Summaries

For decades, management consultants and the popular business press have urged large firms to flatten their hierarchies. Flattening (or delayering) typically refers to the elimination of layers in a firm's hierarchy and the broadening of managers' spans of control. The alleged benefits flow primarily from pushing decisions downward to enhance market responsiveness and improve accountability and morale. Has flattening delivered on its promise? This article demonstrates that flattening management layers can have the opposite effect from their intention. In fact, flattened firms typically exhibit more control and decision making at the top.

Changes in the global environment are generating opportunities for companies to build advantage by creating loosely coupled networks or ecosystems. Ecosystems are larger, more diverse, and more fluid than a traditional set of bilateral partnerships or complementors. By leveraging ecosystems, companies can deliver complex solutions while maintaining corporate focus. This article describes six keys to unlock ecosystem advantage: pinpointing where value is created, defining an architecture of differentiated partner roles, stimulating complementary partner investments, reducing the transaction costs, facilitating joint learning across the network, and engineering effective ways to capture profit.

Confronted with public concerns about health and obesity, food companies are taking several initiatives. However, it is unclear to what extent they should communicate these policies. This article explores reactions in the blogosphere to health-related announcements by large food companies. Results show that taste-related announcements generate not only more reactions, but also more positive buzz than knowledge-related announcements. Valence is influenced by issue association per company type: those with highest obesity associations generate more negative blog posts. In case of low issue association, there are only limited blogosphere reactions. This analysis has important implications for managing interaction with social media.

A strong reputation is widely acknowledged to be the most valuable asset of a firm, and sustainability has become an important component of corporate reputation. Many stakeholders, from customers to investors to employees to purchasing managers, report that sustainability is an important factor in their decision-making processes. However, sustainability messages have become ubiquitous–almost table stakes–for most large firms. In such an active marketplace, especially for firms who have not pursued leadership positions, it is difficult for companies to use sustainability to create meaningful differentiation from competitors and thus benefit from their investments. There is often a major gap between stakeholder perceptions and firm performance. Firms that integrate sustainability into their culture and business practices are better able to integrate sustainability messaging into mainstream communications.