

## Times Managing's

## Best Business Books of 2006

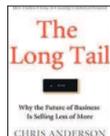
Just about anyone who is somebody is writing a business book today. Bookstore shelves are sagging with titles that claim to tell you everything about winning companies, business leaders, and the supposedly-unknown secrets of leadership, success, innovation. The year 2006, too, had a fair share of junk masquerading as business wisdom. But there were also a handful of true page-turners. Here's a selection of 10 of the books that were noteworthy in the true sense.

So while *The Undercover Economist* continues with last year's theme of making Economics fun (remember *Freakonomics*?), tech-journalist-turned-book-author Chris Anderson takes a long hard look at the notion that companies need to focus on a handful of their bestselling products and turns it on its head in *The Long Tail*. There were two more journalists-turned-authors: *Fast Company*'s William Taylor and Polly LaBarre who identify companies that "out-think" competition and tell you how in *Mavericks at Work*. This year two important business figures have put their thoughts on paper. Carly Fiorina with her version of the H-P story; and Apple co-founder Steve Wozniak who finally decided to write after 20 years of trying to do so. This year saw a fair number of sequels as well.

So here, then, is our selection of 10 of 2006's must-reads.

### The Long Tail: Why the Future of Business Is Selling Less of More

By Chris Anderson (Hyperion)



Conventional wisdom is about focusing on the hits. This book suggests the opposite. "If the 20th century entertainment industry was about hits, the 21st will be equally about niches." In simple words, businesses need to look beyond the hits or the high-volume end of a traditional demand curve. They need to look at the misses—or the "long tail" of the curve. The internet is making this possible. Look at any typical online retailer. Amazon.com, for instance, has an inventory of 3.7 million books whereas a Barnes & Noble store carries about 100,000 titles. And here's where the difference arises: the 3.6 million less popular books not carried by Barnes & Noble account for 25% of Amazon's total book revenues. Anderson, the editor-in-chief of *Wired* magazine, found his inspiration for writing the book after a visit to Ecast, a digital jukebox company. Almost 98% of the albums in Ecast's library sold at least one track every three months. "And because these were just bits in a database that cost nearly nothing to store and deliver all these onesies and twosies started to add up," Anderson writes.

### The Undercover Economist

By Tim Harford (Oxford University Press)



The next time you sit down at a Starbucks to sip on a venti white chocolate mocha, stare hard at your bill. You ought not to pay so much for it! If the author of *The Undercover Economist* is to be believed, coffee bars are not charging you so much for the coffee, but for the location and the convenience. That's the beauty of this book. It demystifies economics and makes it fun. Harford examines every day things—like coffee prices, traffic jams and prices of second-hand cars—and continues in the vein of last year's bestselling *Freakonomics*. The result is a fun guide to everyday economics.

### iWoz

By Steve Wozniak and Gina Smith (W W Norton)



It took Apple Computers' co-founder, Steve Wozniak nearly two decades to write his autobiography. Even though several publishers signed him up at different times, the restless inventor kept finding new things

to do and invariably kept returning his book advances, the job still undone. But *iWoz* is worth the 20-year wait. The book is an interesting narrative of how both the Steves—Jobs and Wozniak—started Apple. They needed \$1,000 to begin with. So Wozniak sold his HP 65 calculator for \$500 but got only half the money. Jobs sold his VW van for another few hundred dollars. "He figured he could ride around on his bicycle if he had to. That was it. We were in business." The book also contains accounts of Wozniak's life as an engineer, a concert promoter, teacher (yes, he taught in school as well), a philanthropist, and the incorrigible and endearing prankster. More important, *iWoz* clears the air on his supposed misunderstanding with Jobs.

### Mavericks at Work

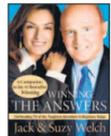
By William C Taylor, Polly G LaBarre (William Morrow)



*Mavericks at Work* has a simple premise: It is not important to keep pace with competition; you need to constantly be one step ahead. The authors, both founding editors of *Fast Company*, traversed the length and the breadth of the US for 18 months looking for what they call maverick companies. They ended up with a list of 32 companies which have managed to "out-think" competition. These include Southwest Airlines, Pixar and ING Direct which have redefined the rules of the game by doing one of these four: rethinking competition, reinventing innovation, reconnecting with customers, and redesigning work. Take internet bank ING Direct. It offers "alternatives to the worst practices of its rivals". So while other American banks lead people into spending more, ING Direct encourages savings "to serve as an antidote to a toxic financial culture that encourages individuals to save too little, spend too much, and make investments that are far too risky". That has paid off: "In less than six years... [it] has attracted nearly four millions customers—and \$40 billion worth of deposits."

### Winning: The Answers: Confronting 74 of the Toughest Questions in Business Today

By Jack Welch, Suzy Welch (Harper Collins)

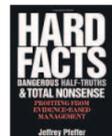


Jack Welch never goes out of fashion. After dominating last year's bestseller charts with *Winning*, Jack and Suzy Welch are back with a sequel which is on the 2006 bestseller charts as well. *Winning*, published in April 2005, evoked a huge response from readers and the Welchs were inundated with questions from the world over. The questions themselves span a variety of issues: personal growth, globalisation, the future of the European

Union, entrepreneurship, family business, making different company departments effective and advising grandchildren on what they should do with their lives.

### Hard Facts: Dangerous Half-Truths and Total Nonsense: Profiting From Evidence-Based Management

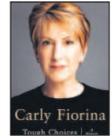
By Jeffrey Pfeffer and Robert Sutton (Harvard Business School Press)



Stanford professors Pfeffer and Sutton train their guns on management fads in their latest collaborative venture (the earlier one was *The Knowing-Doing Gap*). Companies tend to have blind faith in management fads just because they worked for some other company. Pfeffer and Sutton conduct surveys and studies and systematically debunk one management fad after another—like the forced rankings system of performance appraisals, or whether layoffs improve business performance. They exhort companies to look for evidence before taking decisions. They warn against benchmarking as companies may end up copying the wrong thing.

### Tough Choices: A Memoir

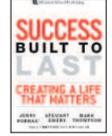
By Carly Fiorina (Penguin Portfolio)



During her reign at Hewlett-Packard, Carly Fiorina exemplified woman power. She featured on the covers of several prominent business magazines. And year after year, she figured on the list of the most powerful women in the world. Then one day, she fell from grace after the ill-fated H-P and Compaq merger. It's taken her a while but finally, Fiorina has come out with her own version of the story. *Tough Choices* is about Fiorina's career spanning AT&T, Lucent and H-P, her successes and failures, the problems that cropped up along the way, and the circumstances that led to her ouster. Critics disagree with her account of what really happened at H-P. The book is still a compelling read. After all, it is a telling account of the corporate world through the eyes of a woman.

### Success Built to Last: Creating a Life that Matters

By Jerry Porras, Stewart Emery and Mark Thompson (Wharton School Publishing)

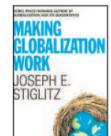


In 1994 Jim Collins and Jerry Porras wrote *Built to Last*, which continues to be a bestseller. After 12 years, Porras has come up with a sequel which tries to explore the causes of success. The book is based on in-depth interviews of

people who have been successful for at least 20 years. Over 10 years, the authors conducted 200 personal interviews with people like the Dalai Lama, Nelson Mandela, Quincy Jones, Steve Jobs and Richard Branson. There are interesting lessons here, like the "Mandela Effect". The authors say, "Although history supports Mandela's noble intentions, the fact that he didn't start out as a saint...before his long walk to freedom, makes his journey even more useful and inspiring... That's the Mandela Effect—when you can create enduring success... because you have the courage to do what matters to you." The bottomline: Success is not about breakthrough ideas and business models. It is about compelling personal commitments to things one cares about.

### Making Globalization Work

By Joseph Stiglitz (W W Norton)



In his 2002 book, *Globalization and its Discontents*, Nobel Prize winner Joseph Stiglitz argued that globalisation had not benefited as many people as it should have. It argued that if pursued in the right ways, globalisation could eradicate poverty and promote economic growth. His latest book takes off from here. Globalisation has obviously benefited a handful at the detriment of others. Sample this: a cow in Europe "earns" more than half of the people on the planet. The \$2 a day subsidy of the European cow is equal to the cut-off line defining poverty, and half of the Earth's inhabitants live below this level. So how does one correct the situation? Stiglitz offers a few answers. Like greater democracy in the global trading system.

### 10 Rules for Strategic Innovators: From Ideas to Execution

By Vijay Govindarajan and Chris Trimble (Harvard Business School Press)



Take a look at the first Fortune 500 list which was published in 1955, and contrast it with a recent one. Less than 10% of the companies in the original list still exist today. The lesson is clear: companies need to constantly stay ahead of the curve. And how can they do that? Clearly, innovation is key. But as Govindarajan and Trimble discover, while companies do believe in innovation, they often stumble in the execution phase. The key question, therefore, is: How do companies get into businesses of the future without jeopardising businesses of today? For that they offer a simple framework: Forget yesterday's successful processes and practices; borrow selected resources from the core business; and learn how the new business can succeed.

## Business History

## How love created a company

Sandra Lerner and Len Bosack were together at graduate school and fell in love. But after graduation they ended up managing computer networks at different locations in Stanford University. While Lerner was at Stanford's Graduate School of Business, Bosack was 500 yards away at the computer science

lab. Worse, their computer networks were not compatible. The urge to exchange romantic email was so strong that it prompted them to connect the incompatible computer systems. They ended up creating a multiprotocol router that allowed computers to exchange data. And that's what led to the creation of Cisco.

## PERISCOPE

JEAN-FRANÇOIS MANZONI &amp; JEAN-LOUIS BARSOUX

## Fighting mistrust in alliances

In the previous article we examined how mistrust and miscommunication frequently undermine attempts by firms to engage in joint innovation.

We argued that when alliance partners start to suspect each other's intentions, they sometimes respond in ways that inadvertently feed the uncooperative or opportunistic behaviour they sought to avert in the first place.

Typically, they behave in a more contractual manner, enforcing controls and reducing information exchange. They start sticking labels on one another—like "unreasonable" or "uncommitted"—and start seeing the worst in each other, leading to conflict and ultimately, to collaborative failure.

Here, we explore how partners can interrupt—or better yet, prevent—these self-fulfilling and self-reinforcing cycles of mistrust and under-performance.

## A clean slate

Clearly, not all partnerships are salvageable. Strategic circumstances may have changed or accumulated tensions may make productive discussion impossible.

But if the alliance retains its strategic logic, the partners need to consider jointly how the relationship has veered off course. We sometimes compare this to a medical intervention.

**Symptoms:** First the partners need to agree on the "shortfalls". What are the unmet objectives and where has each partner encountered difficulties from working together? The two sides may well highlight different starting points to the conflict and different pivotal events along the way. Indeed, some of the alleged "harms" by the other party may not even relate to actions, but rather to "sins of omission"—such as a failure to give sufficient advance warning regarding changes.

**Diagnosis:** Both parties will have contributed—albeit in different ways—to creating the situation. They need to explore how? Divergent work practices may have contributed to mix-

## GLOBAL TEAMS



Not all partnerships are salvageable. Strategic circumstances may have changed or accumulated tensions may make discussion impossible. But if the alliance retains its strategic logic, the partners need to consider jointly how the relationship has veered off course

ups or delays for both partners. Their respective contexts or interests may also have altered over time. Uncommunicated pressures and changes may have driven "the other side" to behave badly (from your perspective) or rationally (from theirs).

**Treatment:** Going forward, the two parties need to rebuild trust, keep the lines of communication open and remain in tune with how their partner views the alliance. They also need to agree on a process for handling future issues and bringing them up for discussion before they escalate.

## Virtuous circles

In terms of prevention, awareness of the

mechanisms described in our previous article is already half of the battle. Taken individually, they appear far from insurmountable. But their real power comes from their interaction, which triggers self-fulfilling and self-reinforcing processes, better known as vicious circles.

People working across organisational boundaries need to know about these processes. It helps them to think about their actions from the other party's perspective—and indeed, to monitor their own behaviour, not just the other party's. It makes executives more resistant to loose labels or snap judgments—and mindful of their polarising and self-perpetuating effects. It promotes not just frequent contact, but also the importance of understanding each other's contexts to avoid personal attributions. And it underlines the need for feedback forums where emerging problems can be expressed and dealt with early.

Beyond awareness, if there is one overriding principle for avoiding such situations, it is to invest early. The partners need to devote time to clarifying the conditions and rules and sharing information and norms. But they also need to invest in the relationship, to establish a buffer of trust that will make it easier to confront sensitive issues.

Bad dynamics often take root early on. After that, partners may expend a lot of time and energy trying to salvage the situation, often to little avail. We would urge partners to invest more time up front in order to set up more positive dynamics in the first place.

*This is the second and concluding part of a series on how mistrust can wreck alliances*

*Manzoni is professor of leadership and organisational development and Barsoux is senior research fellow, both at IMD (www.imd.ch) in Lausanne, Switzerland. They are the authors of 'The set-up-to-fail syndrome: How good managers cause great people to fail' (Harvard Business School Press). The book is soon to be released in paperback*

## RUN-UP TO THE THINKERS 50 (2007)



GARY HAMEL  
Strategy Guru

## Idea generators

Launched in 2001, the Thinkers 50 is the world's first ranking of business and management gurus. In a run-up to the 2007 rankings, TOI will exclusively run profiles of those in the fray. If you have an opinion on who should figure in the list, you can vote on www.thinkers50.com. Today, we feature Gary Hamel...

The opinionated, sometimes acerbic, voice of contemporary strategy, Gary Hamel is co-author of *Competing for the Future* and, more recently, *Leading the Revolution* (2000). Hamel looks set to match Michael Porter's achievements, combining intellectual vigour and empire building zeal. He lists his most meaningful achievement as "finding a group of people crazy enough and who care enough to start company committed to upsizing rather than downsizing". Perhaps, but Hamel also brings aphoristic energy to the turgid world of management writing. *Leading the Revolution* includes such *bon mots* as "get off the treadmill of incrementation", "heretics not prophets create revolutions" and "You can't use an old map to find new land". Not Jane Austen.

Hamel is a visiting professor at Harvard Business School and London Business School. California-based Hamel is also a consultant to major companies and chairman of Strategos, a worldwide strategic consulting company. Strategos runs the Strategos Institute—a "client-sponsored multi-disciplinary research program"—and the Strategos Practice—"a partner not a consulting company". The selling point is the quality of the ideas and access to big hitting intellectuals—its clients include Royal Dutch/Shell, Emerson Electric and Nokia.

Hamel argues that complacency and cynicism are endemic. "Dilbert is the best-selling business book of all time. It is cynical about management. Never has there been so much cynicism," he laments. "What we need is not visionaries but activists. We need antidotes to Dilbert."

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E-mail : [kkgb@rediffmail.com](mailto:kkgb@rediffmail.com)  
Phone : 06454-242676

**OFFICE OF THE SUPERINTENDING ENGINEER P.W.D., BRIDGE CIRCLE RAIPUR (C.G.)**  
N.I.T. No. 73/setu/2006-2007 DATED :- 21.12.2006  
**TENDER NOTICE (First-call)**  
On line Pre qualification Application (P.Q.) and financial Bid are invited in form "F" (Lumsum Tender) for the following works. up to 10/1/2007 The tender documents are available for purchase on portal <http://pww.cg.nextenders.co.in> The details of the above work can be viewed on line on the above mention portal

S no	Name of work	Amount
1	Construction of Bridge i/c Approach diversion road across : 1) Terahi nalla on jhara ram kharadroad in Km 1/4 2) Keshwa nalla on kosrangi khatti road in 1/10 3) Keshwa nalla on boriya jhar keshwa khatti road in Km 4/8 (Group tender)	Rs. 38948000/- (group tender)

Sd/-  
Superintending Engineer  
P.W.D. bridge circle RAIPUR (C.G.)  
G - 21171

**GOVERNMENT OF MADHYA PRADESH PUBLIC WORKS DEPARTMENT, WEST ZONE, INDORE**  
TENDER NOTICE NO. 12/ 2006-07 Indore, Dated 19-12-2006

1. Sealed tenders on Form "A" are invited on behalf of Governor of M.P. for the following work on SOR issued by Engineer-in-Chief M.P. P.W.D. for Road SOR w.e.f. 01-04-2005 (with all amendments issued, upto the date of issue of this NIT) from the Contractors registered with the Government of M.P. P.W.D. in appropriate class/Firms of repute and joint ventures. The tenders will be received through registered AD Post or Speed Post service only. The department will not be responsible for any postal delay.

S. No.	Name of Work	Cost of Tender Form (Rs.)	1. Probable amount of contract (PAC) Rs. 2. Earnest Money (Rs.) 3. Bank Solvency (Rs.)	Last date & time of issue of blank tender form & Office	1. Date of receipt of tender 2. Office.	1. Date, time of opening of Technical bid 2. Date, time of opening Financial Offer 3 Office	1. Period of completion of work (including Rainy season) 2. Class of contractor 3. Call No.
1.	Widening and Upgradation of road i/c C.D.'s of Mohanpura Road Length 26.95 Km.	5000.00	1. 4,80,34,000/- 2. 4,80,340/- 3. 25,00,000/-	05-01-07 (Upto 5.30 PM) from E.E. Dn. Jhabua	1. 12-01-067 (Upto 5.30 PM) 2. Office of the C.E., PWD West Zone, Indore Only	1. 15-01-07 at 11.30 AM 2. 18-01-06 at 11.30 AM 3. Office of the C.E., P.W.D. West Zone, Indore	1. 16 Month 2. A-V 3. First
2.	-do- Bhagor Hatyadeli Road Length 24.25 Km	5000.00	1. 4,65,15,000/- 2. 4,65,150/- 3. 25,00,000/-	.....do.....	.....do.....	.....do.....	.....do.....
3.	-do- Agral Chainpura Bajrangarh Kotnal Road Length 20.25	5000.00	1. 4,27,99,000/- 2. 4,27,990/- 3. 25,00,000/-	.....do.....	.....do.....	.....do.....	.....do.....
4.	-do- Udaigarh Bori Tanda Road Length 13.95 Km.	5000.00	1. 3,33,92,000/- 2. 3,33,920/- 3. 25,00,000/-	.....do.....	.....do.....	.....do.....	1. 12 Month 2. A-IV and above 3. First.
5.	-do- Chhapri to Kheda Road Length 17.26 Km.	5000.00	1. 2,68,69,000/- 2. 2,68,690/- 3. 25,00,000/-	.....do.....	.....do.....	.....do.....	.....do.....
6.	-do- Jhabua Kalyanpura Road Length 13.73 Km.	5000.00	1. 2,39,69,000/- 2. 2,39,690/- 3. 25,00,000/-	.....do.....	.....do.....	.....do.....	.....do.....
7.	-do- Umrli Sondwa Walpura Kulwat Road Length 23.80 Km.	5000.00	1. 2,38,98,000/- 2. 2,38,980/- 3. 25,00,000/-	.....do.....	.....do.....	.....do.....	.....do.....
8.	-do- Katthiwada Kachla (Via Ghut) Road Length 16.40 Km.	5000.00	1. 2,25,81,000/- 2. 2,25,810/- 3. 25,00,000/-	.....do.....	.....do.....	.....do.....	.....do.....

Note - (1) Blank tender form can be obtained on payment of non-refundable cost shown in the column 5 above during office hours.  
(2) Validity of tender will be 120 days from the date of opening of Financial Offer.  
(3) In case of holiday the tender shall be received/opened on the next working day.  
(4) Application for purchase of blank tender form shall accompany with following documents. If the contractors fails to submit these required documents tender form will not be issued to the applicant.  
(i) Copy of valid Registration Certificate as a contractor with Govt. of M.P.. Registered in appropriate class. In case of firm or partnership submit copy of DEED & Power of Attorney.  
(ii) Current Income Tax clearance certificate. Registration and clearance certificate as per clause 36 of M.P. Vanijy Kar Adhiniyam.  
(iii) Valid Revenue Solvency (Not older than 6 months), Bank Solvency (Not older than 12 months) of any scheduled Bank as shown in the column 4(3) above.  
(iv) No relationship certificate.  
(v) Documentary proof of owning plant & machinery like Hot Mix Plant, Vibratory Rollers, mechanical paver Finisher Bitumen/ Emulsion Mechanical Sprayer etc. as per MOSRT&H Specifications required for the work (Affidavit shall not be treated as proof of possession).

Note : This notice can also be viewed on Government Website <http://www.mp.nic.in/pwmdp>

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Sd/-  
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