

## Three ways to raise your game in 2010

By Stefan Stern

December 22, 2009

Been a loooong year," sang John Lennon, as the music faded away on the last track of his 1975 album *Rock'n'Roll*. This December we know what he meant. It has been a year of high anxiety. Good news has usually been followed by bad, making it hard (and unwise) to believe that the worst was over. For those who had never experienced it, bumping along the bottom has become a meaningful concept.

But let's not slump into excessive end-of-year doom. Looking ahead, here are three ideas to help business leaders have a happier time in 2010. **Management with analytics** The New York Police Department was "kind of a classic case of a big organisation not knowing what it knows," said NYPD chief Ray Kelly in a recent video produced by IBM, NYPD's technology partner.

Having realised there was a problem, Commissioner Kelly took action. Four years ago, NYPD established its Real Time Crime Center, a 24-hour, seven-day data warehouse that provides information and support to detectives who are investigating violent crime. Information is delivered to them at the crime scene. Clear-up rates and speed of operation have both improved significantly. This is what managing with "analytics" can do for you. Successful companies - Google, Amazon, Tesco, Netflix - have got terrifically smart at extracting the right amount of relevant data from their businesses, and making it work for them: finding unexpected, unseen patterns in customer behaviour, and exploiting them.

In 2010, it will be time to get serious about managing proliferating data more intelligently. But don't spend all your time poring over the stuff, because idea number two is going to require putting the spreadsheets down and getting out of the office . . . **Management by walking around** OK, so MBWA is hardly new. Dave Hewlett and Bill Packard pioneered it decades ago. But in the "faster, faster" 21st century, when the pressure is on managers to take decisions more quickly, investing time in talking to colleagues can slip a long way down the list of priorities. Big mistake. (In the global era, Rosabeth Moss Kanter has observed, we should think in terms of "management by flying around".)

When I asked Jeffrey Joerres, chief executive of the global recruitment business Manpower, about his management style recently, he spoke eloquently about the need to get out of the office and meet people face to face. Being a leader involves a lot more than just sending e-mails and "gazing at charts", he said. "We are a company of do-ers, and if you have this big chasm between executives and [staff], you have no idea what the challenges are."

Increasingly, the gurus tell us, strategy is execution. In other words, it's how you do things that matters. **Management with a moral purpose.** Business leaders have a lot of work to do to convince a sceptical public that their organisations can be a force for good. Maybe non-financial companies are suffering unfairly as a result of what some banks in particular have done. But that does not remove the need for moral renewal at the heart of business.

Jeff Immelt, chief executive of General Electric, gets it. In a speech at the US military academy West Point two weeks ago, he argued forcefully that business leaders have lost their way. "We are at the end of a difficult generation of business leadership, and maybe leadership in general," he said. "Tough-mindedness, a good trait, was replaced by meanness and greed, both terrible traits . . . Rewards became perverted," he added.

Large sections of Mr Immelt's speech could have been written by Ken and Will Hopper, authors of one the most important business books of the past decade, *The Puritan Gift*. Indeed, in it they salute the GE boss as their kind of leader.

The Hoppers' book emphasises "the importance of a good managerial culture in determining the nature and direction of any society", as Will Hopper puts it. Good managers master their craft, while also possessing what Mr Immelt calls "domain knowledge" - that is, they know what they are doing in their specific discipline. If only bankers had been better at banking, how much happier we would all be.

It has been a long year. With hard work, and after drawing on these ideas, next year could be better.

stefan.stern@ft.com. To comment go to [www.ft.com/managementblog](http://www.ft.com/managementblog).

[Copyright](#) The Financial Times Limited 2009.