



Business, News & People

DIANE FRANCIS**Business brilliance from Roger Martin**

Roger Martin, Dean of the Rotman School of Management at the University of Toronto, has written another terrific business book called "The Design of Business".

He studies some of Canada's greatest innovators, Research in Motion and Cirque du Soleil, among others. Both are founded by genius-inventors, Mike Lazaridis and Guy Laliberte, but both have integrated their founders' DNA into their organization. Their teams are innovative, experimental, risk-driven and re-invention oriented.



These traits help perpetuate their success. They are necessary in order to succeed in the fast-moving sectors of high-tech and entertainment where products have the shelf life of yogurt.

Meanwhile other companies, who rest on their laurels, are eventually sideswiped or sidelined.

P&G's reinvention

Roger points out in his book that innovation is not restricted to the what-can-you-do-for-me-today business models. He examines Procter & Gamble, 176 years old, but the world's largest consumer packaged-goods corporation and a great multinational with a Triple A credit rating. However, back in June 2000 P&G's stock price, and prospects, sagged.

"The company was producing fewer and fewer successful new products and brand extensions, and was taking longer and longer between introductions," wrote Roger. "Meanwhile, costs -- especially in research and development -- were soaring."

Management changed at the top and the new team determined that more innovative products were needed in order to attract, and keep, consumers who

would be willing to pay premium price.

Winning formula

Design and new product development were elevated in importance and embedded in every business decision and department.

"The original Pampers disposable diaper was a genuine breakthrough, a risky a imaginative solution to diaper washing. But once the innovation took hold in the market, P&G's R&D department turned its attention to the steady improvement of the disposable diaper," he explained.

Instead, P&G research should have been aimed at finding the next breakthrough idea and now, as a result of changes in orientation, that is what is happening, he added.

His new book is a must-read for people who want to bake into their corporate cultures ingredients such as research, design and innovation. One of the greatest challenges in doing so, which he deals with in the book, is blending the two solitudes – the "innovator" culture with the "bean-counter" culture. This is never easy, he writes, because they talk different languages and rely on different benchmarks. But winning companies have learned how to merge them, and then surgically select the best from each.

Last book was great too

I also enjoyed Roger's last book, "The Opposable Mind", about the cognitive skills of successful people.

"Human beings, it is well known, are distinguished from nearly every other creature by a physical feature known as the opposable thumb," he wrote. "Thanks to the tension we can create by opposing the thumb and fingers, we can do marvelous things that no other creature can do -- write, thread a needle, carve a diamond, paint a picture, guide a catheter up through an artery to unblock it. All those actions would be impossible without the crucial tension between the thumb and fingers."

This metaphor provided the title of the book and underlies his thesis.

"Similarly, we were born with an opposable mind we can use to hold two conflicting ideas in constructive tension. We can use that tension to think our way through to a new and superior idea."

Can't wait for the next one.

