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# trekking

a newsletter on practical strategic thinking and action  
issue #34: are you playing offense or defense?

## editor's message

The Super Bowl may be over, but for the rest of us 2007 is still in the first quarter—we all have a long way to go before the whistle blows to close out the year. To win, you'll need both defensive and offensive moves. But are you just going through the motions with your playbook, or are you really thinking about how to be a winner?

This month, we'll share some thoughts on defense and offense from our traditional perspectives of Strategic Thinking and Strategic Action. Our Industry Spotlight shares some observations on Web 2.0. Finally, this month's Reading List reviews a fun new book called *The Starfish and the Spider: The Unstoppable Power of Leaderless Organizations*.

## strategic thinking

*What It Means to Think Offensively*

Like many teams, companies often get stuck in a single mind set.

Some think defensively. Their focus is on preserving their base. They worry about what they need to maintain their current market position, their current customers and their current business model. They spend a lot of time thinking about their cost base. They see their people as costs. They see their customers as a necessary evil. They are thinking about today, not tomorrow.

Others think offensively. Their focus is on leveraging their base. They seek to find the high value intersection between what they do well and what the market needs. They see their people and customers as resources. They are thinking about how to grow and build for tomorrow. But sometimes, they lose sight of today.

Everyone needs balance. The survival of a company requires both kinds of thinking—defense to protect your base and offense to build it.

We're halfway through the first quarter of 2007. What's your strategy?

-Mary Adams ([adams@trekconsulting.com](mailto:adams@trekconsulting.com))

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## strategic action

### *A Winning Game Plan*

A winning game plan should have both offense and defense. What does that mean when the action starts? Acting defensively is about holding your position and not giving any ground:

- Retaining your current customers. It is many times cheaper to keep a customer than to land a new one
- Cross-selling existing customers
- Reacting to the market

If you keep doing the same things the same way, there is no reason you should grow. What will you do better or differently? Acting offensively is about gaining ground and winning new territory:

- Finding new customers
- Pursuing new markets
- Developing new offerings
- Finding new ways to do what you do more efficiently
- Leading the market

If you are planning 20% revenue growth this year, the easiest way to make your number is to use defense to keep 100% of your existing customers and use offense to increase your base by 20%. Are you ready with both defense and offense?

- *Michael Oleksak (oleksak@trekconsulting.com)*

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## industry snapshot

### *Business and Web 2.0*

Last week, the MIT Enterprise Forum hosted a full-day event on Web 2.0. There were lots of fun and sexy (OK, not literally) peeks at the latest in web video, audio, and blogging. There were many interesting discussions and several intriguing points were raised. For instance, the ever-increasing amount of customer-generated dynamic content is turning current search paradigms on their heads (good thing Google has so much capital...).

One of the most interesting things about this conference was the subtle, but fundamental shift in the focus from technology for technology's sake to the consumer (both for B2B and B2C businesses). In the past, events like this would spend much more time on technology...and even more technology—and, if someone remembered, they would admonish you to remember the market. Today, there is a real

understanding that the customer is your partner. You have to listen to them closely and, in many cases, let them make decisions about how you are going to do business.

This leads to the other, and much more fundamental, shift that was touched on—the realization that companies will have less control in a Web 2.0 world. We see it now as consumers blog about products, as online communities develop a life of their own (see our book review below) and as customers become full-time innovation partners. This loss of control has huge implications. Although it was mentioned a number of times at this conference, it is a fact that most people have not really thought through as of yet. So, why not? We'll try to tackle this topic in next month's newsletter. Stay tuned.

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## reading list

*The Starfish and the Spider:*

*The Unstoppable Power of Leaderless Organizations*

By Ori Brafman and Rod Beckstrom

The title of this book refers to the fact that a headless spider dies but even a relatively small part of a starfish can regenerate itself.

The book is full of interesting stories about powerful, but essentially leaderless organizations, ranging from the Apaches to Alcoholics Anonymous, Al Queda, Wikipedia, craigslist, and Skype. In each story, there is something new to be learned about the power of people to organize and regulate their own activities—and what that means to more traditional organizations.

Although the authors are not predicting the demise of leadership as we currently understand it, they will leave you thinking about when leaders need to step back and let groups organize themselves. It is a lesson that every organization needs to learn in today's Internet-enabled world. And one that makes you realize how fundamental some of future changes will be as we move through and beyond Web 2.0.

For more info, visit the authors' website (<http://www.starfishandspider.com/>).



## announcements

Mary Adams has been invited to make a keynote presentation at Consulting World in Orlando on June 25th. Mary will be speaking on "The Intangible (But Very Real) Opportunity for Consultants." For more information, visit the AMA's Consulting-World web site (<http://www.amanet.org/events/consulting-world/>).

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In next month's issue, we'll talk about whether or not corporate leaders are (or should be) in control in today's world.

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## about trek consulting

Trek Consulting LLC helps companies to face the challenges of growth, building value and dealing with change. Since 1999, we have been a valued partner to business owners and leaders on their arduous journey to business success. We know that we cannot make this journey for our clients, but we can make it easier and more successful. We focus on getting you the best information available, facilitating sound planning and decision-making, making sure you have the right skills and resources to face your challenge, and coaching you through the road-blocks that invariably arise along the way.

Our clients report improved market focus, greater revenues, better margins and increased profits. To learn more about Trek Consulting and how we can help you improve your company's results, visit us on the web at [www.trekconsulting.com](http://www.trekconsulting.com) or call us at 781-729-1008.