

# Editor's letter



his issue has a few eye-openers for practitioners. For those reading Volume 44, Issue 6 of 2016 online, the headlines on the print edition cover are:

- The three laws of Agile
- Sydney Finkelstein: The secret powers of a “superboss”
- Successful retailers embrace technology that enhances customer value
- Strategy execution maps offer a peek ahead
- Four steps to re-ignite Japan’s innovation leadership

The underlying theme of this issue is customer-involved innovation. The five articles recount how Agile produces customer-informed innovation; how “superbosses” school their protégés in implementing market-making innovation; how successful retailers adopt innovative digital technology their customers value; how strategy execution maps guide implementation of innovative systems; and why Japanese firms have lagged behind global innovation leaders and what they can do to catch up.

The eye-openers? I think some quotes from each article will supply hints at what surprises the articles have to offer.

Stephen Denning is the chronicler of the bottom-up, customer-centric revolution sweeping business, one driven largely by the effectiveness of the management technology Agile to deliver high-value innovation rapidly. Originally a set of practices embraced by leading software developers, Agile is apparently mutating as it spreads to other management functions. Denning has “identified at least 40 different specific implementations of Agile.” To make sense of such a bewildering assortment of practices his article “**Understanding the three laws of Agile**” elucidates its three core principles that break with conventional hierarchical management practices:

- The Law of the Small Team
- The Law of the Customer
- The Law of the Network

In Brian Leavy’s interview, “**What makes a “superboss” super?**” author and Dartmouth professor Sydney Finkelstein says, “This superboss approach is not the same as ‘team-building’ or ‘mentoring,’ but something that transforms protégés from talented apprentices to stars and superstars in their own right.”

Boarded up shopping malls are evidence of the hard times big retailers are having adjusting to the Internet-enabled consumer economy. Babson researcher Amy Blitz’s article, “**Beset by the digital revolution successful retailers embrace technology that enhances customer value**” looks at why some department store chains are shutting their doors while others are growing. She found that, “Successful retailers focused on using technology to build value for customers first, and as a result shareholder value ensued.”

In their case, “**How strategy execution maps guided Cisco Systems’ Sales Incentive Compensation plan,**” authors Sayan Chatterjee, Venkat Narayanan and William Malek – a Case Western Reserve professor, a consultant and a former Cisco manager – describe a management technology with many applications to strategy implementation initiatives. The key benefit of the strategy maps approach? “It is this ‘peek forward’ into a virtual execution setting, and the opportunity to use it as a scenario-like tool to test alternatives, that increases the likelihood that managers will devise a stable and executable strategy.”

You might be surprised by this year's INSEAD/World Intellectual Property Organization list of most innovative nations. In order it's Switzerland, Sweden, United Kingdom, United States, Finland, Singapore, Ireland, Denmark, Netherlands and Germany—but no Japan! IBM strategists Kazuaki Ikeda, Anthony Marshall and Shuma Okamura offer **"Four steps to re-ignite Japan's innovation leadership."** They found that "Japanese organizations need to embrace entirely new customer-value propositions, build new partnering arrangements and more effectively harness the power of innovation by taking four key sets of actions:

1. Re-imagine the customer experience.
2. Redefine business ecosystems.
3. Promote ecosystem connectivity.
4. Revitalize innovation governance."

Good reading!

**Robert M. Randall**

*Editor*