SERIES ON TECHNOLOGY MANAGEMENT - VOL. 1

ENGINES OF PROSPERITY

TEMPLATES FOR THE INFORMATION AGE

University of Oregon, USA

JOHN D TRUDEL

The Trudei Group, USA



Contents

Preface		vii
Acknowled	gements	xiii
Part I: Envi	ronments and Models	1
Chapter 1:	INTRODUCTION	3
	Old Think: The Dark Side of the Coming	
	21 st Century	5
	Reassessing Old Think Templates	14
	Unlearning Old Think	15
	Why Old Think Prevails	16
	New Think: From Machine Age to	
	Information Age Imperatives	20
	The New Competitive Landscape:	
	The Engines of Prosperity	24
	Competing in the New Environment	31
Chapter 2:	THE EMERGING KNOWLEDGE-BASED	
	ECONOMY •	37
	The Advent of the Information Age	38
	Characteristics of the Information Age	44
	The Transition to Information Age Thinking	47
	Living in the Information Age	71
Chapter 3:	THE DAWNING OF GLOBAL MARKETS	75
	The Coming of a Global Marketplace:	
	A Historical Perspective	78
	Characteristics of the New Global Marketplace	79

	How Will Globalization Affect U.S.	
	Corporations?	85
	How Well-Prepared are We for	
	the Global Age?	88
	The New Competitors	90
	Emerging Imperatives: Globalization and	
	the Information Age	96
	Asia: The Next Economic Frontier?	99
	The Rise of Asian Networks and	
	Region-States	. 1 0 0
	Implications for U.S. Firms	101
	implications for C.S. I films	101
Chapter 4:	THE NEW TECHNOLOGY	105
-	A Wake Up Cali ".'	106
	Leaders and Losers	108
	If New Technology is the Answer, How Can	
	You Get Some?	109
	Putting Jet Engines on Tractors	113
	Technology Theft	119
	Real Progress Takes New Approaches'	121
	Breaking "The Logic of Failure"	122
	A New Type of .Time	125
	Technology Attitudes. What Matters?	128
	What is Technology (Viewpoints)?	132
	What Technologies Matter?	133
	A Scorecard for Innovation .	134
D (T D		120
Part II: Exa	amples, Rivals, arid Philosophies	139
Chapter 5:	THE ENGINES OF PROSPERITY:	
chapter e.	FOUNDATIONS '	14.
	Introduction	142
	The Initial Promise and Lure of	
	Corporate Strategy	143

	The Traditional View of	
	Strategy Formulation and Implementation	147
	The Strategists Respond: Industry	
	Analysis and Competitive Behavior	152
	Current Criticisms: Inherent Fallacies of	
	Formal Planning	155
	Recasting the Controversy:	
	Determinateness versus Emergent Processes	157
	An, Unanswered Question:	
	What About Other Cultural Contexts?	160
	Imperatives for a New Mind Set .	161
	New Concepts: Core Competence and	
	Strategic Intent	164
	Is <i>Hypercompetition</i> . the Answer?	165
	Drivers of Hypercompetition	167
	Strategic Implications of Hypercompetition	167
	Comparing Traditional and	
	Contemporary Approaches to Strategy	170
	Recommended Action	175
Chapter 6:	THE ENGINES OF PROSPERITY:	
_	APPLICATIONS • ! - • •	177
	Engine #1: Steep Learning/Cost Curves	182
	Engine #2: Demand	
	Amplification/Increasing Returns	184
	Engine #3: Technology Generators,	
	Bandwagons-and Lock-in Processes	. 189
	Engine #4: Innovations and	
	Technological Disruptions '	192
	Engine #5: Outsourcing and .	
	the Unraveling of a Firm's Value Chain	195
	The Engines in Context: The VCR Industry	201
	The Engines in Context: Semiconductors	207

	The Key Industries as Defined by	
	the Engines of Prosperity:	
	Is There a High Ground?	211
Chapter 7:	THE ENGINES OF PROSPERITY:	
	IMPLICATIONS	217
	Shortening the Short term:	
	The Battle of Life Cycles	219
	Sustaining Advantage Means Unloading	
	Your Strengths	221
	From Separate to Cross-linked Markets	224
	Management Models:	
	From Control to Empowerment	226
	From Traditional Silos to	
	Cross Functional Teams	230
	Weak Signals Presage Opportunities	237
	From Flush Solutions to Mindful Action	239
	From Process Approaches to	
	Action Experiments	241
	Innovation versus Refinement	. 245
	Customer Surveys to.	
	Enlightened Discussions	250
Part III: Ac	etions and Attitudes	255
Chapter 8:	THE MANAGEMENT CHALLENGE —	
	WHAT TO DO?	257
	Back to Basics #1: Unloading	258
	Back to Basics #2: Finance	264
	Back to Basics #3: Metrics	267
	Back to Basics #4: Empowerment	272
	Back to Basics #5: Intuition	279
	Back to Basics #6: Outsight	283
	Back to Basics #7: Seek and Ye Shall Find	290

		Contents	XX1
Chapter 9:	THE LEADERSHIP CHALLENGE —		
	WHERE TO AIM		295
	Strategy is All in Your Mind — Literally		296
	Empowerment and Envelope Supervision		
	Beats Control		303
	Small is good — From Markets to Niches		310
	Dominance to "Nimble-and-Quick"		315
	How to Explain What to Do?		319
Chapter 10:	THE INSTITUTIONAL CHALLENGE:		
	WHAT TO REFLECT ON?		329
	Asian Alternatives		338
	Rethinking Subtle Guidance		345
	Ideology versus Reality		349
	Rethinking Free Trade Ideologies		353
	Barbarians at the Keyboard		354
	Towards the Enlightened Workforce		357
	A Call to Action		361
	Appendix: Monday Morning Actions —		
	Some Concluding Thoughts		363
	. I		
Endnotes	'		365