



TenStep Supplemental Paper

5 January 2004

Wanted: A Business Doctrine

Mark Fuller (Chairman, CEO and co-founder of Monitor Company, the leading strategy consultancy firm) says, "A doctrine is fundamental to both war and corporate management." Companies need a framework that guides people at all levels as they convert informed choices into timely actions. For this, they need a corporate doctrine.

A doctrine is fundamental to war. A doctrine establishes a particular way of thinking about the organization, a mandate for professionalism and a common language. In short, it establishes the way the organization practices their profession.

All executives thus accept the need for formal strategies to define the means by which organizations compete. Most executives have embraced **mission, vision, and values** to communicate the ends for which organizations compete. But it is the doctrine that provides the integration between ends and means.

A doctrine is not a minuscule prescription. Rather, it is a mixture of philosophy and practice, and the connection between the two.

In business, a good doctrine meets three needs. First, it establishes a common purpose - **the company's definition of victory.**

Second, it establishes a common language - **a shared way of expressing the corporate strategy.**

Third, it establishes common **decision rules**, creating a shared framework for action. The sum of these elements answers the questions that any company must answer if it expects to win: How do we compete? Where do we compete? How do we conduct ourselves? How do we know whether we're winning or losing? Whether they use the word or not, innovative companies are beginning to invest in doctrines.

Motorola, one of the world's most competitive high-technology manufacturers, operates Motorola University in order to create a company-wide language and decision-making system - a doctrine for quality.

Koch Industries, another competitive enterprise, has made significant investments in the Koch Management Centre to create what it calls "management technology."

Perhaps the most elaborate example of corporate doctrine is at Emerson Electric, where CEO **Charles F. Knight** has institutionalized a rigorous management process.

Knight's doctrine includes a clear definition of victory expressed in unambiguous financial measures with critical terms ("best cost producer") that all Emerson managers understand. Decision rules that dictate behavior from the executive suite to the factory floor have also been included.



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Every manager and worker at Emerson is expected to be able to answer four basic questions about his or her job: Who is the enemy? Do you understand the economics of your job? What cost reduction are you currently working on? Have you met with your managers in the past six months?

A doctrine dictates a uniform thinking within the organization. This systematic sentiment leads to a sense of brotherhood among the employees, thus fostering trust.