

# IT'S ALL ABOUT WINNING

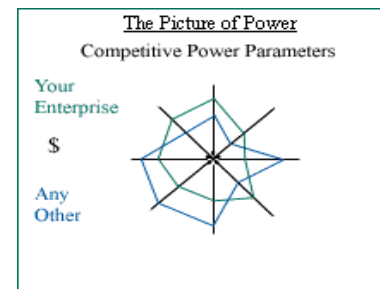
## CORPORATE WEALTH, PERFORMANCE

## AND MARKETPLACE COMPETITIVENESS - Executive Summary

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**It's About Performing Winning Work.** Working personnel, staff and executives are all aware that properly managing their corporation's competitive posture and business practices is paramount to success, growth, and even the very survival of the firm. The only problem seems to be identifying the real **performing assets** that create all the wealth. Performance is about winning **events of consequence**. Attractive products and services win customer favor, and create joint wealth for the firm, customers, shareholders and stakeholders. Except in monopoly situations, COMPETITION is also attracted. Governments legislate that consumers get choices, which provokes consumer beneficial competition. As such, free and open business revolves around contending for industrial wealth. Strong competitive edges cause wins for companies and weak edges create losses. In view of this fundamental principle it is most peculiar that steps are rarely taken to implement accurate measures to determine the firm's real competitive stature and exact ingredients for the **winning recipe**.

**It's About Leaders.** Being "best" is also about leadership. Value delivery templates expose whether and how companies deliver value to customers. The basis can come from being the true cost leader, value leader, response time leader, performance leader or combinations. Capitalism deals harsh penalties to executives and firms who fail to harvest the maximum from their valuable corporate assets. Employees, stockholders and stakeholders all lose when the company fails to deliver its marketplace promise. It is a managing essential to know where the entity stands at all times on the scale of genuine performance. Why are the winning, wealth creating business practices and competitive edges plus the true performance of a specific business concern so very difficult to expose and quantify?



**It's About Competition.** Mystery, confusion, and myth surround the "thrive" versus "die" competitive edge measurement topic. Clarity often happens by simply starting at the essence. Consider the core basis of competition. COMPETITION arises at EVERY instance where two or more parties target the same open goal (to win something contended). "Open" means that the future outcome (the winner) is not preordained. Who exactly, what team, what company, what product, and what technology will be the winner is uncertain. This identical situation happens in all sporting events, games of risk, horseshoes, hand grenades, politics, religion and business. It is proven to be unavoidable and so IT is most prudent to understand. Notice where the "cause" resides in the following statement by humorist and author Will Rogers: "Differences of opinion are what causes missionaries and horse races." Unfounded business theories exhibit similar behavior.

**It's About Guarantees.** Guarantees are impossible in the competitive zone. People seek guarantees in a swarm of not yet arrived future events. The fact that each outcome of each competitive activity is not predestined guarantees each future win/loss outcome to be positioned squarely in a situation of risk, uncertainty and doubt. Only choice possibilities and probabilities are guaranteed. Uncertain choices come with fearful risk. Inaction, error and failure are constant undesired companions of risk and uncertainty. Competition and free choice guarantees that there are no absolute guarantees. Yet, among all the choices reside those that are truly **best**. Information Economics operates at this tough spot.

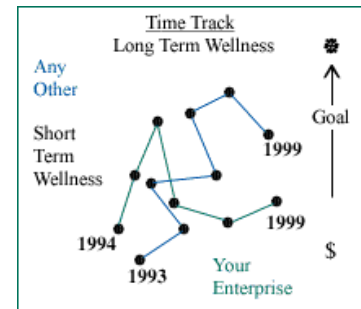
**It's About Shocking Economics.** Information deals with the "winning" tactics in uncertain situations. The ONLY enemy of risk and uncertainty in the universe is information in some form. **Exceptional information** is the ONLY thing in the universe that holds the power to alter the winning odds positively or negatively. Consistent winning requires continuous favorable odds, and the single source is information. Thus, **all** aspects of business **performance** and **productivity** are **information based**. **Every competitive advantage** in business is directly an **information advantage** and only that. The economic consequence is most shocking. **All** business economics (**wealth creation**) is guaranteed to be information economics. Restated, **all of economics is information economics** and nothing else. Anything else is corrupted thought. Powerful, potent information transforms marginal teams into winners. Winners do not work harder and are not more intelligent as a rule. It's ordinary people creating extraordinary outcomes that create most great things.

## Consistent Winning Edges

Winners consistently do one thing **best**. Winners simply maximize chances that great luck happens. They always do this with potent information from practice, win/loss event memory, study, and directional action triggers. When opportunity and preparation collide; good outcomes happen. In other words, winners maximize positive outcomes by leaving a relatively smaller degree to chance. This and its variations comprise the **universal best practice(s)**.

**It's About Time and Timeless.** This revelation, while absolute, proven correct and universally practiced ad-hoc, is contradictory to most prior teachings and viewed as repugnant, ugly and embarrassing by those who have believed, spoken, written, and practiced otherwise. "Differences of opinion are what causes missionaries and horse races." Yet, winners win consistently and surely. **Ready or not**, every so often a new business doctrine arrives on the scene that provokes a thought renaissance. Mindstorms are coincident with all significant inventions and discoveries from quantum mechanics, to inventing electricity, to splitting the "impossible-to-split" atom, to winning with stealth. Every time high consequence change has happened (or will in the future), bar none, the wave upon which discovery arrives is always composed of waves of very new and dramatically different information. A different competitive success recipe arrives. Early adopters are enriched. The wave arriving at the moment simply redefines the real economics, all value creating assets, all performance and all productivity more properly as information driven.

**It's About Seeing Ahead.** Seeing the real edges of significant others yields a dominant winning advantage (the maximum possible). It is a myth that high performance is harder. The performing organization is calmer, more tranquil, and has much higher integrity and grace. The clouds are whiter and the sky bluer. There is adequate time to thoughtfully execute tactics. The atmosphere is electric. Why? Faultfinding and error fixing are minimized. All actions are forward-aligned actions. Winning tactics and actions are remarkably simplified when the opposing edges are known **ahead of time**. Managing the fickle and fleeting edges is always a chore but operating "blind" guarantees the highest risk of defeat. Which is best? Make a choice! Sun Tzu, the Chinese war strategist ("On War") taught similar doctrine. Stealth is one such contemporary advantage. Business is much different from war, but the winning principles run parallel. Managing winning is the executive directive, and the whole team pursuit. At the core of every sustained winning organization is valuable, competitive information that is not available to, or not acted upon by the competition. **It** simply causes the winning difference.



**It's About Design.** Contemporary accounting practices (GAAP) omit and in most cases are completely void of information value measures. Hence, the very fabric of competition is discarded. In fact, expense accounting is **specifically designed to eliminate all value measurement** and most particularly all information value related aspects including knowledge, organizational learning, innovation, processes, systems and reengineering to name but a few. By design edges disappear and become invisible. Business executives are literally blinded. Gone also is the opportunity to systematically create and manage winning competitive edges, and winning practices. Management quickly becomes a guess based trial and error art rather than a teachable, learnable, improvable winning doctrine.

**It's About Control Systems.** Simultaneously, haphazard performance and productivity measures are mistaken for accurate. In truth, typical measures in use are woefully erroneous, largely due to incompleteness. What is thought to be a trusted guidance system often results in action contrary to goal (an information double cross). Performance is sabotaged from the contaminated control system as if attacked by an external destructive force. A performance illness that is terminal, but not immediate is suddenly present. The lack of appreciation and identity for the true value and wealth creating assets threatens the entire health, continuity, and well being of the enterprise. The once vibrant corporation fails the test of survival. Stress happens for real to participants and all stakeholders.

**It's About Economic Health.** All resulting turmoil is stressful, needless and senseless. The position and magnitude of the value laden corporation assets can be measured and quantified in timeliness, power and also in monetary units. A great hypocrisy occurs if and when the measurement activity of topics mentioned above and information systems in general are more expensive than the worth. Information economics must be practical and economical. Such is the tragedy of what is blindly happening today caused from lack of proper value measurement. Obviously, the task is not trivial. It has eluded the best and brightest universities for the entire history of business to date. However, previous to today such a thing was unnecessary. The error of omission was the same for all participants and the competitive terrain remained mostly level. The blossoming of the full-blown Information Age changes all that forever more. As competition stiffens, more precision is demanded. "Thrive" or "die" rests with the choices.

**It's About Real Information Technology.** Information is defined as anything that makes a difference. Technology is simply the application of science to achieve industrial or commercial objectives. Therefore, information technology is the science of big and small differences. The most dominant technology in the universe is communications technology. For example, all of computing can be derived from communications technology but the reverse is not true. Communications technology is unique in that it permits influencing or causing **action over distance** and across large spatial gaps. Causing action at a distance is a most significant business advantage.

**It's All About Natural Archetypes of Nature.** Competition is a natural phenomena and archetype. Nature also holds the power to heal, kill and transform ugliness into beauty. Nature holds a true monopoly on the unbreakable laws that govern business. Nature has a very fast and robust communication system that causes all kinds of actions over cosmic distances. Mankind can only borrow and use the natural laws but never own an exclusive right on their use. Nature is unbiased and applies the transformation forces without regard to station in life, color, fame or fortune. Mankind is in a constant competition with Nature to survive. In the meanwhile, Nature is a thing of beauty and the best business alignment partner. Nature acts at all times.

**IT's About Situation Management.** It works for big and small and ALL. Solutions to ALL situations, problems and/or opportunities that can be solved, follow the rule. When the uncertainty is zero, the problem is solved (deterministic situations). In uncertain event situations, the optimum solution relative to others in the system is the minimum uncertainty one. Either way, uncertainty is the cause and information is the only cure. One must be able to measure the critical differences in order to manage positive outcomes and most certainly to optimize the outcomes. Measurement is an advantage.

**It's All About Honesty, Dignity and Grace.** In business, the thing that is **competed for** is the affection of our customers for our products and services. All the NEXT new recognition, wealth and well-being is going to come from customers. **Serving customers must be done with care, honesty, dignity and grace.** Business is not war. The competition is for customer favor in exchange for fair return. Successful business cannot be sustained from a basis of cheat and deceit. Customers soon know the difference.

**IT is All about ACTION.** Without differences all information ceases. Time will stand still. Without action there can be no differences.

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