Transformation, Strategy and Innovation

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Sea Squirt

Too many organizations have become Sea Squirts!

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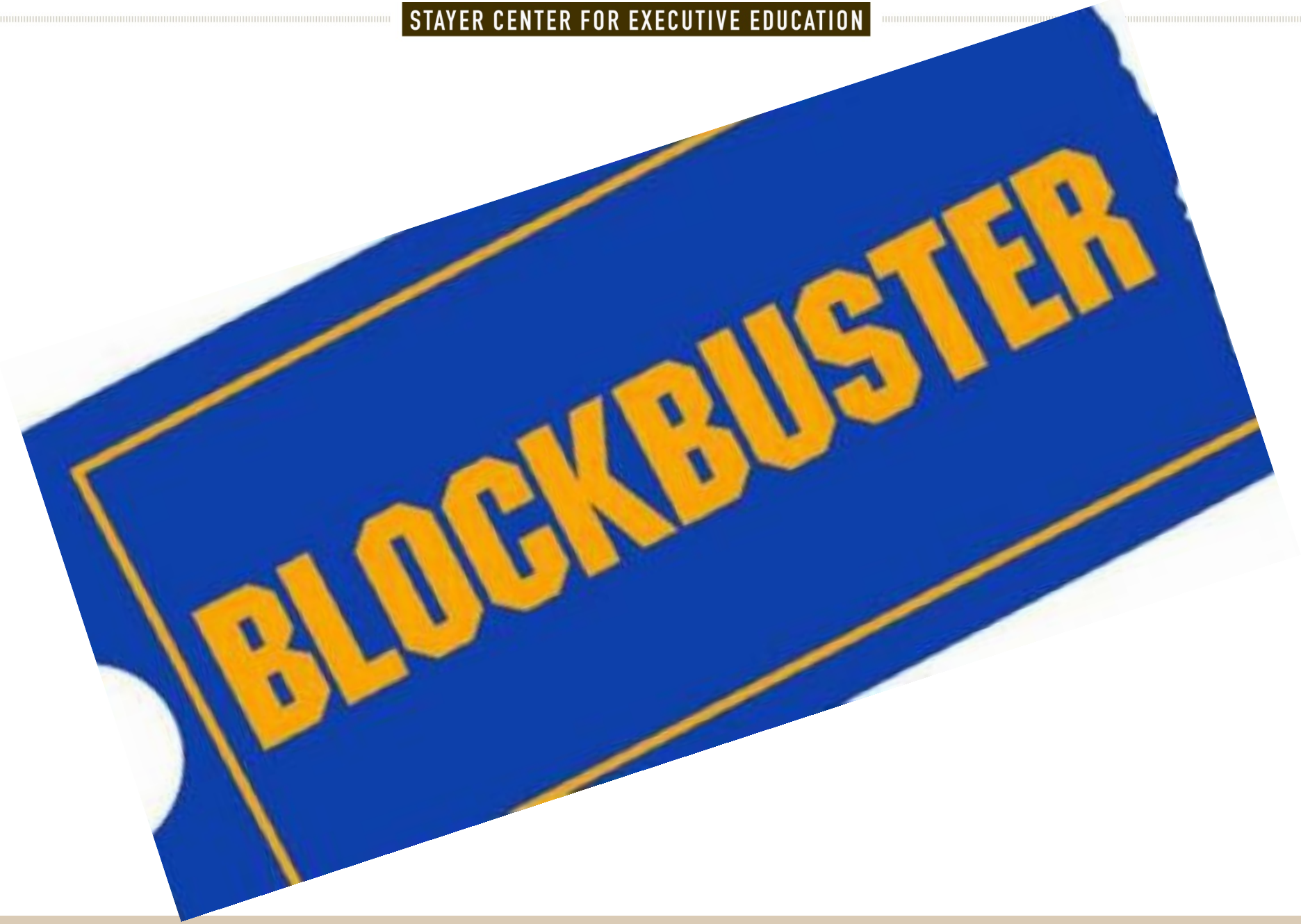

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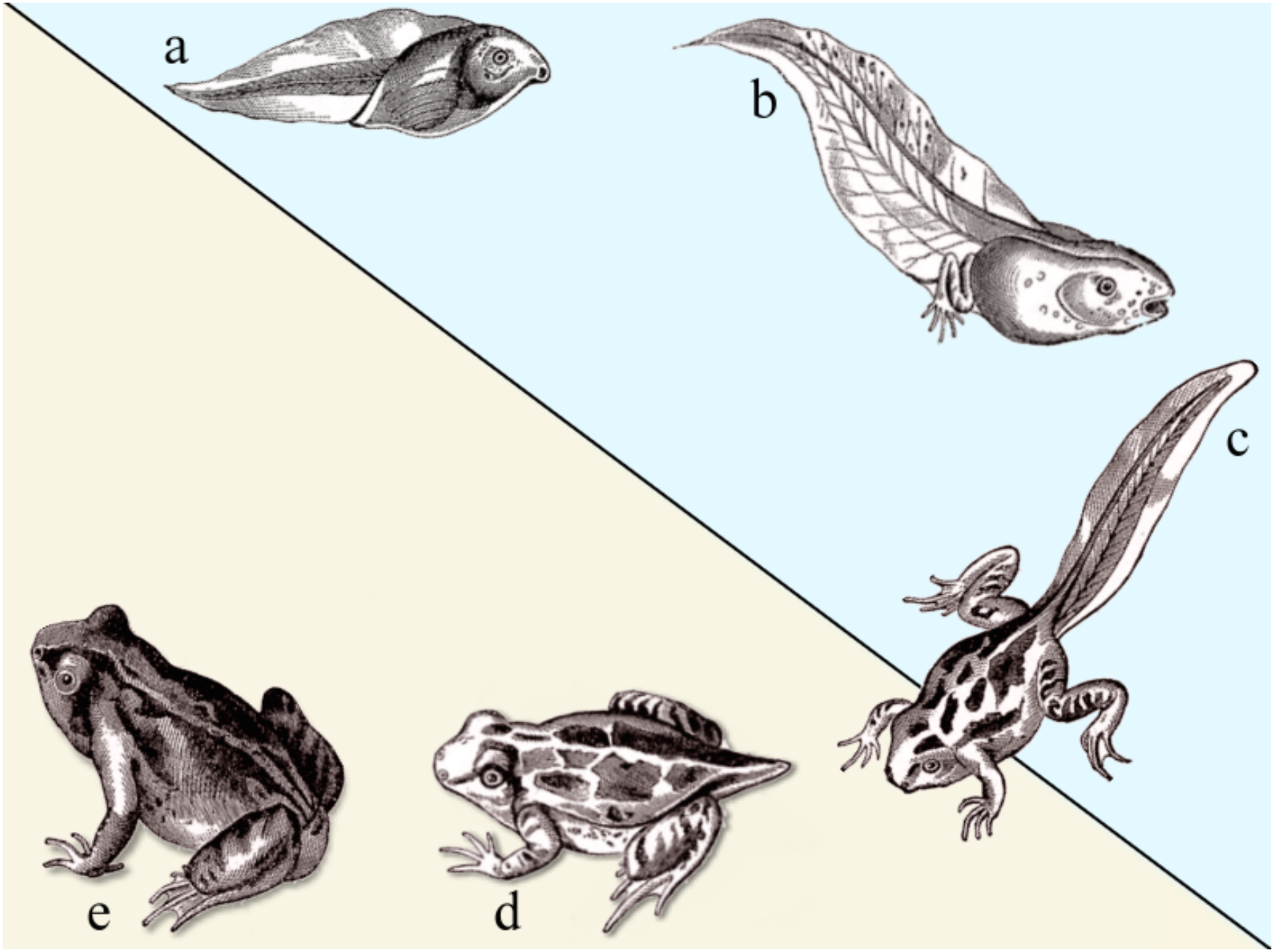
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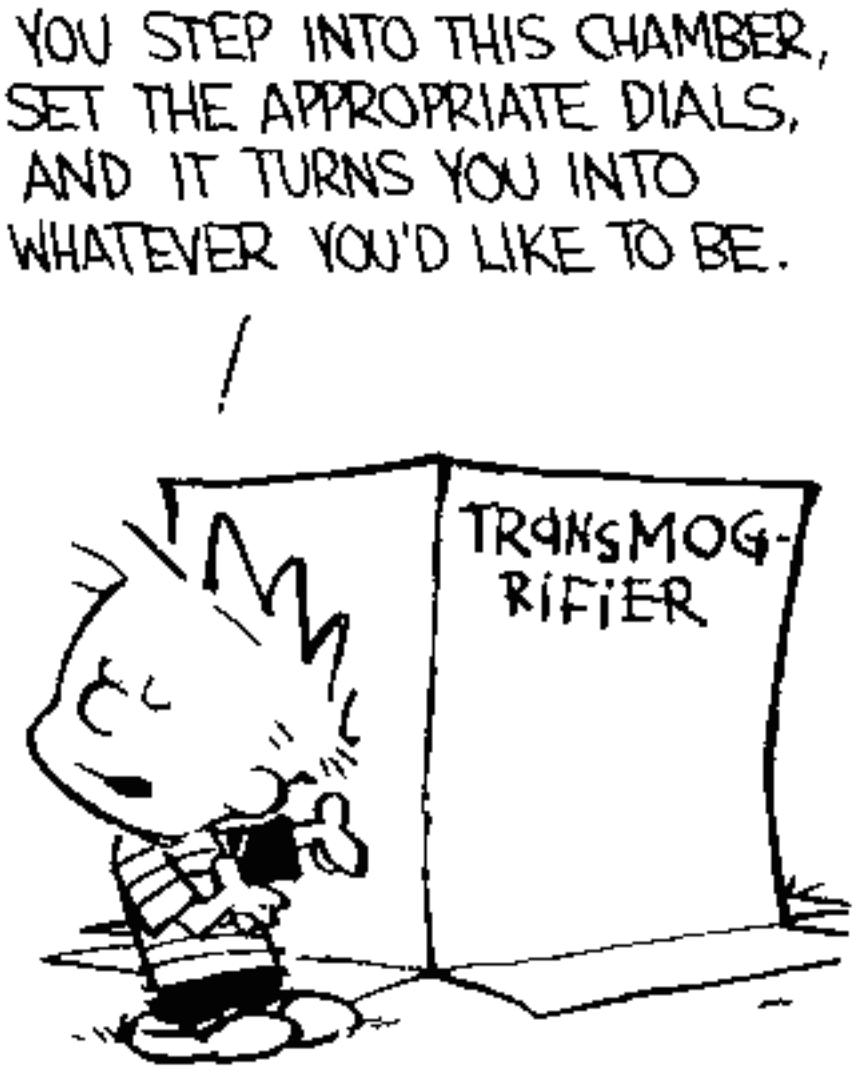

YOU STEP INTO THIS CHAMBER, SET THE APPROPRIATE DIALS, AND IT TURNS YOU INTO WHATEVER YOU'D LIKE TO BE.
TRANSMOG-RIFIER

YOU WERE SUPPOSED TO TURN ME INTO A PTERODACTYL, YOU NINCOMPOOP!!

OOPS!
TRY AGAIN, LUNKHEAD.
TRY
4-2

JCPenney

Where they've been…

The Plan

The Result…

Triggers of Transformation

R.T. Vanderwerf (2014)

- Major Slowdown in Western Economies
- Significant Technology shifts
- Major Energy cost change
- Challenges of regulatory compliance

“It is not the strongest species that survive, nor the most intelligent, but the ones most responsive to change.”

Charles Darwin (1859)

"Searching for the magic bullet
is a distracting waste of resources.
Adapting is a game of singles,
not home runs"

Do you need a grand slam or an RBI?

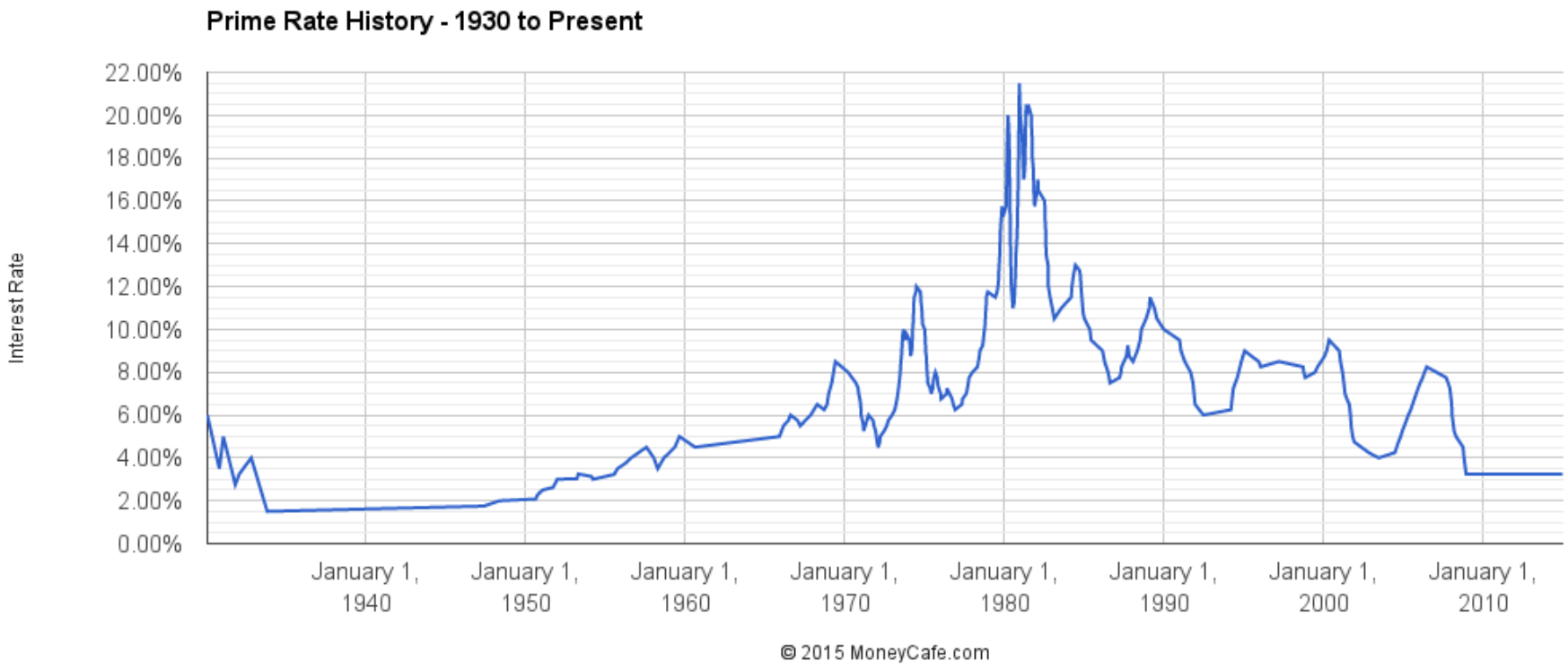
All transformations would be enterprise-wide in a perfect world, which would allow us to harness economies of scale. In reality, though, the scale of the transformation needs to be determined by the requirements and the readiness of our customers and of the businesses.

Steve Phillips
CIO, Avnet

Occasionally, a genuinely “disruptive” technology, such as digital imaging, comes along and wipes out an entire industry. But usually the sources of failure are more prosaic and avoidable

- a failure to implement technologies that have already been developed
- an arrogant disregard for changing customer demands
- a complacent attitude towards new competitors.

J. Birkinshaw (2013)


Prime Rate History - 1930 to Present
Interest Rate
22.00%
20.00%
18.00%
16.00%
14.00%
12.00%
10.00%
8.00%
6.00%
4.00%
2.00%
0.00%
January 1, 1940
January 1, 1950
January 1, 1960
January 1, 1970
January 1, 1980
January 1, 1990
January 1, 2000
January 1, 2010
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Why Organizations don't transform?

- Patterns are our Prisons
- Old and Narrow Metrics
- Disenfranchised Front Lines
- Lack of Diversity
- Intolerance of failure

Steps to Transformation

- **Vision**

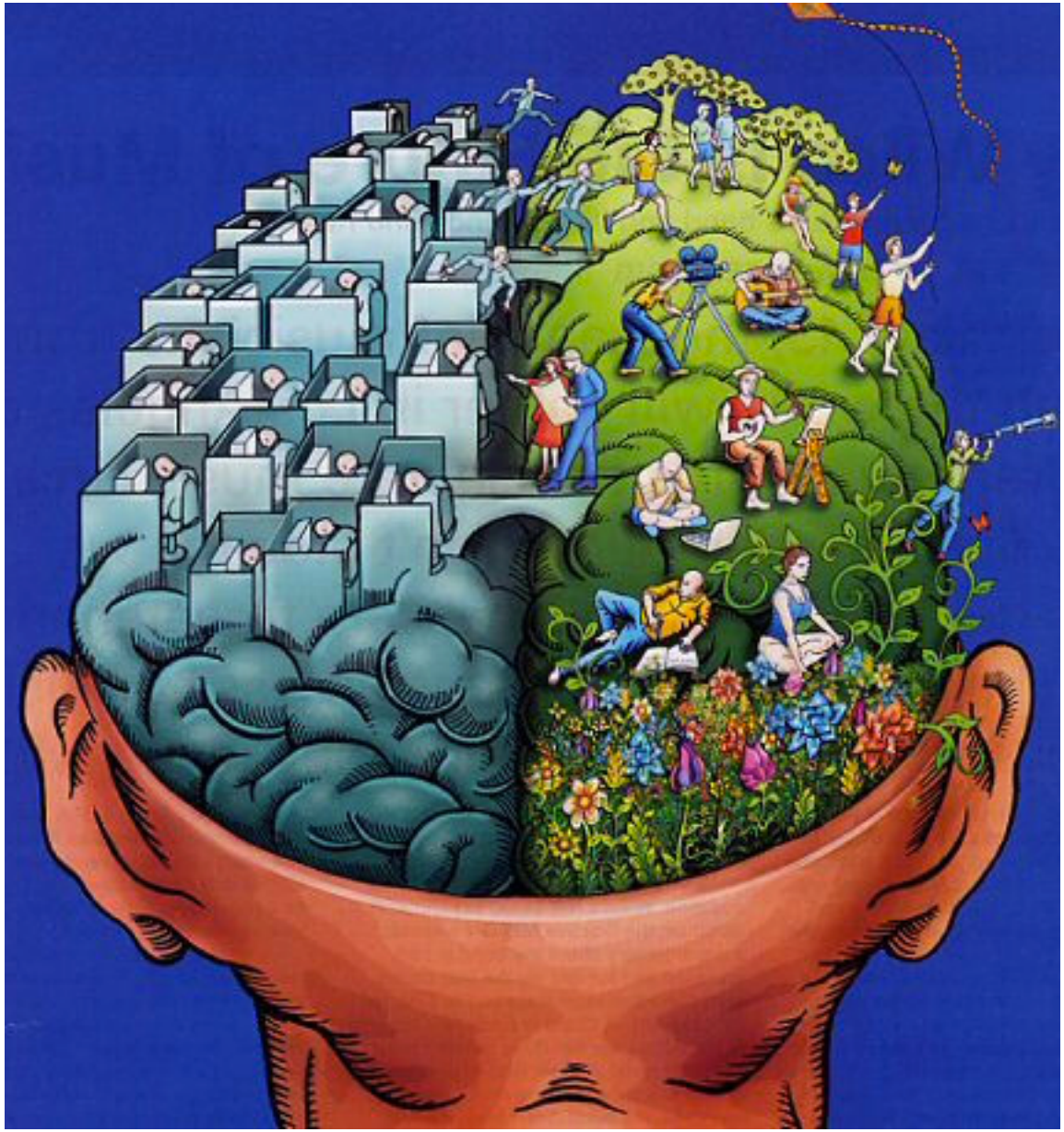
Academic gobbledygook and executive practice

Vision
Implementation/Execution
Leadership

Academic gobbledygook and executive practice:
An empirical examination of scholar – practitioner alignment

Executive > Academics…

Vision
Implementation/Execution
Leadership

Steps to Transformation

- Vision
- Execution is the hardest part of transformation
- Biggest challenge is leader wedded to a past or current success
- Take a broad view of customer demand when embarking on business transformation