

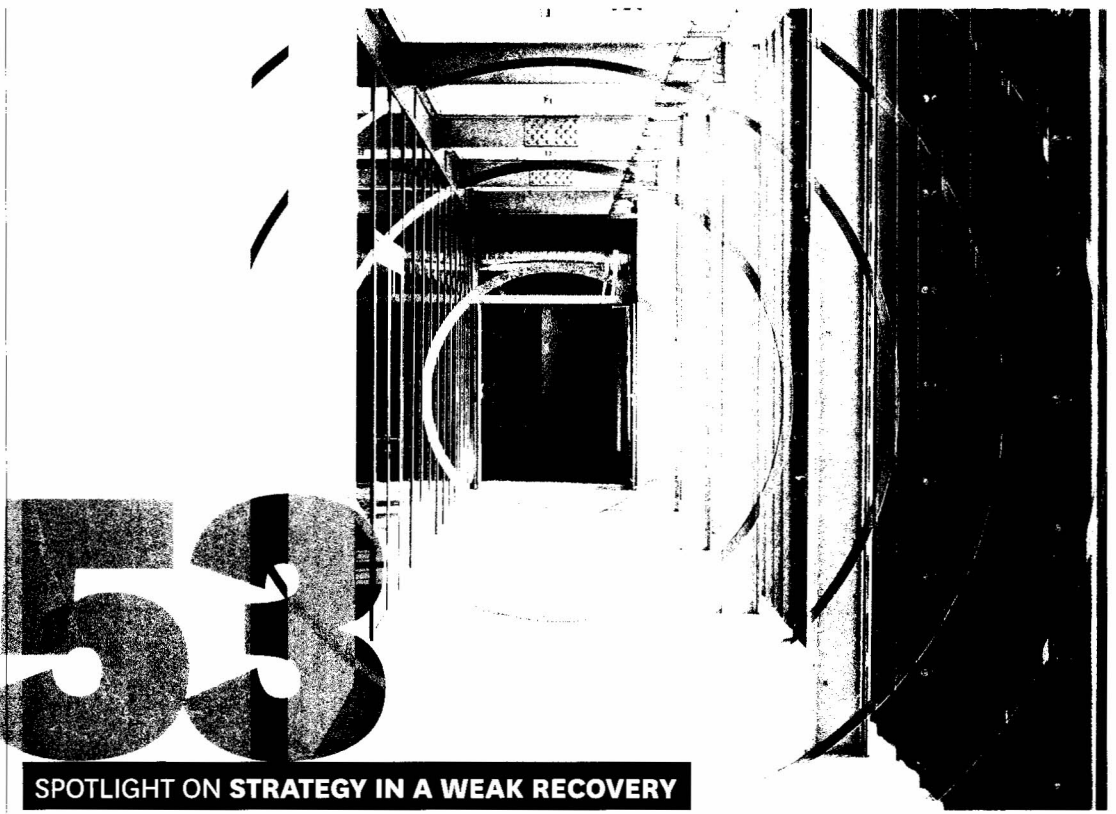
**Cover Artist**  
Jacob Thomas

### About the Spotlight Artist

This month's featured artist is Felice Varini, a Swiss-born painter who eschews the traditional canvas for the three-dimensional urban landscape. Varini paints directly on existing architectural structures or natural landscapes, creating visually compelling geometric shapes that can be seen only from a single, specific vantage point. When you step away, the image turns into fractured swaths of color.

"The vantage point is a way to begin, to focus," Varini has said. "But I'm really trying to discover things that we cannot normally see."

Varini lives in Paris.



## SPOTLIGHT ON STRATEGY IN A WEAK RECOVERY

**Finding Your Strategy in the New Landscape** The road ahead looks rocky, with weak global growth, overcapacity, high unemployment, financial volatility, costly capital, and more regulation and protectionism. To negotiate it, companies will need to shift—and maybe even reverse—their approach to global business. *Pankaj Ghemawat*

**Roaring Out of Recession** Though many companies never recover from a recession, a small percentage emerge stronger than ever. How do they break away from the pack? An analysis of 4,700 companies during three recent downturns reveals the answer. *Ranjay Gulati, Nitin Nohria, and Franz Wohlgezogen*

**Are You Ready to Rebound?** In the new world of irreducible uncertainty, companies need agility—the capability to consistently spot and execute on favorable openings before rivals do. Here are seven questions that will help you gauge your company's fitness. *Donald Sull*

**ABOVE**  
Felice Varini's *Five Concentric Circles*, 2007, Paris

## Funding Eureka!

To turbocharge progress, the world needs a capital system for inventions—one that would make it easier for inventors to get funding, for universities to turn scientific discoveries into marketable products, and for companies to buy and sell ideas.

*Nathan Myhrvold*

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## Bold Retreat: A New Strategy for Old Technologies

When a new innovation threatens your business, the tendency is to fight it or transition to it. But a third option can offer great promise. *Ron Adner and Daniel C. Snow*

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## Harnessing Your Staff's Informal Networks

Experts within companies often gather voluntarily to swap insights. With some structure and oversight, these communities can become powerful problem solvers. *Richard McDermott and Douglas Archibald*

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## Leadership Lessons from India

Over the past decade, a distinctive management style has helped India's largest companies grow twice as fast as the country's red-hot economy. *Peter Cappelli, Harbir Singh, Jitendra V. Singh, and Michael Useem*

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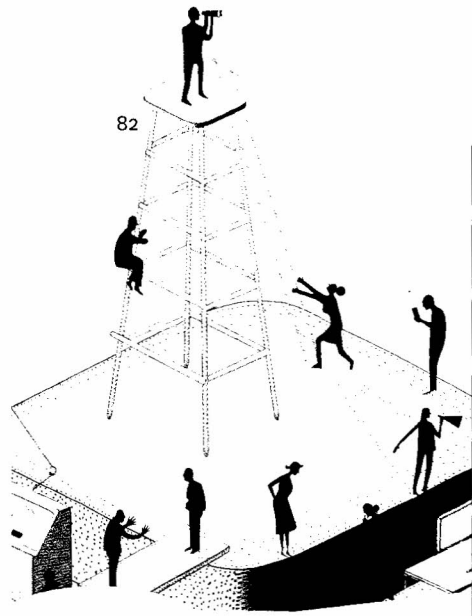
## How BMW Is Defusing the Demographic Time Bomb

Inexpensive changes on the factory floor—developed by frontline employees—are helping BMW maintain the productivity of an aging workforce. *Christoph H. Loch, Fabian J. Sting, Nikolaus Bauer, and Helmut Mauermann*

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## Giving Up the CEO Seat

A cofounder of Seventh Generation had guided his company through its infancy and adolescence. Then he suddenly realized it was time to go. *Jeffrey Hollender*

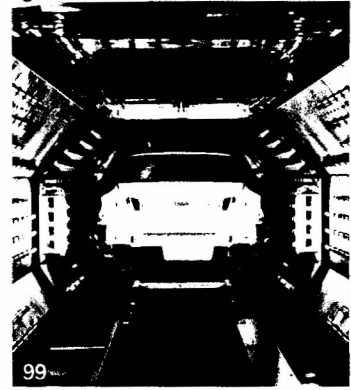


**"I'M NOT A PATENT TROLL."**  
An interview with Nathan Myhrvold at [blogs.hbr.org/ideacast](http://blogs.hbr.org/ideacast)



of Indian heads of HR—versus 4% of U.S. chief learning officers—regard employee training and development as essential

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**BMW'S** frontline employees are getting older—but working smarter.

Multi-Surface Cleaner  
KILLS 99.99% OF GERMS\* BOTANICAL

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**ATUL GAWANDE**  
A conversation with the author of *The Checklist Manifesto* reviewed on page 130 [blogs.hbr.org/ideacast](http://blogs.hbr.org/ideacast)

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New research shows that among MBA elites, women still lag men at every career stage. PLUS Tackling the *other* climate changer, engaging employees on their terms, marketing on Facebook, and more

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Can cold, hard cash increase your physical and emotional resilience? Yes, says professor Kathleen Vohs.

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Companies entering China focus on cities' size. They should define markets by economic outlook, consumer attitudes, and culture.

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Thinking outside the building is the key to future breakthroughs.

### 36 JOSEPH E. STIGLITZ

Can better regulation tame the financial markets? The prognosis isn't good.

#### GUANZHONG

15 M POP.  
1.9% GDP  
12.8% PROJ. GROWTH

#### CENTRAL

31 M POP.  
3.8% GDP  
13.1% PROJ. GROWTH

#### NANJING

24 M POP.  
4.8% GDP  
11.0% PROJ. GROWTH

#### HEFEI

23 M POP.  
2.8% GDP  
13.3% PROJ. GROWTH

#### SHANGHAI

35 M POP.  
10.8% GDP  
8.7% PROJ. GROWTH

#### YANGTZE MID/LOWER

32 M POP.  
4.0% GDP  
12.1% PROJ. GROWTH

#### HANGZHOU

32 M POP.  
6.7% GDP  
10.5% PROJ. GROWTH

#### NANCHANG

12 M POP.  
1.7% GDP  
12.9% PROJ. GROWTH

#### CHANGZHUTAN

16 M POP.  
2.2% GDP  
11.3% PROJ. GROWTH



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### 114 Keeping Your Colleagues Honest

Confronting ethical conflicts in the workplace can be both emotionally wrenching and politically risky—so how do you go about it? By shifting your mind-set in several important ways. *Mary C. Gentile*

**121 The CEO Can't Afford to Panic** During an unthinkable crisis, a chief executive has to make a fast decision. *Eric J. McNulty*

### 128 Reviews

**132 Richard Serra** An acclaimed American sculptor whose signature material is rolled steel talks about creativity, innovation, and collaboration on a massive scale.