



PERFORMANCE DASHBOARD

THE MEASURE OF SUCCESS FOR LEADERS

STRATEGY - KEEP IT SIMPLE

One of the barriers to clear and repeated communication, coordination and implementation of strategy is complexity. There have been several strategic planning clients of Performance Dashboard that seem to believe complicated is better. Perhaps they believe in a complex non-stop-changing global marketplace, the only way to succeed is to do complex things. Complicated difficult strategies and strategic initiatives may or may not confuse and keep your competition at bay, but they will most always confuse the people in the organization. Consider what Steve Jobs encountered when he was asked to return as Interim CEO of Apple in 1996, which later became permanent, after his company NeXT was bought by Apple, and after he was ousted from Apple in 1985. The company was losing money and there were rumors that competitors were positioning themselves to buy the company. Apple was marketing and selling many different kinds of computer hardware at the time that, as Jobs said... “we couldn’t even tell our friends which ones to buy.” These included the 1400, 2400, 3400, 4400, 5400, 5500, 6500, 7300, 7600, 8600, 9600, the 20th Anniversary Mac, e-Mate, Newton, and Pippen. This long list not only confused Apple customers, it confused Apple developers who wanted to know what products to work on and what to ignore. By the end of 1998, Apple was selling none of these products; its product line had only a few computer platforms – a laptop and desktop for home, educational, and business markets. Jobs had instilled a new corporate strategy of recognizable products and simple design, starting with the original iMac. With simplifying their strategy Apple returned to profitability in 1999.

In Harvard Business Review article 9-399-150 REV: May 3 2005, GE’s Two-Decade Transformation: Jack Welch’s Leadership, Mr. Welch CEO of General Electric (GE) was insistent to make GE become more “lean and agile”. Welch used “real time planning” built around a five-page strategy playbook. Each business’s playbook provided simple one-page answers to five questions/strategies concerning the following: **Strategy Playbook...**

1. Current market dynamics, 2. Competitors’ key/recent activities, 3. GE’s business response, 4. Greatest competitive threat over the next three years, 5. GE’s planned response