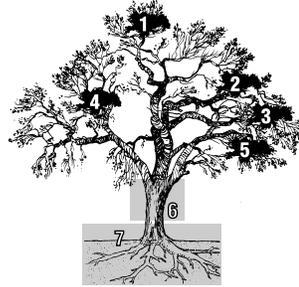




Business Monograph

by Hank Moore
Futurist
Corporate Strategist™



Developer of
the concept known as
THE BUSINESS TREE™

Mastery of the Big Picture Trends and issues affecting the future of business.

By Hank Moore
Corporate Strategist™
Futurist, Vision Expeditor

This Monograph is for organizations which wish to grow successfully, excerpted from Hank Moore's book series: **The Business Tree™, The High Cost of Doing Nothing™, It's Almost Tomorrow™, Confluence, Secrets of the CEOs, Pop Culture Wisdom.**
© 2002 by Hank Moore

The business climate ahead is tough and filled with uncertainty, which translates into opportunities. Those who believe the old ways still work shall fall by the wayside. Innovation and the ability to fill new niches will signal the successful businesses of the future.

Take this quick test, as part of your strategic planning for the next two years:

- * Does your company have a cohesive business plan, with results-oriented positioning and marketing objectives, updated every year?
- * What is the nature of your business now, as compared to when you entered it? What has changed, and who are the new entrants?
- * Which marketplace factors are out of your control? Which do your competitors control? Which are within your company's grasp?
- * How well does the marketplace understand your organization and its value to the business bottom line? Are there misperceptions that need changing?
- * Are you active in professional associations or chambers of commerce? Are they meeting your business needs?
- * How much has your company given back to the communities which support you? Is there an organized plan of reciprocation, with a business development design?
- * How well trained are your employees? Do they have the company vision? With some fine-tuning, how much could you multiply the effectiveness of your workforce?

The successful manager identifies and meets emerging issues before they take tolls. With informed outside counsel charts the company's course in a judicious manner. In an era of downsizing, cutbacks and a reluctance to expand, the same four principles of market dominance are still applicable:

1. Sell new customers. Without adding to the base, the business goes flat.
2. Cross-sell existing customers. They are easier to convince and see great credibility in your company. Most customers do not know all the product-service lines that you offer. It's your obligation to enlighten them, to facilitate their making wise buying choices.
3. Create and market new products-services. Having that mousetrap does not mean that the public will automatically beat a path to your door.
4. Joint-venture to create additional marketplace opportunities. By combining disciplines, you can attract new business and pursue new, creative solutions for clients. We can no longer do business as Lone Rangers.

Trends and Factors Shaping the Future

Categorized per each branch of The Business Tree™

Based upon our studies of the business climate, counseling with top corporations and insight into business problems and challenges, I have identified the major emerging issues of the next two years. These factors will radically open new doors for those companies which are prepared.

1. The business you're in

Results-driven business.
Competition and changing marketplaces.
Deregulations.
Industry segments.

2. Running the business

Downsizing.
Technologies.
Business conducted at home.
Creating new efficiencies.
Rules, responsibilities and ethics.

3. Financial

Fluctuating economies.
Global economic development.
Incomes of companies vs. earnings.

4. People

Workplace illiteracy.
Societal changes.
Consequences to changing cultural panorama.
Workforce diversity.
Generational differences.
Drug testing (deemed legal in court challenges).
Age discrimination.
Back-handed ethnic discrimination, detriments to diversity.
Perceptions of a homogenous workforce.
Education of the workforce.

5. Business development

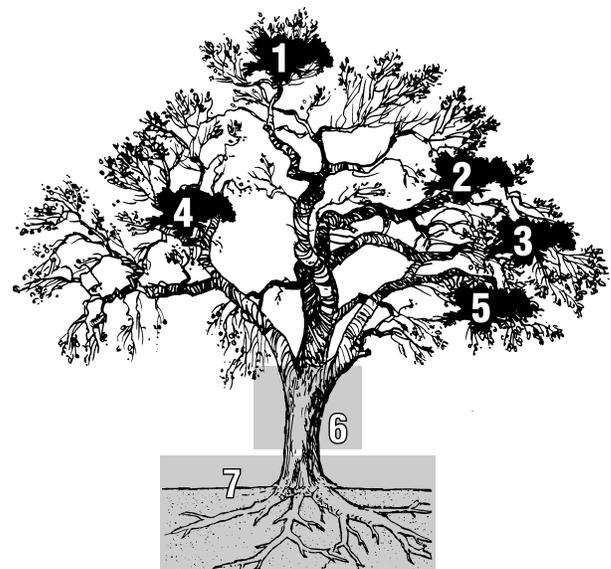
Branding and niche marketing.
Cause Related Marketing.

6. Body of Knowledge

Intellectual property issues.
Fear, failure and success ratios.
External influencers.
Regulators and Government Relations.

7. The Big Picture

Growing necessity for longterm strategy.
Strategic repositioning.
Corporate Cultures.



7 Biggest Misconceptions About Business

1. Winning is paramount...no matter what the prize. Prove that you're right by making others wrong. It's not enough to win, but the competitors should suffer. "Might makes right" mentality blurs reasonable decisions by business leaders.

2. Executives know what they are doing. They are properly trained and have all resources necessary to manage. Belief that executives have all talents, especially people skills. This puts company destiny in the hands of people who themselves need to be groomed-mentored.

3. Employees are sufficiently trained to do their jobs. Policies and procedures will take care of everything else. Employees know what they should do. This mindset leads to mis-use, mis-casting and costly make-goods by the company's most valuable resource, its people.

4. Technology and gadgets make the extra difference. Technology will solve all company problems. Besides, putting money into gadgets means that you don't have to address other shortcomings. People tend to focus more upon gadgetry than deeper organizational issues.

5. Flaws can be excused, patched or scapegoated elsewhere. If sales are up, then the company must be "doing something right." Temporary success excuses company dysfunction. Artificial success is the downfall of every organization.

6. Customers' opinions don't matter as much as that of the CEO. Don't ask for substantive input, nor evaluate what is uncovered. Efforts directed toward making the company policies right and, therefore, the customer wrong. This sabotages business development.

7. There is a master plan. More often, the "plan" is a series of sales projections-quotas and says that problems will be handled via "band aid surgery," only at such time as it is absolutely necessary. It's amazing how many companies rigidly refer to "plans" that don't really exist.

Fads, Panaceas and Quick Fixes Utilized by Businesses Rather than Focus Upon and Plan for the Big Picture

Activity-based costing
After-action review
Agile manufacturing
Benchmarking
Branding
Cognitive therapy
Commitment management
Continuous improvement & TQM processes
Core competencies
Customer focus
Cycle-time reduction
Dialog decision process
Downsizing--Rightsizing
Economic value-added
Groupware
Information technology architecture & systems
Learning organizations
Outsourcing
Process engineering
Scenario planning
Self-directed teams
Sense and respond
Skill sets
Strategic alliances
System dynamics
Total quality management
Value chain analysis

Problems and Challenges Facing Growing Companies

Progress vs. Isolationism. For all we have achieved, our society is more polarized than ever. Like minds and appearances surround themselves with those like themselves. Diversity is not sought. Sameness is the mantra, by default.

Focus on Micro vs. Macro. It's easy and convenient to zero in on small details than to solve problems...than to get at root causes of deeper issues. Very few managers have ever been taught to become skilled generalists. Big Picture thinking is not given much of a forum.

Band-Aid Surgery for All Business Problems. Society is predicated upon putting out the latest "fire," only when it arises. Most businesses deny the existence of a Big Picture and cannot plan for it. They don't utilize strategic planning and visioning processes because they were never taught any, nor know what they are. Thus, band-aid surgery costs businesses six times more each year than the broader approach which this book advocates.

Workplace Illiteracy. Half of the corporate workforce is functionally illiterate, making costly decisions and failing to conserve company resources. They may have degrees and computer savvy, but thinking-reasoning skills, people experiences and professionalism have not been developed. The common denominator of today's workforce is lower than it was 25 years ago. Workplace illiteracy is at an all-time high. Educated people are making costly mistakes in business, and their supervisors are not comprehending the reasons why. Continuous quality improvement can and should be effected.

Poor and Nonexistent Customer Service. Customer service is presently at an all-time low...and getting worse. Business does not comprehend how it poorly treats, mistreats or neglects its means of support. We must always make the customer a priority. Customer service is something that we think and do, not an add-on sale. It must be inculcated into every dynamic of business, at every level in the organization and with accountability factors attached.

Technology Overload and Overexcuse. Technology is wonderful, yet it represents a fraction of a percent of organizational importance. In 1999, business spent \$600 billion on Y2K compliance...diverting funds from planning, training, marketplace development and other priority issues. At least it was a form of planning, though proper front-end visioning would have precluded Y2K expenditures. Technology gets unfairly blamed and scapegoated for problems in other areas of the organization, becoming a barrier to customer service. More people have computer skills than people skills. We must utilize technology as the wonderful machinery that it is...but not let it preclude wholistic development of the business.

The High Cost of Hype. Some companies believe the statements that they are issuing. Some either skillfully lie to get what they think they want...or may really believe themselves to be what they hype to publics who don't know any better. Many consumers are gullible, "name" crazy and susceptible to grandiose claims. They take what is said at face value because they have not or don't care to develop abilities to discern what is hyped by others. They believe distortions faster than they believe facts, logic and reason. Consumers naively believe misrepresentations...to the exclusion of organizations which are more conservative, yet substantive, in their informational offerings.

Further Spinning. People talk and perceive life in "spin doctor" bites, rather than true perceptions. This comes from teasers on TV newscasts, which lead to incorrect generalizations, which lead to patterns of thinking. Politicians and purposefully-nebulous business leaders put more sophisticated "spins" on the same concepts. Thus, the average person emulates these patterns of talking, which become their methodologies for viewing life, which cloud objective thinking.

Button-Pushing Society. We want quick fixes, which usually lead to bills of goods that someone is selling. Our society continually seeks button-pushing answers for life's complex problems without paying enough dues toward a truly successful life. This book is the antithesis to that phenomenon...showing that business is an array of ideologies, processes and subtle nuances. Avoiding the temptation to short-circuit the necessary steps is really the road to gold.

Shoot, Ignore or Ostracize the Messenger. Most advice is obtained from the wrong consultants. Companies buy bills of goods from people who recommend what they're selling, rather than what is really needed. Thus, consultants are scapegoated and given a bad name. Blaming someone else is a way of avoiding the processes of improvement and quality.

Putting Tomorrow in Someone Else's Hands. Tomorrow is ours to craft, not that of vendors. Futurism is a process of thinking, reasoning, creative problem solving, interaction with others, thinking outside your frame of reference and personal commitment. Futurism is not esoteric, nor is it a quick fix. It is a process of change, 90% beneficial.

Management Challenges, Opportunities

Categorized per each branch of **The Business Tree™**

1. The business you're in

Delivery of products and services.
Fewer safety nets, less reliance upon the old ways.

2. Running the business

Productivity through uncertainty.
Putting technology into perspective.
Quality.

3. Financial

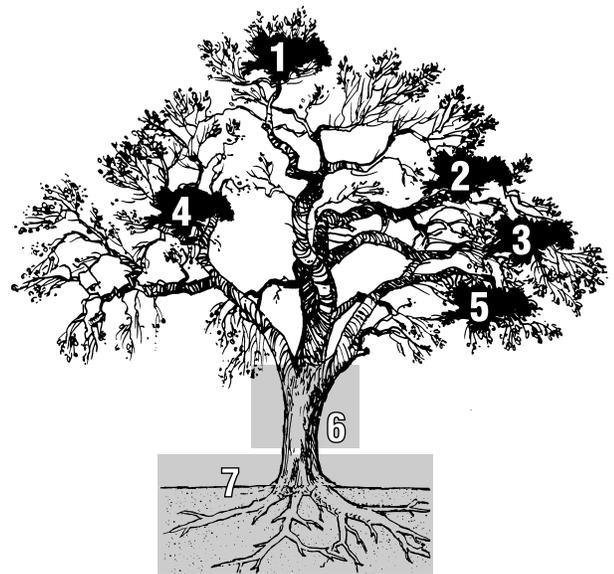
Economies without borders.
Outsourcing and privatization.
Accountability, measurements and benchmarking.

4. People

Feminization and diversification of organizational culture.
Team building and team links.
Professional education, development and training.
Communications and trust.
Rights and respect.
Awards, incentives and recognition.
Performance reviews.
Personal visions and plans...employee ownership of their productivity and, thus, the company.
Problem-solving skills.

5. Business development

Methods of communications.
Collaborating, Partnering and Joint-Venturing.
Customer relations. Providing value-added.
E-business and debunking the e-business myths.
Research...Human Intelligence.
Court of public opinion.



6. Body of Knowledge

Front-burner business issues.
Institutionalization of rapid change.
New understanding of organizations.
Growth strategies programs.
Crisis management and preparedness.
Executive leadership. Mentoring heir apparents and future executives.
Cooperations with government and the private sector.
Champions, inspirors and visionaries.

7. The Big Picture

Worldwide competition for new ideas. Creative idea generation.
Strategies and stages in management implementation.
Strategic Planning and Corporate Visioning.

Steps in the Corporate Visioning Process

Synthesizing information, data.
Draw parallel analogies.
"What If" situational analysis.
Mapping strategies.
Create alternate visions.
Prioritizing visions.
Select the right vision.
Package the vision.
Communicate and articulate the vision.
Get buy-in.
Implement the vision.
Leadership development of executives.
Altering the organizational climate.
Organizational learning.
Organizational leadership.
Executive mentoring.
Vision scope adjustments.
Vision contexts (understanding, monitoring, updating).
Vision choices (contemplated, made, benchmarked).
Continuing Futurism.
Behavioral modification.
Commitments to do more, learn more, change more.
Reap realities of successes and failures.
Take vision to the next plateaus.

Short-Term Futurism.....

See how far you've come.
Continue to benchmark and recognize progress.
See what things that you could not do before this process began.
End goals are not the objective...making strides is most important.
Recognize that no end goal may be reached.
Goals are constantly changing.
Create a "buddy system," a network of supporters for your pro-active process.
Change in realistic increments.

Factors of Futurism Which Must Be Addressed

New kinds of products
A new company
The past as a teaching tool
Retreading old knowledge, technologies, marketing and products
Necessities
Changing competition
Turning competitors into collaborators and sometime-suppliers
Putting people above technology
Customer focus
The customer's customer
Information overhead...cutting through the clutter
Changing definitions of productivity
Where new ideas come from
Creating new business concepts, philosophies, processes
Levels of understanding
Developing insights-visions beyond information
Concurrent Re-Engineering
Thinking Ahead
Crisis Management and Preparedness
Taking Futurism Out of the Esoteric and into Daily Utilization
The past as a teaching tool

Top 21st Century Futures

1. E-Cybernation: Computers, TV, newspapers, and other media merge, along with their content--entertainment, news, training, etc.
2. Bio-Age: Biotechnology transforms medicine, eliminating many human ills.
3. Personal Robot Slaves: Sentient but obedient robots will become affordable and commonplace.
4. Intelligent Things: Computer chips will be embedded in all of our stuff--and in ourselves.
5. Exploiting Outer Space: Exploration of our neighboring planets will lead to settling, mining, and manufacturing.
6. Quantum, Nanotech, and Holodeck Computer Ages: Computers are destined to become a billion times more capable than today's systems.
7. Interactive TV Sitcoms: The entertainment industry will continue to be a key driver of technological advances.
8. Nonlethal Weapons: Public safety will increase thanks to advances in humane crime fighting and weapons technologies.
9. Redesigned Humans: Bioengineering will merge with computing to create healthier, wiser people.
10. Doubling of Human Life-Spans: Reversing the physical and mental processes of aging may soon be within our reach.

7 Ingredients of Success

1. Finding knowledge in new and unique ways. Strive to learn something new everyday. Learn from examples (good and bad). Education leads to knowledge, which leads to wisdom. Develop continuing education, professional development and life philosophies.

2. Doing work that you're proud of. No matter what the job title, task or career orientation, work can be done professionally. If it doesn't mean something to you, it will not contribute to the marketplace or society at large. When you value it, they will begin to reciprocate.

3. Developing a philosophy...individually and organizationally. Analyze where you've been. Evaluate strengths and weaknesses. Analyze and strategize opportunities. Establish bigger goals this year than you had last year...with means and reasons for reaching them.

4. Handling mistakes and crises. Everyone makes mistakes. The mark of Quality is how you handle them. Learn the art of diagnosing problems, taking input and effecting workable solutions. Planning for crises will divert them from occurring, 85% of the time. Waiting until the last moment to apply "band-aid surgery" is self-defeating and costly.

5. Dealing with fear. Everyone has fear. Those who deny it the most are detrimental to your success and that of your organization. Understand fears, and set plans to work with them. Remove barriers to success. Turn internal fears into motivating forces. Fears will never go away...but can facilitate the path toward success.

6. Learning to read others' screens. Put yourself in other people's shoes, and communicate in their sphere...to achieve desired actions-results. Learn what motivates others and colors their take on life...in order to work well with diverse peoples and organizational cultures.

7. Self fulfillment, purpose and commitment. Career-Life Vision, Body of Work. Develop a strategic plan, core values and action steps to accomplish your dreams. While others may roam aimlessly through life, you will achieve, sustain and share success. Commit to and thrive on change.

Advice to Management

Charting the course of a company is a lofty responsibility, with so many factors riding on the outcome. It's lonely at the top, and most corporate executives are hard pressed to know where to turn for informed opinion. Effectively utilize outside advisors.

Having consulted and implemented programs in all of the above-listed areas for corporate, public sector and mid-sized business clients, we have quantified the efficiencies of front-end investment.

Longterm planning facilitates a total and cohesive business approach. It signals the future and new, creative ways of doing things. Think to the future, and analyze where your company wishes to be. With strategic planning and implementation, success is attainable.