ONE ARTICLE I HAVE HORTICULTURE MAJORS at Michigan State University read the last week of classes before the final exam is from the July 2003 Harvard Business Review. "What Really Works" by Nitin Nohria, William Joyce and Bruce Roberson summarizes so much of what we cover in the management course in a single article.

The authors investigated 160 companies and their formula for success. They indicated that a company would have greater than 90 percent odds of success if they follow the formula.

Not surprisingly, great companies are good at the basics: strategy, execution, culture and structure. Being good in other supplemental areas, in addition to the basics, is required, but it shows the realm of possibilities that can make a business good: talent, innovation, leadership and mergers and partnerships. Very simply, the model for business success is to be great at four basics and two supplemental (of four) factors.

The basics

Strategy. We've all been through the business-planning process, but how many business leaders can articulate their business strategy in 30 words or less? Your strategy is how you make money, not why (mission) or what (vision), but how.

Execution. Patrik Barwise and Sean Meehan wrote a great book on this very subject, "Simply Better: Winning and Keeping Customers by Delivering What Matters Most." Their premise is that many businesses have great plans but fail to execute. Real plans in action create powerful direction and accountability. Action takes discipline and it isn't always fun. Planning is part of it, but the day-to-day choices are what separate the good from the great.

Culture. Fun and performance don't have to be mutually exclusive. The highly successful businesses in the article were focused more on performance and ethical behavior than on fun. If you make your expectations clear, it makes it easier to achieve the goal. Most of us aren't mind readers, especially when it comes to work performance. A culture that routinely coaches employees toward measurable outcomes cultivates accountability and success.

If you know the goal and work with your counterparts and supervisor to achieve the goal, success is more likely to happen and you're more likely to be accountable.

Structure. Structure is the basic that I would rename "systems." Highly successful businesses are flat, flexible and fast. They are flat in the sense that there aren't a lot of layers between the boss and the action. Lean middle management makes everyone more accountable. Does it make the workload heavier? Yes, sometimes. But it certainly improves the information flow (good and bad) when the leadership is on the loading dock or behind the cash register on busy days.

Supplemental sources of success

Talent. Highly successful companies recruit and retain talent. They understand it is more than just a paycheck and benefits are needed to keep good employees happy. They cross-train people to do more than one job so that if an accident, illness or untimely termination occurs, the company continues to operate.

People who can do more than one job are more valuable, which is the primary reason I find opposition to cross-training. If companies don't design and re-engineer key positions to be cross-trained, they're creating information silos that can be easily and quickly destroyed, which can shut down an organization often at the most important time.

Training and development programs are usually the first budget cuts, but they severely reduce an organization's capacity to be resilient in difficult times.

Leadership. Leadership (after talent) may be the other key people secondary element. How much time does your leadership spend on the future? That's where they should be: Visioning the future of the company, not in the present fighting fires. The trends most likely to impact our industry are labor, the Internet, energy and the environment.

How are the leaders in your company working to envision possible scenarios for your future? If they aren't devoting 20 percent of their time to this vital work, they are short-changing your future. Leaders should inspire and be well-connected to the front-
line workers. They should be on the loading dock or operating the cash register during busy times. It keeps them in touch with reality from which they must lead the company into the future.

**Innovation.** Innovation is accelerating the pace of change in every industry. Innovation isn’t about finding a new flower color, but in finding the next cool new plant. It is an active mindset that we must seek and discover the next great thing because if we don’t, our competition will. Innovation is leading change, not adapting to change.

Our industry hasn’t fully embraced the Internet and its business capability. On more than one occasion, I’ve told companies that plant sales can be a successful online venture for some consumer markets. If some companies don’t step up and make this work, others will, and they will have missed an opportunity for profits on an innovation they were well poised to have.

**Mergers and partnerships.** Our industry has seen an acceleration of these opportunities in the last five years. It makes the most sense to merge when the acquired business complements the acquiring business and doesn’t take that business far from its core competency or what it does best. Some of the more successful ones I’ve observed buy firms up or down in the supply chain or acquire a climatological advantage.

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