

# September 2014 Newsletter

[Campaign Preview](#)[HTML Source](#)[Plain-Text Email](#)[Details](#)[View this email in your browser](#)

Why we need to be careful about management assumptions

[Blog](#) | [Contact](#) | [About](#) | [Speaking](#) | [Videos](#) | [Books](#) | [Consulting](#) | [Events](#)



RITA GUNTHER | MCGRATH

Author. Speaker. Consultant.

## Dear Colleagues,

There are days when I'm starting to wonder if much of our strategy toolkit is going to survive the transient advantage economy! In this issue of my newsletter, I'll be exploring some of the ways we bump up against these changes in ordinary life.

### Are we indeed confronting a great transformation?

**From execution to expertise to empathy – are you prepared for the next management era?**

In a recent column in the Harvard Business Review, I argued that we are in the midst of a transition from a view of organizations as machines. It used to be that predictability and accurate replication of activities were what management was all about.

Then, we began the era of the knowledge worker, when organizations began to



**Harvard  
Business  
Review**

create value by parsing information and services. Today, I think we're moving toward an era of empathy, in which the most significant advantages companies create consist of creating complete and satisfying experiences that customers will enjoy. We'll be talking about these and other themes in November at the **Drucker Forum** where I'll be sharing the stage with an impressive group of management thinkers. To read the article, click [here](#).

### **Transforming how we make decisions about complex organizations by combining datasets**

Another big shift in how we make decisions in management is the fact that big data analytics can give us the ability to "see" relationships among disparate parts of a system. In an article for an HBR spotlight on analytical advantage, I observed that we now have access to powerful tools for combating complexity when we look at data from different systems. Among the unconventional examples that I found intriguing was the realization by New York City Comptroller Scott Stringer that a decrease in the Parks Department's tree-trimming budget resulted in a sharp increase in lawsuits involving trees! To read the article, [click here](#).



### **Is the hallowed game of golf about to be whipsawed by transient advantage?**

I keep looking for businesses and contexts that seem to be relatively immune to eroding advantages. Based on my numerous experiences with the popularity of the game at practically every significant corporate retreat or management meeting, you'd think golf would be one of those. But lo and behold, participation is down, golf memberships are selling at a deep discount and as one observer remarked, "nobody under the age of 35 is playing". [Click here to read the post](#).



### **Facing the facts about customers**

#### **Honestly, your customers expect you to do your job!**

I'm reminded of a sad little jingle my mom used to quote: "do a little bit more every day, and soon everyone will come to expect more!" So too with customer relationships. What was once exciting and delightful becomes merely nice and

eventually numdrum. In [this blog post](#), I suggest how you can identify the pattern from excitement to taken for granted and propose some alternatives to the hapless ‘customer satisfaction survey’ that so often asks us about things we totally take for granted. The underlying tool is called an ‘[attribute map](#)’.

### And they will (hopefully unintentionally) lie to you, too

As consumers, we constantly get bombarded with companies wanting us to tell them what we really want that will thrill us. When we do, and companies act on that input, the result is often a rather disappointing mess. This post, inspired by Burger King’s abandonment of its “satisfries” lower fat and salt French fries, seeks to remind us all that we are all amazingly clueless about [our true motivations and buying behavior](#). Some answers include observation, prototyping and pilot testing.



## On Corporate life and assumptions about going public: The Latest columns from Inc.

### Rita’s rules about corporations, in two parts.

These articles in Inc. Magazine were inspired by a question one of my family members asked me about whether he (an entrepreneur) should consider a stint at a major corporation. My answer is now summarized in two parts.

In [Part 1](#), I suggest that you shouldn’t take it personally, because it’s a corporation. Expecting fairness, rationality, rewards based on merit and coordinated strategy are also unrealistic. In [Part 2](#), I talk about the hidden structures and politics you’ll have to navigate and offer some survival tips.

### Why do we think going public is such a great idea for startups?

Another topic much on my mind is the poor fit between the requirements of a transient advantage economy, in which you need to continually transform your organization and the “assumed” economy in which advantages last durably. In [this piece](#), I look at why going public may not be such a great deal for younger companies.

---

## *In the News*



- [The End of Competitive Advantage is now available in Japanese!](#)
- [Bloomberg Radio Interview](#)
- [How Google has changed management, 10 years after its IPO](#) (Harvard Business Review – August 20, 2014)
- [How to succeed at Endings](#) (Leadership Freak – August 20, 2014)
- [What is Competitive Edge? Ignore Stability](#) (Big Think – August 18, 2014)



More links to recent press mentions can be found on the [Press section](#) of my website.

## Repeat: Password for the “Tools” Section of My Website

To access the tools part of the web site (downloadable diagnostics, quizzes, spreadsheets and other cool stuff) go to the [RitaMcGrath.com website](#) and use the password - **mcgr8th!** (the exclamation point is part of the password).



## In the Works

### World Business Forum

We're also starting to get the word out about events running in the fall. I'll be taking the stage at the [World Business Forum at Radio City music Hall on October 7](#). The program includes Ben Bernanke, Garry

Kasparov, Malcom Gladwell, Linda Hill and Kip Tindell (CEO of the Container Store) among many others. [Here is the final speaker lineup](#). I never made it as a Rockette, but this will be exciting enough!



### HR World Congress

On October 17, I'll be giving a keynote address at the HR World Congress in Santiago, Chile. [Click here to see the preview video!](#)

## IPS Learning Strategic Execution Summit

On October 22, back to Santa Clara, California for a stimulating **event centered around the challenges of executing your strategy**. Fun to share the event with colleagues Huggy Rao and Bob Sutton, among others.

## Columbia's Programs

On October 23 and 24, I'll be teaching in two Columbia programs, the **General Management Leadership program** and our flagship **Advanced Management Program** (formerly CSEP).



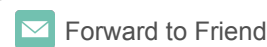
## Leading Strategic Growth and Change

I'm also busy putting the finishing touches on my one-week Columbia course on making your company more competitive in uncertain conditions, "**Leading Strategic Growth and Change**". It runs in New York City beginning October 27.

---

*Hope you are all enjoying the return to the Autumn routines and perhaps a bit of a nip in the air!*

*Rita*



---

*Copyright © 2019 Rita Gunther McGrath, All rights reserved.*  
You are receiving this email because you opted in on ritamcgrath.com.

**Our mailing address is:**

Rita Gunther McGrath  
2880 Broadway  
Armstrong Hall, 4th Floor  
New York, NY 10025

[Add us to your address book](#)

[unsubscribe from this list](#) [update subscription preferences](#)

