

**MCKINSEY AWARDS**

# Winners 2005: The 47th Annual McKinsey Awards

## Recognizing Excellence in Management Thinking

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The McKinsey Awards have for 47 years honored the best thinking to appear in HBR's pages. Reasonable people can disagree on what makes an article "best." But here's how we define it for our judges: the two articles that are most likely to have a lasting, worldwide influence on business. The winning articles present ideas that deftly bridge the gap between theory and practice; that make their way into organizations, where they are discussed, adopted, and even adapted; and that change management for the better.

It has been hard to argue with the judges' choices. In 1979, a young HBS professor by the name of Michael E. Porter won for his first HBR article: "How Competitive Forces Shape Strategy." Seven of the late Peter Drucker's numerous contributions to HBR have been recognized. The list of winners has also included Theodore Levitt's seminal "Marketing Myopia," Robert Hayes and William Abernathy's "Managing Our Way to Economic Decline," and, two years ago, "AIDS Is Your Business," written by a group of six public health researchers. All of these articles have had a significant and positive impact on the way business gets done.

We believe that the judges' picks for this year are no exception to the tradition of excellence—and that they will leave their own distinctive mark on the practice of management.

*Harvard Business Review* is pleased to announce that Pankaj Ghemawat, author of "Regional Strategies for Global Leadership," has won the first-place 2005 McKinsey Award. Steven J. Spear, author of "Fixing Health Care from the Inside, Today," is the second-place winner.

Since 1959, the McKinsey Foundation for Management Research has presented awards recognizing the two best articles published each year in *Harvard Business Review*. The awards, judged by an independent panel of business leaders and scholars, commend outstanding works that are likely to have a major influence on executives worldwide.

### **First-Place Winner**

## Regional Strategies for Global Leadership

Pankaj Ghemawat  
December 2005



In the past decade, countless international companies have adopted, with great fanfare, something they probably call a “global strategy.” Chances are, however, that these strategies have proven less than satisfactory as a road map to competition. That’s because global strategies may be ignoring the importance of regions. The rising tide of globalization has been accompanied by increasing, not decreasing, regionalization. In fact, trade within regions, rather than across them, drove the surge of international commerce in the second half of the twentieth century. Companies that find ways of coordinating within and across regions can deliver a powerful competitive advantage.

In this article, Pankaj Ghemawat offers a new framework for competing internationally in a world that is neither truly global nor truly local. He shows how companies can determine if a regional strategy makes sense for them, and he identifies five types of regional strategy they can use in conjunction with local and global initiatives to create value in a highly regionalized world.

**Pankaj Ghemawat** is the Jaime and Josefina Chua Tiampo Professor of Business Administration at Harvard Business School in Boston. He is the author of “The Forgotten Strategy” (HBR November 2003).

### Second-Place Winner

#### Fixing Health Care from the Inside, Today

Steven J. Spear  
September 2005





An estimated 98,000 Americans die each year as a result of medical error, and nearly as many succumb to infections they acquire in hospitals. Those rates are unacceptable in the world's most medically advanced country. U.S. hospitals can prevent these tragedies—and save billions upon billions of dollars—without legislation, wrenching market reconfiguration, or major capital investments.

In this article, Steven Spear draws a blueprint detailing how techniques borrowed from the factory floor can improve health care efficiency and patient safety. In case after case, Spear shows how doctors, nurses, and technicians are using continuous improvement techniques pioneered by Toyota to improve patient care and safety. By making small, sometimes dramatically simple process adjustments, medical professionals are eliminating work-arounds and fixing problems on the spot. At one U.S. hospital, deaths from certain kinds of infections have fallen a staggering 87%. At another, similar infection deaths dropped from 19 to one. If every hospital in the country adopted these improvements, the impact would be staggering: billions of dollars and thousands of lives saved.

**Steven J. Spear** is a senior fellow at the Institute for Healthcare Improvement in Cambridge, Massachusetts. He is the coauthor, with H. Kent Bowen, of "Decoding the DNA of the Toyota Production System" (HBR September–October 1999) and the author of "Learning to Lead at Toyota" (HBR May 2004).

HBR wishes to thank this year's panel of judges for their hard work on behalf of the 2005 awards:

**Gurcharan Das**

*Author*

*Former Chief Executive Officer*

*Procter & Gamble India*

*New Delhi, India*

**Jane E. Dutton**

*William Russell Kelly Professor of Business Administration*  
Stephen M. Ross School of Business  
University of Michigan  
Ann Arbor

**Michael L. Eskew**

*Chairman and Chief Executive Officer*  
UPS  
Atlanta

**William Haseltine**

*Founder*  
Human Genome Sciences  
*Chairman and Chief Executive Officer*  
Haseltine Associates  
Washington, DC

**Robert D. Hormats**

*Vice Chairman*  
Goldman Sachs (International)  
New York

**Bud Mathaisel**

*Senior Vice President and Chief Information Officer*  
Solectron  
Milpitas, California

**Renetta McCann**

*Chief Executive Officer*  
Starcom MediaVest Group  
Chicago

**Samuel J. Palmisano**

*Chairman and Chief Executive Officer*  
IBM  
Armonk, New York

**Howard H. Stevenson**

*Sarafim-Rock Professor of Business Administration*  
Harvard Business School  
Boston

**Ludo Van der Heyden**

*Solvay Chaired Professor of Technological Innovation and Professor of Technology and Operations Management*  
Insead  
Fontainebleau, France

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