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Lehman brothers case study questions and answers

Without the luxury of a universal product, the virtual receptionist company Answer 1 approaches customer service and marketing with a uniquely diversified target audience. By partnering with ConsumerAffairs, Answer 1 was able to connect with consumers below the sales cycle, making it one of the most profitable marketing channels for the company. Problem: Providing support in Digital (lly dependent) AgeAs business world continues to move toward more digital lysted service offerings, companies that want to stay ahead of the curve continue to increase their dependence on technological integration at all levels. Answer 1 knows that it is important to respond to services to pass along with the times. Virtual reception services, would be those offered by Answer 1, respond that the call for a more integrated, digital solution, leaving traditional ol's response services to fall in favor of advanced service offerings, would be programming, on-demand bilingual translation, command, help desk support, email and text monitoring, online chat, and crm data entry to name a few. Objectives: Personalization is key with a varied BaseAnswer 1 client the goal is to act as an extension of their customers' businesses, and with such a broad customer base, representing small and large businesses alike in many different industries, this means Answer 1 must adapt to provide a personalized service offer to best suit the needs of each customer. With their varied service offering, one that ranges from simple call answer all the way to level 1 IT support, Answer 1 is able to answer this call for customization and serve each of their customers in a way that is unique to their need. Read the full case study here. In an in-depth interview, I asked Collins about his research implications and ideas for the economy, the stock market, and the very nature of executive leadership. The good-to-high companies you've written about all of which have achieved outstanding results in the stock market over a 15-year period. But today, the stock market is down. Does that mean we won't see any good-to-high company today? First of all, I want to correct a great misconception. The stock market hasn't gone down. shows the stock market in relation to 1985? The stock market hasn't gone down. shows in relation to 1990? The stock market hasn't gone down. The market was irrational from whack - we did not have a stock market; We had a speculative casino. The technology bubble was not the new economy - there is a new economy that has been going for years to a deeper level. But the brutal fact is that the companies that were at the top of the tech bubble did not have results. You can't make zero profits and pretend you have results. In the case of companies that have Very good results before the bubble explosion, they are in a bottom period now, but also what? The bottom line on a company like Cisco is, I have I know the answer yet. These companies may be in a very difficult period of 6-12 months. Let me use an analogy. Let's say you have a great basketball dynasty like UCLA Bruins under John Wooden. This is a team that will win 10 NBAA championships in 12 years. They're a team that's gone from good to big. But in 1970, they lost three games. Does that mean we're going to take them out for an hour and say they're not a great team? We need to look over a longer period of time. The same goes for companies that have been caught in the bubble. It was too short a time. It will take longer to tell which companies that are in trouble now are simply going through a period of time and will have the resilience to return. But for many businessmen, the current slowdown is a sign of the death of the new economy. This is one of the most wonderful moments in history. Two or three years ago, what was the major complaint I heard? It's so hard to get good people! You're going, you're going, you're going to give up, you're going to give up, you're going to give up, you're going Today, we have the greatest opportunity we've had for decades to hang a boat - not a busload, but a boat - of great people. And big companies always start with who, not what. We can finally get to the right side of Packard's Law. Packard's law is like a law of physics for big companies. It is said that no company can become or remain large if it allows its rate of revenue growth to exceed its growth in getting people right in a sustainable way. It's one of those timeless truths that go beyond technology and the economy. Now, instead of trying to accumulate capital, we can accumulate people. If I were running a company today, I would have a priority above all others: to acquire as many of the best people as possible. I would postpone anything else if I could afford - buildings, new projects, R&D - to fill my bus. Because things will come back. My steering wheel will start to come back. And the biggest constraint on the growth and success of my organization is not the markets, it's not technology, it's not opportunity, it's not the stock market. If you want to be a big company, the biggest single limitation on your ability to grow is the ability to get and hang on to enough of the right people. It's also a great time to force you to look back. When you were breaking Packard's Law, you probably left a lot of the wrong people on the bus. This is a good time to get them off. Actually, it's a little easier to do that now. We can blame the circumstances. What else would you do to capitalize on this revaluation period? It is also a great time to ask you some very hard questions. period of irrational prosperity, if the market would give money, whether you delivered or not, a lot of companies have not answered any of the three questions (What can we be the best in the world for? What is the economic denominator that best drives our economic engine? And who are our basic people deeply passionate about?). They had no concept of what they could do better than any other company in the world that was sustainable, had no denominator of profit, and the only thing they had passion for was flipping the company. Now we can't live in that fantastic country. We need to look closely at all the things we do and put them all on the three-circle test. Any things that fail the test we have to stop doing - today. I see a lot of companies that have found themselves with a lot of capital. So they got lost in all sorts of acquisitions or new associations or new directions, simply because they could. But they didn't necessarily fit in the three circles. Today, the task is for them to prune away. Those who clarify their three circles will come out of this very well. Those who don't deserve to die. Today's CEOs find themselves with little time to prove their worth. What advice would you give a CEO in the hot seat? If I were a CEO on the hot seat taking over a company that I wanted to move from good to big, here's what I would do. I'd take that card for granted, and I'd put it in front of my directors. I'd say, we're on the left side of this curve. We want to be on the right side of the curve. Right? If that's what we all want, we know what it takes to get it. You can't keep getting from CEO to CEO. If you do that, you'll find yourself in Loop Doom – and then we'll become one of the comparison companies, not one of the big companies. I don't think all directors are stupid. Most of them are smart, but they are operating out of ignorance rather than a good lack of intent. We have to hit them in the head with the empirical results. Our job is to beat the market in a sustainable way over time. We need to think about the share price over a five-year period. And we have to start doing all the things necessary to make that flywheel spin. Finally, if I'm the CEO, I want the board to give me the following assurance: No matter how long or short my tenure as CEO may be, whoever you choose as my successor needs to pick up that flyfly in the midturn and keep pushing in a consistent direction. I might only rotate at 16 RPM. But my successor has to take it to 100 RPM. His successor must take him to 500 rpm and his successor to 1,000 rpm. It's not about me as CEO - it's about a commitment to a consistent program. We're not going to make a Doom Loop.The CEO who took their companies from good to large were largely anonymous – a far cry from the celebrity CEOs I read about. Is it an accident? is the cause and effect? I think it's more a matter of cause and effect than an accident. There's something. Something. related between the absence of celebrity and the presence of good-to-high results. Why is that? First of all, when you have a celebrity, the company turns into the only genius with 1,000 helpers. It creates a feeling that everything is really about the CEO. And that leads to all sorts of problems - if the person disappears or if the person turns out not to be a genius after all. On a deeper level, we found that for leaders to do something big, their ambition must be for the greatness of work and company, rather than for themselves. That doesn't mean they don't have an ego. That doesn't mean they don't have personal needs. This means that at the point of decision after the decision point - at critical moments, when Choice A would favor their ego and Choice B would favor the company and its work - time and again, those leaders choose Choice B. Celebrity CEOs, at the same decision points, are more likely to favor self and ego over company and work. Like anonymous CEOs, most of the companies that have made the transformation from good to large are unfalized. What does that tell us? The truth is, most people aren't working in the most glamorous things in the world. They do the real work - which means they often do a heck of a lot of chore with just a few points of emotion. Some people put baked bread. Some build retail stores. The real work of the economy is done by people who make cars, who sell real estate, who run grocery stores and banks. So one of the great findings of this study is that you can be in a big company and do it in steel, in pharmacies, in grocery stores. It's just not the case that if you're not in Silicon Valley, you're not cool. It doesn't matter where you are. So no one has the right to complain about their company, their industry, or the type of business they are in – ever again. Did the 11 companies that achieved the transformation benefit through their anonymity? One of the great advantages these companies had was, no one cared! Kroger began his transition; Nucor has begun his transition; No one expected much. He could make too much time. In fact, if I took over a company and tried to get it to go from good to large, I would tell my vice president of communications that his job was to make the whole world think that we are constantly on the edge of the curse. During our study, we printed transcripts of CEO presentations to analysts by companies from good to large and from comparison companies. I've read them all. And it's striking. People at sea always talk about the challenges they face, the programs they build, the things they're worried about. go to comparison companies, they are constantly hyping themselves, they are for sale in the future - but never delivers results. If I'm not ceo, do I have lessons from good to high? Concepts from good to large are applicable in any situation - as long as you can choose the people around you. That's the most important thing. But fundamentally, we really do - we have a lot of discretion over the people in our lives, the people we decide to leave on our bus, whether it's in our department at work or in our personal lives. But the basic message is this: Build your own flywheel. You can do it. You can start to build momentum into something for which you've taken responsibility. You can build a great department. You can build a wonderful church community. You can take each of the ideas from good to high and apply them to your work or your own life. What did your study about business change in general teach you? Is it essentially a message to return to the basics? Very rarely do significant changes ever lead to results in a sustainable way. This is one of the book's very important discoveries. We started with 1,435 companies. And 11 companies did. Let's look at this for a moment. The truth is, it doesn't happen very often. Why not? Because we don't know what the hell we're doing! And because we don't know what we're doing, we're going into all sorts of things that don't produce results. We end up like a bunch of primitives dancing around the campfire chanting on the moon. What I feel strongly is that we need some science to understand what is really needed to change things. Is it back to the basics? No, it's before the deal. Why is it back to the basics to say that CEOs need to be ambitious for their companies and not for themselves? Why is it back to the basics to do who and question people first and what and where the second question? Since when is it back to the basics for a company to start with a question like, Why have I sucked for 100 years, and what are the brutal facts that I have to face? Why is it back to the basics to say that stop-doing lists are more important than to do the lists? And since when was it back to the basics to say that technology is just an accelerator and not a creator of anything? I don't think these concepts are back to basics. Because if they are, we should be able to go back in time and find out that people used these ideas. People don't - that's why there are only 11 of 1435. So, no, it's not back to basics. It's before the deal. What is your assessment of the new economy? I've seen a lot of changes, and I've seen a lot of backlash against change. make sense of it all The extraordinary changes that take place around us make the most interesting moment in history to be alive. It's a lot of fun. All these changes - changes in technology, globalization - are brutal facts that need to be integrated into whatever decisions we make. Also, walgreens did not ignore the Internet because they were focused only on the basics. They confronted the brutal fact of the Internet and then asked: does it fit into our three circles, and can we use it to rotate our steering wheel faster? Never ignore the changes - hit them head-on as brutal deeds, or you come to them with a great sense of joy and emotion. This change, this new technology opens up a way for you to prevail, to be even better as a company. All companies from good-to-high took changes and used them to their advantage, often with great joy. When new pianos appeared, Mozart did not turn off his music. He didn't say, there are these new pianos! The harpsichord doesn't get in my way, so I'm washed up as a composer! He thought, this is so cool! I can do it hard with strong piano! This is very stylish! He kept the discipline of writing great music and at the same time embraced with great joy and excitement the invention of pianos. With all the change around us, we have to be like Mozart. We maintain great discipline in our music, but at the same time we embrace things that can allow us to make even bigger music. Alan M. Webber (awebber@fastcompany.com) is a founding publisher of Fast Company. Jim Collins (jimcollins@aol.com) wrote the novel Built to Flip in the March 2000 issue of Fast Company. His new book, From Good to Good: Why Some Companies Make Leap... And others don't, it will be available in October. October.