

BREAKTHROUGH

How Great Companies Set Outrageous Objectives – And Achieve Them

BILL DAVIDSON

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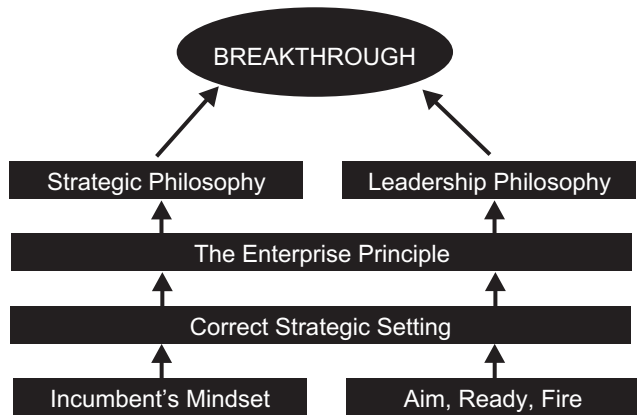
MAIN IDEA

The world's most successful companies get to the top and stay there by consistently challenging themselves to achieve goals that seem unreasonable or even outrageous and then organizing themselves to achieve those breakthrough results. It is this process of setting challenging goals and then stretching to achieve them that keeps these organizations successful.

Breakthroughs reflect the health and vitality of a company. Unless a business enterprise continues to challenge itself to do more and to do better in the future, it will be in danger of resting on its laurels and in that way surrendering its market share to other firms which are moving forward. The key to long-term market leadership and sustainable success is to constantly be setting new outrageous objectives and then organizing yourself to achieve them.

“Over the past decade we have observed, studied and worked with seventy companies in various stages of business breakthrough and transformation. We’ve learned a great deal from these breakthrough companies and their leaders. My goal is to synthesize, sharpen, and share those learnings for use in your team’s success cycle. It all begins with breakthrough.”

– Bill Davidson



1. Breakthrough Page 2

A breakthrough is an enterprise-scale business innovation – something significant enough to shape the business enterprise in the future either by reforming the company’s core or moving the business into new markets and new business models. In essence, successful breakthroughs change the firm (and often its markets) forever.

2. Strategic Philosophy Page 3

All successful breakthroughs take advantage of eight basic principles of strategy. In practice, these principles provide the essential strategic philosophy which underpins the achievement of something significant.

3. Leadership Philosophy Page 4

The senior leader of any business will act as the owner and driver of the breakthrough cycle. If he or she manages the process well to bring out the best from his or her organization, breakthroughs can and will result. Any team, with the right leadership in place, can achieve outrageous objectives.

4. The Enterprise Principle Page 5

All successful breakthrough companies focus on implementing a single strategy across the entire organization. Unless the firm’s leaders stress adherence to a single, integrated master plan which incorporates the breakthrough strategy, nothing much is likely to change from business-as-usual. Breakthrough companies commit to a single, integrated game plan.

5. The Correct Strategic Setting. Page 6

To be able to develop a breakthrough strategy, you must have:

1. Self-knowledge – of your core identity, strengths, resources.
2. Accurate knowledge of the external environment.
3. Enough management continuity to execute your new strategy.

In short, before attempting to develop a breakthrough strategy, make certain you have the organizational capacity to focus on a single core strategy for three to five years or more first. If you don’t have that, don’t attempt a breakthrough.

6. The Incumbent’s Mindset. Page 7

You don’t actually have to establish a start-up to achieve a breakthrough. Instead, many established companies have used breakthroughs to transform themselves, renew market leadership positions and create new value. The key to breakthrough success is not the age of your company but its mindset.

7. Aim, Ready, Fire. Page 8

All successful breakthroughs follow the same pattern:

- Aim – the leaders of the enterprise get everyone’s attention.
- Ready – They establish a clear, actionable agenda.
- Fire – they focus resources on an outrageous objective.

Although the real world throws up many variables, all breakthroughs unerringly follow the same aim, ready, fire cycle of implementation.

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