



Winnovation

BY ROWAN GIBSON

What Next?

It's not just a good question. It's THE question. Think about the sheer speed of change in the external world. Think about the intensity of global competition. Think about the bargaining power of today's customers. Then think about your company. How much of your business model has remained essentially unchanged for, say, five years or more? When was the last time you fundamentally overhauled your competitive strategy? How fast are you currently renewing your products and services?

In a world where what you do now can quickly lose its value and become irrelevant, the issue is increasingly what you do next. What makes or breaks you in the new Innovation Economy is whether you're capable of continually rethinking and reinventing your company – and your industry – as fast as the world is changing around you.

Thinking about “What next?” is a difficult challenge. Most of us are having a hard enough struggle trying to keep up with “What now?” Here's why: in the time it took you to read those two sentences, somebody – somewhere on this planet – added some new bit of change to the world of business. Sure, that contribution could be just a ripple on the ocean. But it could also turn into a tsunami.

To illustrate the point: MySpace went from 0 to 100 million users in just 3 years. In 2000, nobody had heard of podcasting. Today, there are more podcasts worldwide than radio stations, and circulation is growing at 20% per month. In fact, there are ten times more podcasts available online than DVD titles. Or consider Blogs. They were nowhere a decade ago. Now there are well over 60 million Blogs online, and 75,000 new Blogs are created every single day (that's about one a second). Many companies are already using these new forms of media – social networking sites, podcasts and Blogs – to reach out to customers and attract new talent. That's how fast things are changing. You blink and you miss it.

The message here is that you can't stand still in world that is moving at light speed. As the pace of change and of business accelerates, the pace at which you develop foresight about industry evolution, about incipient trends and about new technologies – and the pace at which you invent new products, services, strategies and business models – must accelerate accordingly. There is no option B.

Look around the world today and we see entire industries whose business models have gone belly up. Is it because the companies in those industries didn't see change coming, or is it because they chose to ignore it? In many cases, managers sit in denial for years and wait for their companies to go through a near-death experience before they wake up to the need for rethinking their core business strategy.

Ask yourself: is our organization already committing enough energy to innovation and strategic renewal? Will we be overtaken by what's next or will we create it? Could our senior executive team clearly articulate the three to four strategic ways in which we intend to reinvent our company and our industry over the next few years?

Organizations typically devote most of their energy to improving what they are already doing, rather than to learning about the future and creating what's next. Whenever this happens, a company is living on borrowed time.

What we need to do is siphon away some of the time, effort and bandwidth that usually go into execution, and reallocate it to understanding deep change and to generating new ideas and opportunities for growth. We need to put learning, creativity, and innovation at the top of the business agenda.

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