

Title:	Stall Points Most Companies Stop Growing – Yours doesn't have to.
Author	Matthew S. Olson and Derek Van Bever
Website	www.stallpoints.executiveboard.com
Review	<p>"Stall points" is the culmination of research into the major turning points faced by 87% of the 500 companies in the 'Fortune One Hundred' during the last fifty years.</p> <p>The authors conclude that although stalls are considered to be an industry or macroeconomic phenomena, they are usually rooted in strategies disconnected from the company's external climate. That disconnect may stem from: a failure to recognize and respond to changing customer preferences and competition, a failure of the innovation chain, a failure to exploit the core business, or a workforce incapable of executing the strategy. Once that disconnect takes hold the company rapidly accelerates into stalled revenue growth.</p> <p>Digging deeper the authors suggest that many of the failings derive from the faulty assumptions underpinning corporate strategies. Initially these assumptions are simple observations. They become enshrined in a strategic plan, get translated into operational guidance and eventually harden into accepted orthodoxy. As they transition these observations become less accurate becoming dangerously misguided and offering obsolete perspectives.</p> <p>The senior executive team, most dependent on these observations, becomes exposed as it examines dated sales figures, achieves a well-defined strategy, uses past success to validate assumptions and develop talent, and dismisses symptoms of emerging realities and challenges as 'noise'.</p> <p>Much of that dismissed 'noise' comes from people much closer to new development. The sales force, regional offices, market researchers and employees often recognize the potential of new developments to undermine corporate assumptions, but they're in no position to challenge the belief system or the institutional memory. Indeed few people are in a position to question the institutional memory – certainly not the leaders who want to project confidence in their strategy.</p> <p>If a strategy, based on the wrong assumptions, can spiral a company into a stall from which it only has a 7% chance of full recovery, questioning assumptions may be just what's needed to maintain, or recover its growth trajectory. The authors focus much of the book on just how to test assumptions with ideas on developing a testing environment and mapping the future with a pre-mortem analysis.</p>
Golden Nugget	Stalls typically aren't bolts from the blue, they're controllable, avoidable and have very obvious warning signs. The 'Red Flags' to look for are summarized in 50 questions at the back of the book and are also available from www.stallpoints.executiveboard.com as an online questionnaire.