GIANNI CAMISA ANTONIO GIANGRECO

The Go-Kart Organization

A Guide to Superior Performance for Mid-Sized Companies Willing to Scale Up

Franco Angeli





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To my Father for whom frugality and "unredundancy" were a lifestyle G.C.

To Serena, Alice and Marta A.G.

About the Authors

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Preface

by Alberto Grando

It is with particular pleasure that I adhere to the request of the two Authors to present their work, for two main reasons:

- the first originates from the fact that both of them were my students at the MBA course back in 1994. Antonio Giangreco never stopped studying, as happens to those who decide to face the challenges of the academic career, and is now a brilliant colleague devoted to research and teaching in the disciplines of human resources management and organizational change; Gianni Camisa, on the other hand, embarked on a successful managerial career, taking on significant positions in various global IT companies and, despite his top management engagements, has always been committed to the noble and gratifying task to 'give-back', transferring to the society the experience and know-how he has gained over years of work;
- the second reason stems from the heterogeneous background of the two Authors and their willingness to share their knowledge and experiences, mixing their respective strengths with the aim of achieving a synthesis that, while narrated in a light tone through the metaphor of "kart racing", in my opinion captures the essence of many critical managerial issues that any company, especially medium-sized ones, must tackle.

The work is developed starting from the acknowledgment that in the current business environment, any organization – no matter if active in the industrial sector or in the service business – large or small, profit or not-for-profit, must know how to deal with a liquid context, a 'place' where what in the past could be considered as extraordinary becomes the "new normal": turbulence, volatility, complexity, unpredictability, ambiguity and instability are the most recurrent words to describe the context in which they are forced to operate and compete. In the following sections of the book, while keeping the *fil-rouge* of the kart-racing analogy, the Authors articulate their reflections in three main parts.

In the first part, in providing a series of indications regarding the most appropriate options in terms of organizational structure to deal with the unpredictability of the racing, the Authors emphasize the need for lean, frugal, but powerful structures, 'freed' from unnecessary redundancies. On the other hand, they underline the value that can be gained by leveraging on the ability to select, engage and motivate the best people, knowing that it is people who often make the difference between winning or losing a competition. Selecting talents, turning them into creative, loyal and dedicated believers, is one of the main tasks of enlightened and influential leadership, a leadership that is visionary, but also very focused on execution at the same time.

In the second part, dealing with the theme of customer centricity and intimacy, the work focuses on the need to put the customer at the center of any business, developing solid and lasting relationships through constant and transparent communication. In a volatile context it is essential to understand the needs of the market – possibly anticipating them – and reacting at the right speed and pace. At the starting grid, those who will be able to anticipate the green-light, by accelerating and distancing the competitors, without losing grip, then will be leading at the first curve... and we all know that competing successfully means putting the right distance between yourself and the other racers. This inevitably means taking risks, mitigating them where possible through a careful assessment of the possible scenarios, but accepting the possibility of making mistakes, learning and adapting the strategy and the organizational model to the changing context in which the company operates. Staying in the comfort zone, is unlikely to allow you or your organization to progress.

In the third part of the book, the Authors propose an apparently crosseyed vision, suggesting to executives to operate at the strategic level and on the tactical-operative one at the same time. In reality it is not a question of strabismus, but a difficult exercise of balanced ambidexterity, based on the ability to rapidly execute key decisions and select competitive options. From the reported case studies, the urgency to develop a distinctive positioning clearly emerges: minimizing the time-gap between the design of a strategic choice and its translation into effective actions. The distance between planning and action is directly proportional to the one that we can observe between top management and field operations, culturally and operationally. Hence the need for a corporate governance – CEO, board and top management – focused on listening to the customer's voice, sensitive to changes to the competitive environment, capable of translating these inputs into coherent business models, acting with a strong orientation to execution. A management style based on ambidexterity therefore requires an organization made of people capable of operating, according to needs and time, as leaders and fixers, a management team able to view long-term, but also focused on the daily operations and issues – without stumbling – thanks to know-how and experience gained while working at field level, close to customers and operations.

The work ends with a summary of useful information for those who want to win the race and not just participate in it.

Knowing the Authors I can affirm with reasonable certainty that the intent that led them to this collaborative work has its roots in their experiences which, although different for the different professional trajectories they have built, inevitably converge and integrate into a mixture that the managers and executives will find stimulating and enriching.

And it is no coincidence that this happens in the full professional maturity of Camisa and Giangreco, because only direct, profound and prolonged experience can create the ability of distilling concrete messages, of assessing the business world through the lenses of those who know which principles matter, and which are the key and essential concepts to build new tools and give good advice, because they are freed from useless redundancies and fragile, short lived trends that time proves irrelevant.

Alberto Grando is SDA Professor of Operations and Technology Management at SDA Bocconi School of Management in Milan, Italy. He was Visiting Professor at Cranfield School of Management (UK) and at other International Universities and Schools.

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Introduction

by Alex Fontana

What I learned from go-karting that business leaders might find inspiring

Karting is one of those things that you fall in love with quickly. It is a love that often turns into an obsession and into which you dive head first and completely.

I say this because it is a sport that you would normally have started as a child when your parents let you drive your first baby or mini-kart. Having experienced this world myself, I can assure you that entering it is not for the faint-hearted; once you are in you soon realize that nothing else matters. You begin to see that your mechanic – a friend – does not have the necessary skills to keep up with professional mechanics. After that you discover that your chassis is not last generation, and that your one and only beloved engine becomes a fond memory and many others have taken its place. Standard parts and components do not work fast enough, so you need a professional mechanic to upgrade and fine tune them. Your trailer is no longer big enough to fit all the chassis you now need: two for dry conditions and one for wet. Five races a year become twenty-five, and Europe is now too small for your ambitions.

When you are in this world it all seems normal, and now, with the addition of engineers, GPS systems, telemetry (no, I'm not talking about

Formula 1 racing, this is still about go-karts) there are drivers that will invest a small fortune in their annual racing budget. At this level they can start to consider themselves as full-fledged racing drivers, unfortunately discovering – as soon as they put a foot on the pedal – that this is a very different world. They eat the dust of real champions soon the first months after their debuts.

A good go-kart driver does not always become a good professional race-car driver while a mediocre go-kart driver could become an excellent professional race-car driver.

Today the world of go-karts is a world that, in my opinion, has gone over the top. But when I was young it was the best time of my life. It was then that I really learned what it meant to drive fast and win.

Most people believe that the secret is in the driving style, but that is not true. Driving a kart is very different to how you would drive any other type of race car. For example, you have to brake with the left foot and the pressure is ten times lower than in a Formula 3 car. It is its own discipline.

It does teach you how to drive without making mistakes; your style and approach need to be consistent and precise. You need to learn how to fight in traffic and command a kart scrum – to hit and be hit. You have to study your competitors and figure out their weaknesses and their driving behavior. A lot about kart racing is learning to sense and respond fast to what you observe around you. You also need to learn how to fine tune your kart; how to 'listen' to what the kart is telling you; and how to adjust the chassis. In other words, by driving a kart you will learn how to feel when something under your seat has changed, whether it's time for a pit stop, what should be tuned up (or tuned up better), in order to improve your speed and traction. It is an experience that is unique to kart racing. If, and when, you move on to other racing disciplines you will use some of your previous experience, but you will also learn that car racing takes place in a totally different environment.

Today I am a professional race car driver and compete in different disciplines like Grand Touring (GT), sports prototype, other touring car and stock car races. To reach a high enough level to make a living out of racing I raced for several years in single-seater competitions: from Formula 3 to Formula 2, then up to Formula 1 testing and finally Formula E racing. Today, to become a professional driver you need to build up sponsorships. In my case, many of them have developed, evolved and grown because of my years spent in go-kart racing. Start small, create successes, win key races and your sponsors will follow you as you grow and move to major global competitions: you create a "network" that will – somehow – enble your future success. For me these relationships are based on trust and professionalism: I managed to create an entourage of people who followed

me. They supported and nurtured my personal network of contacts that, in some cases, turned into sponsors. Trust and respect are contagious, just like in business.

Go-kart racing expanded my world view and allowed me to travel. I started by winning local races, then European ones, and eventually I started seeing the world as my race track. By fourteen I was lucky enough to have seen more countries than most adults will have seen in their lifetime. It is not always easy to appreciate this when a teenager, but later you can see it has helped create your character. Your experience helps you adapt, to understand different environments because you have already become accustomed to analyzing different race tracks and racing styles.

Nothing comes for free though and success has a price; hard work and sacrifice. Weekends are always spent on the track. When friends and relatives are at a birthday party, most likely you will be away competing. When you are older, and your friends are at parties, you are at the track or fixing your car at the paddock. It is a matter of priorities and choices, and success – even in kart racing – is a function of dedication and perseverance.

In many cases racing your go-kart will not lead to a professional career, but this should not to be seen as a failure or as a defeat. In my opinion, the most genuine experiences are those of the passionate amateurs who load their karts onto a trailer on Sundays and are off to the nearest track to have fun. They are very different from the professional drivers, but they share some key characteristics. Both the amateurs and the professional drivers want to have fun, improve their skills and beat their personal records. They want to understand and work with their vehicle, getting the best out of it, no matter if it is old and far from the last generation or a modern, but average go-kart. They all want to perform well. They want to win. Definitions of success will vary, but their goal to succeed is a shared one.

Kart racing, like a start-up business or a small company, begins with something small, even insignificant to most, but in good hands, with the right attitude, passion and dedication, it might turn into something very relevant, meaningful and important.

There are a lot of things in common between kart racing and running a business or managing a company. In both cases you need a high level of passion: a passion for driving or a passion for products or services. In kart racing, as in business, much depends on your experience, observation, how close you are to operations and to the front line. Importantly, as a go-kart driver, as in business, the creation of a large and diverse network of contacts and partners is a must. If you want to grow (fast) and scale up you need to develop your own ecosystem. This will help you expand your reach and develop new alliances and move from a start-up to a global company, or from being a kid with a go-kart to a world champion. In both worlds