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Corporate governance

Perquisites under the microscope 44

Catherine M. Dalton and
Dan R. Dalton

Due largely to the opacity in their being reported in prior years, executive perquisites have "flown under the radar screen," receiving scant attention from shareholder activists, investors, or other interested parties. But new regulations in the USA require companies not only to report the value of perquisites, but also to be clear about what constitute perquisites.

Strategy crossroads

Thinking for breakthroughs 47

Ajit Kambil

Executives can actually improve the odds of generating breakthrough ideas and solutions in their organizations by encouraging disciplined approaches to thinking that greatly enhance the odds of breakthroughs. Through a series of illustrative examples focused on creating differentiated thought leadership, this article outlines five approaches to critical thinking that can increase the likelihood of new strategies and discoveries.

Reaching for value

Translating competitive strength
into bottom-line performance 50

Stuart E. Jackson

For Samsonite, the luggage company, across-the-board cost-cutting in the past failed to deliver substantial profit improvements while stifling growth. More recent insights into how Samsonite's costs compared with those of industry peers and a recognition of the company's untapped strength as a global competitor have led the company to redesign its overall business model, with a resulting stronger bottom-line profitability and accelerated growth.

Feature articles

End of the multinational: emerging markets redraw the picture 4

Andrew Inkpen and Kannan Ramaswamy

Many of the founding assumptions of multinational corporation (MNC) strategy have undergone radical change as global integration between firms and countries continues to march forward, compelling managers and strategy analysts to find new ways to deal with globalization. The authors discuss five key trends that include the declining relevance of geography, emerging interconnectedness across boundaries and the new wave of MNCs from India and China and their approach to global competition.

Launching store brands in emerging markets: resistance crumbles 13

Ram Herstein and Eugene D. Jaffe

Store brands, once found only on the shelves of developed countries, have recently been taking more display space in emerging markets as well. The authors describe the forces that have led to this development and the strategies that emerging markets need to employ to be successful with store brands. Their research includes comparative statistics on the penetration of store brands in both developed and emerging markets.

Forecast for financial services in 2010: no room for laggards 20

Chris Gentle

Success for financial institutions in the next few years will hinge on creating an exportable, low-cost business model designed for low income, high volume customers in emerging economies. Shrinking margins and commoditization will favor major organizations and growing the top line will become increasingly difficult. Growth strategies will move away from product innovation to process and service improvements, according to the author of this survey on the future of financial services.

Where has all the synergy gone? The M&A puzzle 29

Kristin Ficery, Tom Herd and Bill Pursche

Although M&A activity has not slowed appreciably, the outcomes still leave many analysts wondering about the low success rate. The authors define six common mistakes that acquiring executives make and how they can achieve better synergies. Among the missteps are missing the window of opportunity, incorrect or insufficient use of incentives, and not having the right people involved in synergy capture.

Extending innovation boundaries: corporate venture capital gives large
firms a strategic option 36

L. Gregory Henley

Investing in entrepreneurial ventures can help large firms pursue corporate entrepreneurship initiatives. Not only do ventures provide a disproportionate share of radical innovations, but also investing in them allows larger firms to manage the risks and uncertainties of innovation, enjoy a steep learning curve and increase bargaining power.