60 Home Depot’s Blueprint for Culture Change
Ram Charan

There comes a time in the life of a growing company when it needs to exchange the thrill of entrepreneurial spirit for the strength of established power. Most companies make the leap through their leader’s charisma—but Home Depot did it systematically. Take a look inside the company’s culture-renovation toolbox.

72 When Should a Leader Apologize—and When Not?
Barbara Kellerman

For leaders, eating crow is a high-stakes move. Here’s how to decide whether a public apology is called for and, if so, how best to offer it.

82 Localization: The Revolution in Consumer Markets
Darrell K. Rigby and Vijay Vishwanath

For the past 25 years, the big winners in consumer markets have pursued standardization. But success for manufacturers now depends on their ability to stimulate sales and innovation by catering to local differences while maintaining scale efficiencies. In the end, standardization erodes strategic differentiation and leads toward commoditization—and the lower growth and profitability that accompany it.

96 Introduction

98 Match Your Innovation Strategy to Your Innovation Ecosystem
Ron Adner

Getting to market ahead of your rivals is of value only if your partners are ready when you arrive. That’s why you need to take into account the complexities and risks of partnerships—and to tailor your innovation strategy accordingly.

108 Manage Customer-Centric Innovation—Systematically
Larry Selden and Ian C. MacMillan

Customer centricity is a prerequisite for sustainable profitable growth, but it’s a rare organization that understands what it means to be truly customer centric. A disciplined process of customer R&D at the front lines will transform stalled innovation programs into an enduring competitive edge—and a growing market cap.

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