marks & Spencer), 319
 group membership as source of power and influence, 224
 groups. *See* teams and groups
 growing your own customer base, 187–188
 growth and expansion, planning for, 315
 growth expectations, 314
 guidelines, setting, 154–155

• H •

handling complaints, 251–252
 Hanson, 281
 hard work, doing, 92
 harmony of objectives in teams and groups, 235
 Harry Potter stories, 211
 Harveys, 115
 Hayek, Nicolas (Swatch), 306
 health and safety procedures, avoiding inadequate, 261
 Helmont Ltd, 313
 Henderson, Brice (Boston Matrix), 171
 heredity as source of power and influence, 224
The Hidden Persuaders (Packard), 180–182
 hierarchy, 230
 high levels of confidence, 104
 Hillman, 51
 Hilton, Conrad (*Be My Guest*), 330–331
 honesty, encouraging, 252
 hostile bids, 282
 HSBC, 300
 hub-and-spokes organisation structure, 230
 human being, role of, 96

• I •

identifying what you are really paying for, 342
 identity, creating your, 94

Ikea, 115, 209
 illusions, 76–77
 immortality, products and services targeting your sense of, 180
 implementation stage, assumptions made during, 161
 importance of risk management, 258
In Search of Excellence (Peters and Waterman), 97, 192
 inadequate health and safety procedures, avoiding, 261
 income, 161
 incompetence, 267
 incremental strategies, 18–19
 indirect consequences, 144–145
 individuals in teams and groups, paying attention to, 235
 industries and sectors assessment confidence, being aware of changes in, 104–105
 overview, 103–104
 profit margins in your industry, knowing, 105
 industry barriers costs as, 112–113
 overview, 112
 reputation as, 113–115
 resource allocation as response to, 115
 industry-specific assets as reason for mergers and acquisitions, 284
 influence affecting consequences, 145–146
 seeking out sources of, 224–225
 information technology (IT), 71
 injuries and accidents, 270
 innovation strategies, 18
 inspections, 259
 inspiring others, 99–100
 integrity, 89
 internal growth path, 316
Investment Appraisal: A Managerial Approach (Pettinger), 330
 investments competitiveness of, 136–137
 consequences of decisions on, 143–146
 decision-making process for, 142–143
 decisions about, 137–146
 denial of problems with, 141
 feasibility of, 133–134

make/lease/own/buy decision, 139–141
 in new situations, 136
 objectives, clarifying your, 133–135
 overview, 126–127
 personalities involved in, 138
 pressure as driving force for, 137
 pressure on, 131
 returns, 128–132, 134–135
 strategies for, 18
 in technology, 136
 investors and financial backers, 45
 IT (information technology), 71

• J •

Japan Airlines (JAL), 303
 joint ventures, 60, 299
 Jones, John Harvey (Troubleshooter), 92
 just-in-time deliveries, 212

• K •

key resource or expertise in a locality,
 buying up a, 299
 key supplier as reason for mergers and
 acquisitions, 283
 Kimberly-Clark, 49
 knowledge and sharing your vision, 89
 knowledgeable, becoming, 96–98

• L •

Laker, Freddie (Laker Airways), 74
 Laker Airways, 74
 Laker Travel Services Ltd., 74
 late mover, 193–194, 318
 leadership. *See also* strategic leadership
 credibility of, 291–292
 overview, 85–86
 professionalism, 95
 staying connected with people in
 organisation, 95
 what leadership is not, 87
 leadership persona, 93
 learning from failure, 199–200
 Leeds United Football Club, 14
 legal activities, 206
 legal wrangling, avoiding, 261
 Lehman Brothers, 52

leisure facility fires, 268
 level of service, determining your, 174
 liabilities
 assets, shifting between liabilities
 and, 157
 defined, 155
 in football industry, 158
 overview, 156–157
 weighing, 341
 lifecycles for products and services,
 168–170
 limited resources as guide for resource
 allocation, 216–217
 linking pins, 230
 loans, 280
 local newsagents, 33
 local partnerships, having, 299
 local reputation, 33
 locally established player, taking over
 a, 299
 location assessment
 clinics of, 242
 evaluating new locations, 57–58
 examining specific locations, 107–109
 overview, 106
 prosperity factored into, 107
 longevity as factor in mergers and
 acquisitions, 343
 long-term presence, 297
 L'Oreal, 113
 losing value, 208–209
 low or falling levels of confidence, 105
 loyalist type of customers and clients, 184
 loyalty, earning, 250–251
 loyalty bond, 250

• M •

maintenance, blockages in, 213
 make/lease/own/buy decision, 139–141
 management
 based on your strategic plan, 214–218
 in teams and groups, 235
 by walking around, 97
*Management Stripped Bare: What They
 Don't Teach You at Business School*
 (Owen), 329
Managing For Dummies (Nelson, Economy,
 Pettinger), 160

- marginal costs, 150
 - market share, 128
 - marketing
 - costs, 112
 - strategies, 18
 - markets, knowing your, 69–70
 - Marks, Michael (Marks & Spencer), 97
 - Marks & Spencer, 24, 248, 317, 319
 - Mastering the Organisation in its Environment* (Cartwright), 68
 - Matalan, 117
 - Matsushita, 319
 - Maverick: The Success behind the World's Most Unusual Workplace* (Semler), 328
 - maximising returns, 129–130
 - Maxwell, Robert (publisher), 131
 - McCormick, Mark (IMG), 97
 - McDonalds, 14
 - mediocrity, 200–201
 - meeting expectations used to add value, 208
 - mega-ventures
 - adventure as reason for, 284
 - described, 278
 - failure of, 279
 - overview, 278–279
 - prestige as reason for, 284
 - short-term price share advantage as reason for, 284
 - mental stress, 263
 - mercenary type of customers and clients, 183–184
 - mergers and acquisitions
 - adding to your business with, 344
 - assessing, 340
 - benefit to your organisation, determining, 284–290
 - clear your mind then look at the proposal, 340
 - contingencies, preparing for, 292
 - control, items outside of your, 345
 - customer and client base as reason for, 283
 - described, 278
 - distribution channel access as reason for, 283
 - economies of scale, 286–289
 - expertise as reason for, 283
 - friendly bids, 282
 - funds for, 280–282
 - greater market share as reason for, 283
 - hostile bids, 282
 - identifying what you are really paying for, 342
 - industry-specific assets as reason for, 284
 - key supplier as reason for, 283
 - know why you want the deal, 342–343
 - leadership, credibility of, 291–292
 - longevity as factor in, 343
 - new market or location as reason for, 283
 - outsourcing, 292
 - overview, 278–279
 - price for, setting, 341–342
 - realistic attitude for, 344–345
 - reasons for, 282–284
 - resources, securing, 290–292
 - saying no to, 291
 - staff culture, 289–290
 - subtracting from your business with, 344
 - synergies, 284–286
 - technology as reason for, 283
 - tips on, 340–345
 - weighing assets and liabilities, 341
 - Metronet, 40
 - Microsoft, 146
 - Millennium Dome, 262
 - minimising risk, 264–265
 - mixes of products and services, 170–175
 - money-related risks, 349
 - monitoring all activities, 217–218
 - Morris, 51
 - mortgages, 280
- N •
- nature of business activities influenced by
 - backers, 152
 - needs of customers and clients,
 - identifying, 183
 - negligence, 266, 353–354
 - Nelson, Bob (*Managing For Dummies*), 160
 - new markets and locations
 - gaining entry into, 323–324
 - as reason for mergers and acquisitions, 283
 - surveying, 319–320
 - new products and services, developing, 177–182

- new situations, investments in, 136
- newsagents, local, 33
- NHS, 51, 226
- niche position, 30, 31–32
- Nicholl, Peter (former Governor of the National Bank of Bosnia Herzegovina), 90
- nightclubs and restaurants, celebrity, 106
- Nissan, 109
- Nokia, 29, 320
- non-leaders in positions of strategic leadership, 99
- non-opportunities, 190–192
- Northern Rock, 52, 247
- npower, 296
- 0 •
- objectives, clarifying your, 133–135
- obligations, 148
- Ocean-Going Trawlers Ltd, 313
- O’Leary, Michael (Ryanair), 49
- OnDigital, 77
- openness and honesty, encouraging, 252
- opportunities
- assessing, 191–192
 - collaboration as, 323
 - costs, 150
 - environment, 73–77
 - new and emerging markets and activities, surveying, 319–320
 - new markets and locations, gaining entry into, 323–324
 - non-opportunities compared, 190–192
 - outsourcing as, 323
 - overview, 318
 - position, knowing your, 193–194
 - project work as, 322
 - providing, 229
 - public services as, 320–322
 - recognizing, 21
 - seeing, 191
 - spotting, 190–194
 - taking advantage of, 192, 318
- organisation culture
- attitudes in, 222–223
 - behaviour in, 222–223
 - characteristics needed by, 221–222
 - cohesion of, 221
 - commitment of, 222
 - conformist culture, 220
 - defined, 219
 - encouraging behaviour, 227–228
 - establishing, 225–226
 - expertise as source of power and influence, 224
 - group membership as source of power and influence, 224
 - heredity as source of power and influence, 224
 - opportunities, providing, 229
 - overview, 220
 - passing on your attitudes and values, 227
 - paternalistic culture, 220
 - patronage as source of power and influence, 224
 - peer pressure as source of power and influence, 224
 - people culture, 220
 - performance, rewarding, 229–230
 - pioneering culture, 220
 - power and influence, seeking out sources of, 224–225
 - power culture, 220
 - pride, team spirit, esprit de corps of, 222
 - progression of, 222
 - rank and status as source of power and influence, 224
 - role culture, 220
 - strength of, 221
 - task culture, 220
 - technology used to gain a competitive edge, 228
 - types of, 220
 - unity of purpose of, 221
 - values in, 222–223
 - victimisation as source of power and influence, 224
- organisation structure
- authority, defining, 231–232
 - creating a structure that works, 233
 - dispersed organisations, 231
 - federations, 230
 - formal structures and titles for workers, avoiding, 232
 - hierarchy, 230
 - linking pins, 230
 - overview, 230

- organisation structure (*continued*)
 - patterns of work, 233–234
 - propellers (hub-and-spokes), 230
 - responsibility, taking on, 232–233
 - teams and groups, 234–235
 - types of, 230
 - virtual organisations, 230
 - outside sources, gathering information from, 110
 - outsourcing
 - mergers and acquisitions, 292
 - as opportunity, 323
 - partners, 307
 - overall context, fitting all aspects into, 213–214
 - overdrafts, 152
 - over-statement of demands in budgets, 164
 - Owen, Jo (*Management Stripped Bare: What They Don't Teach You at Business School*), 329
- p •**
- Packard, Vance (*The Hidden Persuaders*), 180–182
 - parent figure, role of, 96
 - partnerships, 60, 151, 299
 - passing trade type of customers and clients, 185–186
 - passive loyalists, 184
 - paternalistic culture, 220
 - PatientLine, 321
 - patronage as source of power and influence, 224
 - patterns of work, 233–234
 - peer pressure as source of power and influence, 224
 - people culture, 220
 - performance, rewarding, 229–230
 - personal and/or professional knowledge
 - understanding and confidence
 - position, 30
 - personal wealth, 152
 - personalities involved in investments, 138
 - PEST (political, economic, social, and technological) analysis, 64–66
 - Peter Jones organisation, 211
 - Peters, Tom (*In Search of Excellence*), 97, 192
 - Pettinger, Richard
 - Investment Appraisal: A Managerial Approach*, 330
 - Managing For Dummies*, 160
 - philosophy of your environment, 62
 - physical environment, constraints in, 195
 - physical location of environment, 62
 - physical presence, buying a, 299
 - physical stress, 263
 - pioneering culture, 220
 - planned approach, 317
 - planning stage, assumptions made during, 161
 - political, economic, social, and technological (PEST) analysis, 64–66
 - Porter, Michael (*Competitive Strategy: Techniques for Analyzing Industries and Competitors*), 328–329
 - position, knowing your, 193–194
 - Powell, Colin (Secretary of State), 90
 - power and influence
 - affecting consequences, 145–146
 - seeking out sources of, 224–225
 - power culture, 220
 - power of buyers, 50–52
 - power of suppliers, 52
 - preferred contractor status, 60
 - prejudices, researching, 301–302
 - preparation for expansion, 294–298
 - present concerns, 72–73
 - present position, building on, 24–25
 - present pressures and concerns, building on, 312–314
 - present situation based budgets, 162
 - pressure as driving force for investments, 137
 - pressure on investments, 131
 - prestige as reason for mega-ventures, 284
 - previous events, learning from, 257
 - pricing
 - for mergers and acquisitions, 341–342
 - strategies, 56–57
 - pride, team spirit, esprit de corps of, 222
 - primary activities, 206
 - principles of competitive strategy, applying, 307–308

- priorities
 establishing your, 20
 as guide for resource allocation, 216
 setting your, 36–37
 specifics about future, 38
 wrong priorities, pursuing, 20
- private equity, 280
- proactive decisions, making, 122
- process for developing new products and services, 177–179
- process management in teams and groups, 234
- Procter and Gamble, 49
- product and service problems, 269
- production and output strategies, 18
- products and services
 achievement targeted by, 181
 Boston Matrix used for classifying, 171–173
 changing your mind during any stage of developing new, 179–180
 80/20 rule for, 171
 emotions targeted by, 180–182
 esteem targeted by, 181
 Ford Model used for classifying, 173–175
 immortality targeted by, 180
 level of service, determining your, 174
 lifecycles for, 168–170
 mixes of, 170–175
 new products and services, developing, 177–182
 process for developing new, 177–179
 quality of, 175–177
 recognition targeted by, 180
 results during each stage of developing new, 179
 status and exclusivity targeted by, 180
 strategies, 18
 value of, 175–177
 vanity and ego targeted by, 180
- professionalism, 95
- profits
 and ethics, 247–252
 retained, 166
 in your industry, knowing profit margins, 105
- progression of organisation culture, 222
- project work as opportunities, 322
- promise-keeper, role of, 96
- propellers (hub-and-spokes) organisation structure, 230
- prosperity factored into assessing locations, 107
- psychological stress, 263
- public services
 core positions for, 27–28
 as opportunities, 320–322
- purpose, finding, 13–14
- Pye, 51
- **Q** •
- Qatar, 49
- quality
 of products and services, 175–177
 used to add value, 207
- quality advantage used to compete for customers and clients, 187
- question mark classification on Boston Matrix, 172
- questions to ask about corporate investments
 Do we want to invest?, 338
 How should I go about making an investment?, 334–335
 What can go wrong?, 336
 What can really go wrong?, 336–337
 What next?, 338
 What returns are available?, 335
 What returns are really available?, 335–336
 What's my exit strategy?, 337
 What's my next best alternative?, 337
 When is the best time to make an investment?, 334
 Where do I invest?, 334
 Why do I want to make a certain investment?, 333–334
- **R** •
- radical strategies, 19
- Railtrack, 35, 52, 245
- rank and status as source of power and influence, 224
- rates of return, researching, 134–135

- real risks
 - accidents and injuries, 270
 - bad behaviour, 267–269
 - disasters, 270–271
 - fraud, 267, 268
 - incompetence, 267
 - negligence, 266
 - overview, 266
 - product and service problems, 269
 - security issues, 269–270
- realistic attitude for mergers and acquisitions, 344–345
- reality, keeping in touch with, 93
- reasons for using competitive strategy, 22
- recognition, products and services
 - targeting your sense of, 180
- recognizing an opportunity, 21
- red water competitive markets, 58
- refining your competitive position
 - evaluating information, 122
 - overview, 121–122
 - proactive decisions, making, 122
 - significant problems, identifying and responding to, 122–123
- regularised alliances, 60
- reinforcing core positions, 32–38
- reporting activities to stakeholders, 163–166
- reputation
 - as entry barrier, 210
 - as exit barrier, 212
 - as industry barrier, 113–115
 - local, 33
 - managing your, 260
 - returns, 128
 - risks to your, 350
- resource allocation
 - limited resources as guide for, 216–217
 - overview, 215
 - priorities as guide for, 216
 - as response to industry barriers, 115
 - strategic plan, 215–217
- resources, securing, 290–292
- respect and sharing your vision, 89
- responsibility, taking on, 232–233
- restaurants and nightclubs, celebrity, 106
- restraints, 80–82
- results during each stage of developing new products and services, 179
- retained profits, 166
- returns
 - assessing, 166
 - failure, having extreme, 130–131
 - market share, 128
 - maximising, 129–130
 - maximising/optimising returns on
 - existing capital technology and expertise, 128
 - overview, 128–129
 - rates of return, researching, 134–135
 - reputation, 128
 - success, having extreme, 130
 - time-based, 128
 - unrealistic, 131
 - variables affecting, 132
- revenues
 - defined, 152
 - falling costs and rising revenues, 159
 - rising costs and rising revenues, 159
 - rising costs and steady or falling revenues, 160
 - reviewing all activities, 217–218
- reward strategies, 18
- Riefenstahl, Leni (film director), 92
- right and wrong, distinguishing between, 242–243
- The Rise and Fall of Marks & Spencer...And How It Rose Again* (Bevan), 331
- rising costs and rising revenues, 159
- rising costs and steady or falling revenues, 160
- risk. *See also* real risks
 - minimising, 264–265
 - overview, 254
- risk management
 - actively assessing risk, 272–273
 - breaking the law, avoiding, 261
 - challenge existing methods, 352
 - constantly assessing risk, 272–273
 - described, 255
 - dishonesty, avoiding, 350–351
 - double-checking, 347–348
 - excessive compensation, avoiding, 261
 - financial wrongdoings, avoiding, 261
 - importance of, 258
 - inadequate health and safety procedures, avoiding, 261
 - inspections, 259

- legal wrangling, avoiding, 261
 money-related risks, 349
 negligence, eliminating, 353–354
 overview, 255–256
 previous events, learning from, 257
 reputation, 260, 350
 standards, setting, 351
 stress, managing, 263–264
 understanding of risk, creating a full,
 271–272
 untargeted projects and proposals,
 259–260, 262
 vanity projects, 259
 vigilance, engaging in, 354
 violence, minimising and eliminating,
 352–353
 what-if questions, asking, 348–349
 wild and wacky considerations, 256–257
 worst case, assuming the, 351–352
 wrong actions, avoiding, 261–263
 risk-aware culture, 271
 rivalry, 46–47
 Roddick, Anita (Body Shop), 92, 113
 role culture, 220
 role model, 95
 roles of strategic leadership, 94–100
 Rootes, 51
 Roots Sauces, 211
 rules
 developing your own, 35–36
 for teams and groups, 235
 Ryanair, 32, 49, 57, 71, 117–118, 156,
 173–174, 317
*Ryanair: how a Small Irish Airline
 Conquered Europe* (Creaton), 328
 Ryder, Ann (Seattle Coffee Company), 191
 Ryder, Don (Seattle Coffee Company), 191
- S •**
- safety procedures, avoiding
 inadequate, 261
 Safeway, 52
 Sainsbury, 39, 115
 Sainsbury, David (CEO), 39
 Sandals, 57
 Sarbanes-Oxley Act, 247
 satisfactory performance, 201
 satisficing, 201
 scapegoating, 233
 Seattle Coffee Company, 191, 194
 second in the field position, 30
 second mover, 193
 sectors assessment. *See* industries and
 sectors assessment
 security issues, 269–270
 selling assets, 157
 Semco, 216
 Semler, Ricardo
 businessman, 229
 *Maverick: The Success behind the World's
 Most Unusual Workplace*, 328
 serious customer complaints, 251–252
 service clusters, 168
 service delivery strategies, 18
 service development strategies, 18
 services. *See* products and services
 share capital, 152, 280
 shareholders. *See* stakeholders
 shortest time for activities, knowing,
 117–118
 short-term presence, 297
 short-term price share advantage as
 reason for mega-ventures, 284
 short-term rising share prices, 283
 significant problems, identifying and
 responding to, 122–123
 Simon, Herbert (psychologist), 201
 size and strength used to compete for
 customers and clients, 186
 Sock Shop, 74, 75
 Somerfield, 52
 “something else” position, 30–31
 Sony, 146
 specific value or quality proposition
 used to compete for customers and
 clients, 187
 SPECTACLES (social, political, economic,
 cultural, technological, aesthetic,
 customer, legal, environmental,
 sectoral) analysis, 68
 staff
 best advantage informing your approach
 to, 45
 complaints from, 252
 confidence of, need for, 13
 costs, 112
 culture, 289–290

- staff (*continued*)
 - influenced by backers, 152
 - stakeholders, 164–165
 - trust and confidence with, 249
- stakeholders
 - customers, 165–166
 - external shareholders, 164
 - overview, 166
 - reporting activities to, 163–166
 - staff, 164–165
 - suppliers, 165
 - trust and confidence with, 249
- standards
 - achieving, 246–247
 - gaining a competitive edge based on
 - your, 248–249
 - setting, 351
- star classification on Boston Matrix, 172
- Starbucks, 109, 194
- status and exclusivity, products and
 - services targeting your sense of, 180
- statutory costs and charges, 113
- strategic approach to time, 120–121
- strategic leadership
 - advocate, role of, 95, 98
 - attributes of, 88
 - charisma, 92–94
 - cheerleader, role of, 96, 98
 - company loyalist, role of, 95
 - enthusiast, role of, 95, 98
 - ethical authority, role of, 96
 - fix-it person, role of, 95
 - future issues, 100
 - hard work, doing, 92
 - human being, role of, 96
 - identity, creating your, 94
 - inspiring others, 99–100
 - knowledgeable, becoming, 96–98
 - managing by walking around, 97
 - non-leaders in positions of, 99
 - overview, 87–88
 - parent figure, role of, 96
 - professionalism, 95
 - promise-keeper, role of, 96
 - reality, keeping in touch with, 93
 - role model, role of, 95
 - roles of, 94–100
 - staying connected with people in
 - organisation, 95
 - your vision, 88–91
- strategic plan
 - assessing activities, 205–207
 - barriers, overcoming, 210–211
 - blockages, breaking through, 211–213
 - evaluating all activities, 217–218
 - management based on your, 214–218
 - monitoring all activities, 217–218
 - overall context, fitting all aspects into,
 - 213–214
 - resources, allocating, 215–217
 - reviewing all activities, 217–218
 - value, monitoring, 207–209
- strategy. *See also specific strategies*
 - clarity of, 11–13
 - defined, 10
 - direction, finding, 13–14
 - effectiveness of, 10–11
 - for future issues, 315–317
 - overview, 9
 - pricing, 56–57
 - purpose, finding, 13–14
 - types of, 17–19
 - what it is not, list of, 14–15
- strength of organisation culture, 221
- strengths, weaknesses, opportunities, and
 - threats (SWOT) analysis, 66–69
- strengths of your organisation, 44
- stress, managing, 263–264
- structure of organisation. *See organisation structure*
- structures and titles for workers, avoiding
 - formal, 232
- structures for finance, 151–153
- sub strategies, 17–18
- subjectivity, 177
- sub-prime mortgage crisis, 261
- substitutes and alternatives, 47–48
- success
 - extreme, 130
 - overview, 198
 - understanding the reasons for, 154
- sunk costs, 150
- Superdrug, 137
- supermarket sales, 174

suppliers
 confidence of, need for, 13
 stakeholders, 165
 trust and confidence with, 249
 supply and delivery costs, 112
 supply side
 blockages on, 212–213
 hold-ups, 80
 overview, 52
 support activities, 206
 support functions, blockages in, 213
 survival, ethics of, 244
 Swatch, 29, 306
 switching costs, 150
 SWOT (strengths, weaknesses, opportunities, and threats) analysis, 66–69
 synergies, 284–286

• T •

takeovers
 described, 278
 overview, 278–279
 Tarmac, 146
 task culture, 220
 task management in teams and groups, 234
 team spirit, 235
 teams and groups
 attention to individuals in, 235
 communications in, 235
 harmony of objectives in, 235
 management in, 235
 organisation structure, 234–235
 overview, 234–235
 process management in, 234
 rules for, 235
 task management in, 234
 team spirit in, 235
 technology
 costs, 112
 investments in, 136
 as reason for mergers and acquisitions, 283
 role of, 304–306
 use of, 70–71
 used to gain a competitive edge, 228

terrorist type of customers and clients, 185
 Tesco, 24, 39, 114, 115, 209, 314, 317
 think globally/act globally, 298
 think globally/act locally, 298
 think locally/act locally, 298
 Thoresen, Townsend (ferry operator), 35
 ThornEMI, 145
 threat of entry, 48–50, 51
 threat of regulation, 53–54
 threat of withdrawal, 54–55
 Tie Rack, 74, 75
 time-based returns, 128
 time-related factors
 clients and customers, time spent waiting by, 208
 decision-making, speed of, 117
 longest time for activities, knowing, 118
 overview, 116
 shortest time for activities, knowing, 117–118
 strategic approach to time, 120–121
 value, time customers and clients wait used to add, 208
 timetables, setting, 118–120
 titles for workers, avoiding formal, 232
 transformation, 19, 90
 transport costs, 73
 transportation issues, 305
 Triumph, 51
 trust and confidence, building, 249

• U •

understanding of risk, creating a full, 271–272
 unity of purpose of organisation culture, 221
 unrealistic returns, 131
 untargeted projects and proposals, 259–260, 262

• V •

value
 adding, 207–208
 convenience used to add, 208
 losing, 208–209

value (*continued*)

- meeting expectations used to add, 208
- monitoring, 207–209
- of products and services, 175–177
- quality used to add, 207
- time customers and clients wait used to add, 208
- volume used to add, 207
- Value Management* (Clark), 279
- value proposition, 176
- vanity and ego targeted by products and services, 180
- vanity projects, 259
- variable costs, 150
- variables affecting returns, 132
- victimisation as source of power and influence, 224
- vigilance, engaging in, 354
- violence, minimising and eliminating, 352–353
- Virgin, 146
- Virgin Cola, 58
- virtual organisations, 230
- vision
 - characteristics needed to effectively share your, 89–90
 - critical evaluation of, 91
 - overview, 88–89
- volume used to add value, 207

• W •

- Waitrose, 29
- Walker's Camping Equipment Ltd, 239
- Walton, Sam Moores (Wal-Mart), 97
- wants of customers and clients, identifying, 183
- waste and effluent management, 72
- Waterman, Robert (*In Search of Excellence*), 97
- ways and means, 244
- Website glitches and crashes, 80
- Weill, Sanford (Citigroup), 343
- what-if questions, asking, 348–349
- whistle-blowers, 272
- why you want the deal, knowing, 342–343
- wild and wacky considerations, 256–257
- Williams, Robbie (singer-songwriter), 145
- willingness, 21
- withdrawal, 316–317
- Wood, Henry (Roots Sauces), 211
- Woolworths, 56
- workforce, use of, 70–71
- worst case, assuming the, 351–352
- write-offs, 212
- wrong actions, avoiding, 261–263
- wrong priorities, pursuing, 20

• Z •

- zero sum game, 15
- zero-based budgets, 162