**What Really Works: The 4 + 2 Formula for Sustained Business Success**

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**Primary Practices**

1. **Make your strategy clear and focused**
   - Build a strategy around a clear value proposition for the customer
   - Develop a strategy from the outside in. Base it upon what your customers, partners and investors have to say - and how they behave
   - Maintain antennae that allow you to fine-tune your strategy to changes in the marketplace
   - Clearly communicate your strategy within the organization and among customers and other external stakeholders
   - Keep growing your core business - beware of the unfamiliar

2. **Execute Flawlessly**
   - Deliver products and services that consistently "delights the customer"
   - Empower the front lines to respond to customer needs
   - Constantly strive to improve productivity and eliminate all forms of excess and waste

3. **Build a performance-based culture**
   - Inspire all to do their best
   - Reward achievement with praise and pay for performance, but keep raising the bar
   - Create a work environment that is challenging, satisfying and fun
   - Establish and abide by clear company values

4. **Make your organization fast and flat**
   - Eliminate redundant organizational layers and bureaucratic structures and behaviors. Simplify
   - Promote cooperation and the exchange of information across the whole company
   - Put your best people closest to the action and keep your frontline stars in place
Secondary Practices

1. Make talent stick around and develop more
   ✓ Fill mid-and high-level jobs with internal talent whenever possible
   ✓ Create and maintain top of the line training and educational programs
   ✓ Design jobs that will intrigue and challenge your best performers
   ✓ Become personally involved in winning the war for talent

2. Make your leaders committed to your business
   ✓ Inspire management to strengthen its relationship with people at all levels of the company
   ✓ Inspire management to hone its capacity to spot opportunities and problems early
   ✓ Appoint a Board of Directors whose members have a substantial financial stake in the company's success
   ✓ Closely link the pay of the leadership team to their performance

3. Make industry-transforming innovations
   ✓ Introduce disruptive technologies and business models
   ✓ Exploit new and old technologies to design products and enhance operations
   ✓ Don't hesitate to cannibalize existing products and services

4. Make growth happen with mergers and partnerships
   ✓ Acquire new businesses that leverage existing customer relationships
   ✓ Enter new businesses that complement your company's existing strengths
   ✓ With a partner, move into new businesses that can use the partnership's talents
   ✓ Develop a systematic capability to identify, screen and close deals