



Joel Kurtzman

Author, Advisor on Global Competitiveness and Risk

TOPIC: Global Policy and Economics

SUBTOPICS: Leadership and Management; Business Strategy; Governance; Finance and Risk

BIG IDEAS:

Global Edge: Navigating the Global Landscape

With globalization a reality, companies no longer have a choice about whether to do business across borders. But it contains hidden risks—and firms need strategies and tactics for recognizing and managing those risks. Drawing on *Global Edge*, his most recent book, Joel Kurtzman presents breakthrough tools for better managing the hard-to-see perils of going global.

Based on a decade of fieldwork with companies and governments, Kurtzman presents a new way to anticipate, analyze, and manage hidden global business risks. In an age when a systematic understanding of global risk is still in its infancy, he takes the subject from the realm of academic interest and plants it squarely in management circles.

We always prepare for the wrong thing

Usually, the media is the last to know. As a former journalist at *The New York Times*, Joel learned that what's printed—or shown on TV—is what's already past. The future can often be foretold, but not from the usual sources. It takes digging into what's really going on—which usually means numbers and always means money. What should you pay

attention to? A picture of Chavez with his arm around Fidel Castro, or money given for hurricane relief? It's too easy to say "both," but you can spot probabilities and place bets based knowing how to interpret the facts.

Opacity: the Hidden Cost of Doing Business

The real costs—and problems—for business comes from the small things that make for an opaque economy: legal systems that don't work, corrupt government officials, poor accounting standards. Since the media doesn't cover these things, most companies ignore them. But it's at their own peril. Joel says it's the little things that really steal a globalizing company's profits.

Money is only one kind of capital

There are really six types: human, intellectual, social, financial, infrastructure (which always depreciates) and, personal capital. Together these are what create value and wealth. All of these types of capital can receive investment and as a result increase value. Inputs and outputs can be measured and so can the wealth they generate.

BIOGRAPHY

Joel Kurtzman, who is Chairman of the consulting and advisory firm the Kurtzman Group, also advises private equity firms and is co-chairman, with Harvey Pitt, of Corporate Governance Summits, a meeting limited exclusively to directors of boards. Joel recently completed his 20th book, *Startups That Work*, based on his study of successful, venture-funded companies. He has served on public boards and believes the first responsibility of directors is to make certain shareholders make money—in good and bad times.

Joel was Global Lead Partner for Thought Leadership and Innovation at PricewaterhouseCoopers. He was responsible for developing new ideas in such areas as strategy, technology, the capital markets, the New Economy, metrics and business policy.

He was a partner in a specialized private equity investment firm, Knowledge Universe, and president of his own advisory firm and was an alliance partner with Booz-Allen & Hamilton. For Booz-Allen, Joel created Strategy & Business, and its related book program and was a member of that firm's core knowledge team.

Joel is the former Editor of the *Harvard Business Review* and a former member of the editorial board of Harvard Business

School Publishing. Prior to that, he was business editor and columnist for six years at *The New York Times*, where he specialized in international economics and covered the break up of the Soviet Union. He was also a columnist for *Fortune Magazine*. Earlier in his career, Joel was an international economist at the United Nations and World Bank, where he was deputy director of the UN's Project on the Future. His economic modeling teams were the first to warn of the impending Latin America debt crisis. His research teams produced a library of 17 volumes of books on the global economy. While at the UN, Joel was involved as a negotiator between India and the Union Carbide Corporation over the Bhopal disaster. He was awarded India's Indira Gandhi Prize for these efforts.

Joel has been author or editor of 20 books and hundreds of articles. He is a member of the editorial board of MIT's *Sloan Management Review*. He speaks to diverse business and government audiences around the world, has hosted television and radio programs globally and served as chairman of numerous conferences. He has been a speaker and moderator at Microsoft's CEO Summit, its Government Leaders Summit and its CFO Summit. He has also spoken and moderated panels at the World Economic Forum in Davos.