

RUTHLESS EXECUTION

What Business Leaders Do When Their Companies Hit The Wall

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The Web site for this book is available at www.ruthless-execution.com.

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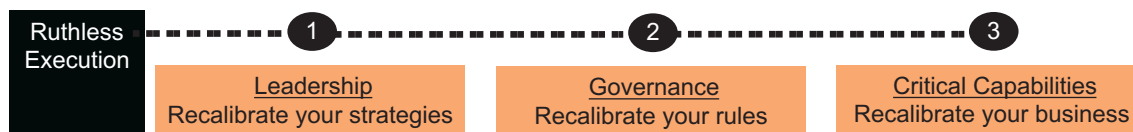
MAIN IDEA

Sooner or later, every growing business enterprise “hits the wall” – where growth peters out because of unfavorable economic conditions, the bad decisions of yesterday, ineffective execution, lack of innovation, missed market opportunities or other reasons. In the past, hitting the wall could mean major problems or even bankruptcy. Today, however, business leaders can use these reversals to their own advantage as an opportunity to revitalize and refocus their efforts moving forward. “Ruthless execution” is defined as the behavior patterns of leaders who cope successfully with business reversals.

Conventional wisdom states that in times of trouble, corporations have two options open to them:

1. Run-and-gun strategy – keep pursuing a grand vision and hope the hype will gloss over the lack of business fundamentals.
2. Slash-and-burn strategy – make massive layoffs and unpopular cost cutting measures to restore corporate profitability.

Ruthless execution, however, suggests a business reversal can have some positive effects. It can force the business to refocus on what it should have been concentrating on in the first place. Managing a business reversal requires a three stage approach:

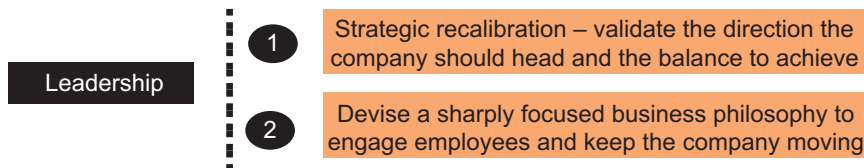


“With the advent of a turbulent economy, with the increasing realization that business resembles a roller coaster more than a rocket ship, with more and more companies plummeting from their peaks, a new, painful fact of life in business has become clear: Companies can no longer assume a steadily upward pattern of growth. Invariably, companies are going to get into trouble from time to time, enough trouble for the ups and downs to become a consistent pattern. Ruthless execution deals honestly and realistically with these reversals and offers some practical ways to overcome these setbacks.”

– Amir Hartman

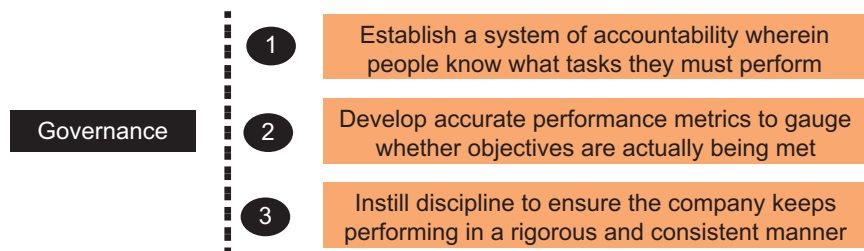
Stage 1 – Leadership – Recalibrate your strategies Pages 2 - 3

To address a setback, you first should decide what matters most to you and your company. This will require that you abandon or divest any projects which are not precisely aligned with where you want to head. In practical terms, there are two basic areas to look at:



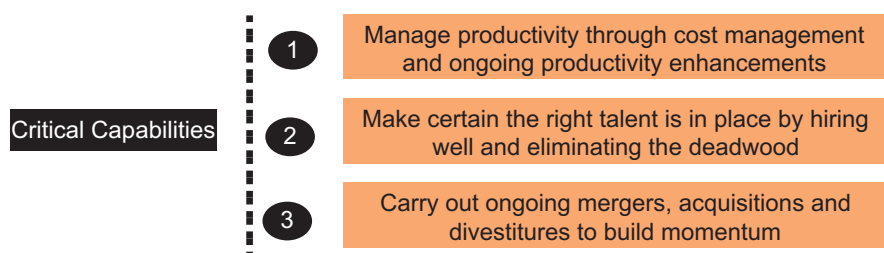
Stage 2 – Governance – Recalibrate your rules Pages 4 - 5

Once you’ve decided where you want to be, you then look at how to get there. This will require changing the rules by which your firm operates, or its principles of governance. There will be three areas to consider:



Stage 3 – Critical Capabilities – Recalibrate your business Pages 6 - 8

Finally, knowing where you want to head and how you want to get there, you now have to execute effectively and develop new capabilities to drive the process forward. The three areas of focus in this third stage will be:



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