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62 The Four Principles of Enduring Success

Michael E. Porter (with John V. Dember)

In this pair of essays, the legendary strategist argues that managers need to think strategically about the four principles of an enduringly successful firm.

64 The Long Drive Lessons from Toyota's Long Drive

Kazuhiko Watanabe

Interviewed by Thomas A. Stewart and Andrew R. Fersht

Toyota's president explains why the automaker must continue its journey toward perfecting its manufacturing and design capabilities in order to remain one of the world's leading companies.

84 To Succeed in the Long Term, Focus on the Middle Term

Caroline A. Moore

Why do many companies fail in their second, third, or even fourth generation? It's not because their management teams turn myopic, but because the strategy and organizational processes evolved over time no longer make sense. To avoid this fate, companies need to build flexible, long-term strategies.

92 Building a Leadership Brand

Gary J. Shapiro and Yoram Shmueli

A reputation for producing great leaders can last for years. And today, having a leadership-specific brand can give a firm a competitive edge. The best way to build such a brand is to create a leadership experience that is consistent and consistent with the leadership model that the firm values.

104 If Brands Are Built over Years, Why Are They Managed over Quarters?

Leonard M. Lodish and Carl J. Leake

The tradition of managing the brand as if it were a financial asset or as a piece of real estate is starting to change, but during a period of economic contraction, whatever form the brand management takes, it needs to be aligned with the goals of the business.
114 The Making of an Expert
K. Anders Ericsson, Michael J. Prietula, and Edward T. Deci
To become an expert, you must discard the myth that genius is born, not made. Scientific research over the many years that elite performance comes primarily from years of practice, dedicated coaching, and relentless effort to understand and control materials.

122 Six Rules for Effective Forecasting
Paul Sloot
The wise consumer of a forecast is not a trusting bystander but a competent and discerning analyst. Here are six common-sense rules for distinguishing good theories from bad and for developing your own.

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139 Managing Our Way to Economic Decline
Robert H. Hayes and William J. Abernathy
Unlike Europeanized Japanese managers, American managers have sometimes avoided the hard line on loss, missed the competing technological opportunities, and failed to transform short-term efficiency gains into long-term, big-process improvements. Exploring what has happened provides a number of lessons for today's companies.

150 Using the Balanced Scorecard as a Strategic Management System
Robert S. Kaplan and David P. Norton
How do you analyze today's actions, which will help your company reach tomorrow's goals? By using the balanced scorecard tool. Kaplan and Norton describe how the strategy map information is translated into a strategic map with short-term, immediately visible metrics.

162 The Knowledge-Creating Company
Rip Torn, Matthew W. L. Viswanath
Japanese companies, leaders of manufacturing, are also the leaders in the creation, management, and use of knowledge—especially this tacit and often subjective knowledge, the knowledge of employees.

172 A Road Map for Natural Capitalism
Amy B.Lovins, L. Hunter Lovins, and Paul Hawken
Renee Maingot, who has pioneered the concept of natural capitalism, presents a plan to make the world a better place, one step at a time, by using renewable energy sources. Can you compete fairly without fossil fuels?