

Funky business

Business



**ASSIGN
BUSTER**

Q1. Is Funky Business a groovy new bible, or merely old ideas given a funky new twist? Identify what you consider to be the books main strengths and weaknesses.

When you mean business, it classically meant that you deal with a person who wears that drab black suit and you have to talk in terms of all that business jargons and look into some cumbersome proposals. However, in a modern attempt to get away with the usual, business is seen with a " funky perspective" that a corporation could be an interesting place to be. With this, not only will talented people want to work there, but customers will want to buy there.

Thus, the book Funky Business by Jonas Ridderstrale and Kjell Nordstrom are old ideas that were given a funky new twist. The authors themselves acted to the " funkyness" of their ideas as Nordstrom and Ridderstrale, not just a pair of Swedish business professors, but they also shaved their heads, wore leather trousers, listened to techno-rock and tagged themselves as funksters. They hated lectures and called them " gigs" instead.

According to the book, the " Funky Business" model for the new economy includes the following elements:

Funky firms are small with 50 to 150 people who are dynamic and can adapt to change a lot faster.

The funky firm is flatter, so that the time from problem detection to solution implementation is reduced.

These firms are team players; they work in projects and in a groupenvironment.

Funky firms work horizontally.

Funky firms are about democracy. They pick their own team leaders.

There is cooperation with customers, suppliers and competitors.

Funky firms are able to measure not only their own, but also their customers' market and mind share.

True enough, this book offers a refreshing way of dealing with business as the authors challenge business leaders with their modern way of thinking.

According to Grose (7 February 2004), Nordstrom and Ridderstrale's theoretical model for success in their book is called Funky Inc., a company that is flat, horizontal, small and open. Job descriptions and work teams are temporary, and business rivals can sometimes be partners. Funky Inc. is also extremely focused, providing only one or a few goods and services--those it does best. Most of all, the idea of that company did not hesitate to use the core competencies to enter a variety of industries. Funky Inc. targeted a particular audience, probably a niche market it has pioneered. Success in markets dominated by consumers and brands, the authors claim, comes not from taking competitors head-on, but from staking out new territories away from the herd. According to the book, "The dirty little secret of market capitalism in all its many forms is that successful companies have become so by killing the spirit of free enterprise. They have all succeeded in creating monopolies, at least for a short period of time... Success arises from being different. And then being prepared to change again".

The major strength of Funky Business lie mainly on its novel ideas of making business less "terrorising" and it supported the lighter approach to the usual drab "seriousness" of business dealing. The book is often thought-provoking

<https://assignbuster.com/funky-business/>

and always easy to read. Moreover, the book was spiced up with a generous use of pictures and graphics and no chapter takes longer to read than to watch an MTV pop video. No one can find a detailed research, confusing equations and extensive analyses here. Points are supported by simple statistics or, more frequently, by a single quote. Rana (December 2000) hailed the book as it went to great lengths to describe what makes a business “ funky” by providing a variety of innovative and out-of-the-ordinary ideas. As today’s environment is becoming knowledge-based and globalising, the modern way should suit the best business practices to move faster than ever before, since information spreads instantly all over the world via the Internet.

Although the book garnered several raves, it also never avoided several rants. Some critics delighted on taking pot-shots at it saying that some words or phrases in the book is rather “ strong and impolite” (Santoso, February 2002). Another reviewer, Adria (13 April 2005) cited that by releasing this “ guide for the future” type of book, the authors should exercise moreresponsibilityto the people interested to act upon their advices. The reviewer furthered that after finishing this book reader isn’t much smarter. Indeed, the authors described the present economic situation precisely, but they fell short in producing real and solid possible solutions. Adria (13 April 2005) gave an example that the authors advised long-term focusing on narrow business niche in order to survive on the international competitive market. However, if someday, a better competitor arrives out of nowhere, the niche-rider is done. The businessman might just put all efforts and time to one shot and he could not possess any other skills. Adria (13 April 2005) concluded that these writers, even if they are respected <https://assignbuster.com/funky-business/>

academics, could not substitute this book to what is gained through practical experience.

Although the validity of their ideas could be questionable, the book makes a serious point beyond all the “ funkyness” that pervades all throughout the book. It is indubitable that we have entered an age in which time and talent are the most precious commodities. It concentrates on how businesses can exploit the gargantuan opportunities in a world where traditional bosses are nearly extinct, hierarchical corporations are passé, nation-states are increasingly superfluous, lifelong careers are rare and a company’s “ most critical resource wears shoes and walks out the door around 5: 30 p. m. every day”. It is admirable that the book Funky Business never claimed that it is the complete answer to success. Nor is it necessarily relevant to everyone, and the lack of a rigorous approach obviously weakened some of its conclusions. But, if we are operating in the electronically enabled parts of the economy then it is a fresh and stimulating read. Thus, we should not take Ridderstrale and Nordstrom’s ideas for granted because may be in the long run, their ideas are the key to make “ funky” business the better business as we trek through the Information Age.

Q2. “ Knowledge is the new battlefield for countries, corporations and individuals. We all increasingly face conditions that demand more knowledge for us to function and, in the long run, for us to survive. You can’t build a wall around knowledge. You can’t isolate it. It is there. It is crackling down phone lines. It is in the air, in cyberspace. It envelops the human race. If knowledge is power, power now potentially resides everywhere.” Explain the relevance and implications of this quote taken from Funky Business.

Nordstrom and Ridderstrale (2000) proclaimed that, " This is the age of time and talent." What they meant is that knowledge had already transformed to become the most vital element in the business arena. For all sized organizations, change will be an inevitable force in the next millennium. Technological advances, including non-technical ones, are coming more quickly than ever before, thereby affecting all aspects of a typical company. As technology progresses, there are increasing pressures to create a new type of workplace. The current workplace will experience a transition that will fragment it into myriad on-site and off-site offices. Not only will the work environment change dramatically in the 21st century, but there will also be a need for business to support the new work environments.

Chatzkel (2003) suggested that people need to rebuild their organizations so that knowledge flows freely to create opportunities and solve problems. This view of knowledge as key for significant change is as relevant for those leading and operating enterprises today as it was then. Knowledge inputs are increasingly valuable not only in all goods and services offered by any kind of organization, but also for how that enterprise does its business day to day. The ability of an organization to effectively nurture, capture, leverage, and share its knowledge resources can be the key that provides an enterprise with its strategic power advantage in the world. (p. 3).

As what Nordstrom and Ridderstrale (2000) emphasized in their statement, organization should gear up for change and they should use their knowledge as weapons in the fight to survive in the ever-competitive business world. They advised that " building a wall" in their knowledge is not practical because sharing knowledge is where the strength lies. Walker (2002)

supported this idea as he emphasized that as business leaders, we are keen to learn from the experience of others so we can contribute more to organizational performance. Knowledge allows us to make more informed choices and decisions based on available information and an understanding of the factors affecting desired outcomes. It helps us:

Win support and resources for programs and practice, by demonstrating that value is added and that managers' needs are being met
Improve specific programs and practices and, thereby, management effectiveness

Demonstrate the contribution of human resource practices to business performance and overall strategy execution (Walker, 2002).

Isolating others would never help because in some sense knowledge should become more distributed. This tendency is seen as having strong transformative implications for economic organization; notably, the employment relation, internal-organization structure, and the boundaries of the firm. For example, the increasing reliance on workers, specialists, expert talent, etc. that is seen to accompany the increasingly distributed nature of productive knowledge challenges traditional authority relations (Foss, 2005, p. 10). This will mean that an organization could attain success if companies retain their talents because these workers are happy working with the organization they belong to. Although core competencies are important, they are what a company has is what fuel is to a car: you can fill it up, but without spark plugs the car won't move. And the spark plugs of the company happen to be passion, soul, affection, intuition and desire of its people.

Q3. Are you funky? On what criteria might you assess the funkyness of individuals. How might you set about creating a more funky workforce?

Yes I am funky because I support new ideas to improve the past effective strategies. This would mean that change should be administered inside the organisation when it needs to. As today's organisation had transformed to become a knowledge-sharing system, this had been defined as a learning organisation that support the sharing and reuse of individual and organizational knowledge. Information technology (IT) tools—such as document management systems, groupware, e-mail, databases, and workflow management systems, which historically were used for singular unrelated purposes—are now typically integrated into knowledge sharing systems.

I also believe that corporations are part of capitalism's discontents - but by the same token they have to be part of the solution, too. As the legitimacy of entities such as the state, the church and the family is being sapped - " the social capital that it took 300 years to build is in the process of being erased in one generation" - it leaves a space to be filled willy-nilly by the corporation as the dominant institution of the time. Partly because of the dynamics of the labour market, this is already happening. To attract and keep talent, companies will change from being a consumer of labour and competence to being a co-creator of competence and a provider of personality (Caulkin, 23 March 2003).

If " funkyness" should mean that businesses should look into making their workforce happier, then I would support that. As Nordstrom and Ridderstrale (2000) hailed Karl Marx's ideas were right: Workers today own the most
<https://assignbuster.com/funky-business/>

critical resources of the company. When we take a look at any major organization today and find 60%, 70% and sometimes 90% of the work that people do is done by way of our intellect. So the new critical means of production is the human brain. Smart people do not want to work at business-as-usual firms. They want to work at amazing companies, at surprising companies, at funky companies.

If I am to deal with the workforce of a competitive company, I will treat them like an organizational tribe in that you need a least common denominator, something that you can create attraction around. This least common denominator has something to do with values, with attitudes rather than skills. In the past, business leaders had a tendency to recruit people for skills and then train them for attitude. As a funky business leader, I am going to see companies do the opposite. Values should be seen as first priority and the company should train them to increase their skills. This is because skills can be taught, but their values could not.

Lastly, innovations should come in as a force to reckon with. We could redesign some usual products ourselves. Most of the innovations should be brought to the industry are not necessarily technological. They are not organizational. Not managerial. To a large extent, it is aesthetics and functionality. Thus, being funky should become smart and a fashionable organisation.

Bibliography

Adria. 2005, April 13. Good Book, But Too Much Hype Without Real Essence. Retrieved January 15, 2007, from Amazon: <http://www.amazon.com/Funky->

<https://assignbuster.com/funky-business/>

Business-Talent-Makes-Capital/dp/0273659073/sr= 1-1/qid= 1168843920/ref= pd_bbs_sr_1/002-5101356-8427254? ie= UTF8; s= books

Caulkin, S. 2003, March 23. Capitalism needs soul power: A provocative new book says we must remember that companies are made by human beings - and can be just as individual. *The Observer*, p. 15.

Chatzkel, J. L. 2003. *Knowledge Capital: How Knowledge-Based Enterprises Really Get Built*. New York: Oxford University Press.

Foss, N. J. 2005. *Strategy, Economic Organization, and the Knowledge Economy: The Coordination of Firms and Resources*. Oxford, England: Oxford University Press.

Grose, T. K. 2000, February 7. Shake, Rattle and Roll: Two Swedish Professors Look to Rock Stars and Politicians to Give Management Theory a New Twist. *Time International* 155(5): 49.

Rana, I. 2000, December. Funky Business (Review). *The National Public Accountant* 45(10): 22.

Ridderstale, J. and Nordstrom, K. 2000. *Funky Business: Talent Makes Capital Dance*, London: FT. Com.

Santoso, T. 2002, May 7. One of the Top 10 Business Books of All Time. Retrieved January 15, 2007, from Amazon: http://www.amazon.com/Funky-Business-Talent-Makes-Capital/dp/0273659073/sr= 1-1/qid= 1168843920/ref= pd_bbs_sr_1/002-5101356-8427254? ie= UTF8; s= books

Walker, J. W. 2002. Research, Knowledge Sharing and You. *Human Resource Planning*, 25(2), 10.