

10 Underrated Business Books

By Geoffrey James

published on BNET.com 8/24/2007

A lot of business books get popular, but the most useful don't always stay on the corporate radar. Sometimes this is because the contents, if put into practice, would force you (and often your firm) to make major changes in day-to-day behavior. It's far easier to just skim these "challenging" books on the cross-country flight. These 10 books might not tell you what you want to hear, but they will give you information you need to significantly revise your personal and business strategies.

Economics

1. "The Tipping Point: How Little Things Can Make a Big Difference" by Malcolm Gladwell (Back Bay Books, 2002)

Publisher's Blurb: "The tipping point is that magic moment when an idea, trend, or social behavior crosses a threshold, tips, and spreads like wildfire."

Excerpt: "The Stickiness Factor says that there are specific ways of making a contagious message memorable; there are relatively simple changes in the presentation and structuring of information that can make a big difference in how much of an impact it makes."

Why it's underrated: Most business books are about how managers and employees *should* think and behave. This book explains how people (managers and employees alike) actually do think, and how those thoughts govern their personal and organizational behavior.

2. "Freakonomics: A Rogue Economist Explores the Hidden Side of Everything" by Steven D. Levitt and Stephen J. Dubner (William Morrow, 2006)

Publisher's Blurb: "Through forceful storytelling and wry insight, [the authors] show that economics is, at root, the study of incentives — how people get what they want, or need, especially when other people want or need the same thing."

Excerpt: "How any given expert treats you will depend on how that expert's incentives are set up.... In a medical study, it turned out that obstetricians in areas with declining birth rates are much more likely to perform cesarean-section deliveries than obstetricians in growing areas — suggesting that, when business is tough, doctors try to ring up more expensive procedures."

Why it's underrated: The subject matter is sociological rather than organizational, but the book teaches people to differentiate between valid statistical analysis and public relations b.s. — and consequently make better-informed decisions.

3. “Nickel and Dimed: On (Not) Getting By in America” by Barbara Ehrenreich (Holt Paperbacks, 2002)

Publisher’s Blurb: “How can anyone survive, let alone prosper, on six to seven dollars an hour? To find out, Ehrenreich moved from Florida to Maine to Minnesota, taking the cheapest lodgings available and accepting work as a waitress, hotel maid, house cleaner, nursing home aid, and Wal-Mart salesperson.”

Excerpt: “It’s not easy to go from being a consumer, thoughtlessly throwing money around in exchange for groceries and movies and gas, to being a worker in the very same place. I am terrified of being recognized. Happily, though, my fears turn out to be entirely unwarranted: during a month of poverty and toil, no one recognizes my face or my name, which goes unnoticed and for the most part unuttered.”

Why it’s underrated: You’ve got a good job (otherwise you wouldn’t be reading business books). After reading this eye-opener, you’ll be incredibly grateful that you do.

Marketing

4. “The Long Tail: Why the Future of Business Is Selling Less of More” by Chris Anderson (Hyperion, 2006)

Publisher’s Blurb: “Our world is being transformed by the Internet and the near limitless choice that it provides to consumers; tomorrow’s markets belong to those who can take advantage of this.”

Excerpt: “For too long we’ve been suffering the tyranny of lowest-common-denominator fare, subjected to brain-dead summer blockbusters and manufactured pop. Why? Economics. Many of our assumptions about popular taste are actually artifacts of poor supply-and-demand matching — a market response to inefficient distribution.”

Why it’s underrated: Entire industry sectors are collapsing under the pressure of the Internet; this explains how to survive by catering to niche markets.

5. “The New Rules of Marketing and PR: How to Use News Releases, Blogs, Podcasting, Viral Marketing and Online Media to Reach Buyers Directly” by David Meerman Scott (Wiley, 2007)

Publisher’s Blurb: “Shows you how to leverage the potential that Web-based communication offers large and small companies, nonprofits, entrepreneurs, political organizations, consultants, even rock bands and churches.”

Excerpt: “Forced to compete with new marketing on the Web that is centered on interaction, information, education, and choice, advertisers can no longer break through with dumbed-down

broadcasts about their wonderful products. With the average person now seeing hundreds of seller-spun commercial messages per day, people just don't trust advertising."

Why it's underrated: Most professional marketers — and the groups in which they work — are on the edge of becoming obsolete, so they'd better learn how marketing is really going to work in the future.

Management

6. “Managers Not MBAs: A hard look at the soft practice of managing and management development” by Henry Mintzberg (Berrett-Koehler, 2005)

Publisher's Blurb: “Calls for a more engaging approach to managing and more reflective approach to management education [and] outlines how business schools can become true schools of management.”

Excerpt: “It is time to recognize conventional MBA programs for what they are — or else to close them down. They are specialized training in the functions of business, not general educating in the practice of managing. Using the classroom to help develop people already practicing management is a fine idea, but pretending to create managers out of people who have never managed is a sham.”

Why it's underrated: The cult of the MBA thrives within the corporation, frequently putting degree-holders into positions for which they aren't qualified. This book is the antidote that they don't want you to read.

7. “The E-Myth Revisited: Why Most Small Businesses Don't Work and What to Do About It” by Michael E. Gerber (Collins, 1995)

Publisher's Blurb: “Dispels the myths surrounding starting your own business and shows how commonplace assumptions can get in the way of running your business.”

Excerpt: “In the throes of your Entrepreneurial Seizure, you fell victim to the most disastrous assumption anyone can make about going into business. That Fatal Assumption is: if you understand the technical work of a business, you understand a business that does that technical work.”

Why it's underrated: This is the antidote to 20 years of relentless hype about the value of “entrepreneurism” in a world where most “entrepreneurs” fall flat on their face.

Personal Development

8. “Influence: The Psychology of Persuasion” by Robert B. Cialdini (Collins, 2006)

Publisher’s Blurb: “Cialdini combines evidence from experimental work with the techniques and strategies he gathered while working as a salesperson, fundraiser, advertiser, and in other positions inside organizations that commonly use compliance tactics to get us to say ‘yes.’”

Excerpt: “There are many situations in which human behavior does not work in a mechanical, tape-activated way. What is astonishing is how often it does. For instance, consider the strange behavior of those jewelry-store customers who swooped down on an allotment of turquoise pieces only after the items had been mistakenly offered at double their original price.”

Why it’s underrated: Books about selling tend to be long on anecdotes and short on science. “Influence” is the opposite, because it’s based on decades of Cialdini’s research.

9. “How to Win Friends and Influence People” by Dale Carnegie (Pocket, 1998)

Publisher’s Blurb: “For over 50 years the rock-solid, time-tested advice in this book has carried thousands of now-famous people up the ladder of success in their business and personal lives.”

Excerpt: “Criticism is futile because it puts a person on the defensive and usually makes him strive to justify himself. Criticism is dangerous, because it wounds a person’s precious pride, hurts his sense of importance, and arouses resentment.”

Why it’s underrated: It may seem old and corny, but it’s the only how-to management book you’ll ever need — all the others are recycled from this classic.

10. “Personal Finance for Dummies” by Eric Tyson (Wiley, 2006)

Publisher’s Blurb: “This friendly guide gives you just the information you need to take control of your finances, cut your tax bill, and achieve your financial goals.”

Excerpt: “Unfortunately, most Americans don’t know how to manage their personal finances because they were never taught how to do so. Their parents may have avoided discussing money in front of the kids, and nearly all our high schools and colleges lack even one course that teaches this vital, lifelong-needed skill.”

Why it’s underrated: Sure, this is basic stuff, but research indicates that almost nobody follows the basics when it comes to personal finance. Master this book and you needn’t be a wage slave for the rest of your life.

Copyright © 2007 CNET Networks, Inc. All Rights Reserved.