

Michael Porter at Harvard makes a simpler classification

Michael Porter at Harvard makes a simpler classificationMichael Porter at Harvard makes a simpler classification: there are only two aspects – strategy and execution. This duality underscores the huge impact of the internal operation of a company. Many companies may not be able to implement the investment strategy outlined in the previous post. Numerous obstacles may hinder profitable implementation - staffing inadequacies (lack of training personnel, for example), systems inefficiencies, and misallocation of resources among them. Managers may be afraid to invest the time, money, and effort required. There may be "Cargo Cult" analysis that will obfuscate thinking. (The term "brand aspirational" comes to mind. Aren't all customers "brand-aspirational"?) And there is always the law of unanticipated consequences.

Is the strategy retailing strategy outlined in the previous paper risky? Of course!

But this is true of any strategy. All strategies are risky. Managers are paid (and hopefully trained) to assess the probabilities, judge the risks, and evaluate these obstacles. And to make the decisions – to take the risks.