



# LEADING WITH INNOVATION

---

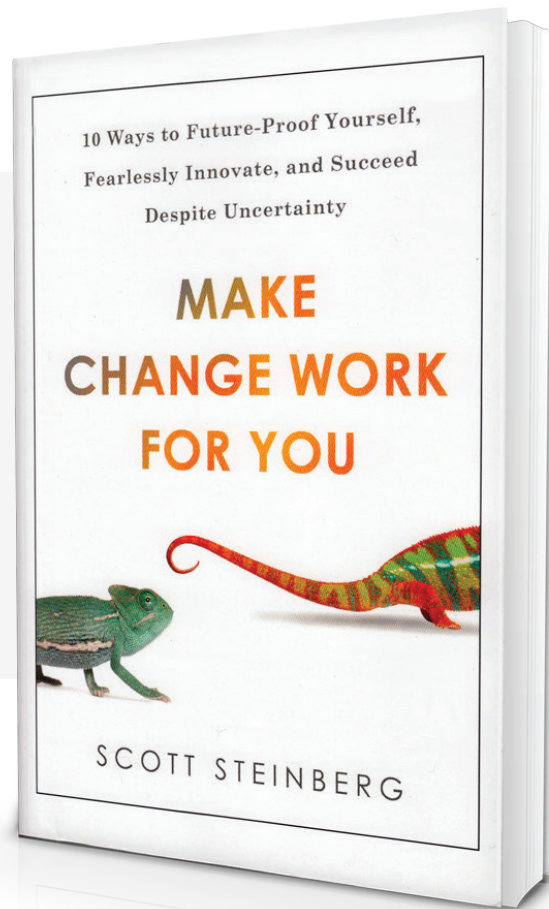
HOW TOMORROW'S MOST SUCCESSFUL  
BUSINESSES STAY AHEAD OF THE CURVE

---

SCOTT STEINBERG

"A must-read for any working professional - provides the new formula for finding lasting success."

—Dan Schawbel, bestselling author of *Promote Yourself*



## A NEW BLUEPRINT FOR SUCCESS IN AN INCREASINGLY UNCERTAIN WORLD.

### FEATURES:

- 10 new success skills that can ignite your business, brand or career
- A revolutionary new system for future-proofing yourself in an increasingly uncertain world
- Practical, proven strategies for unleashing your creativity and innovation
- A simple, four-part formula for creating competitive advantage
- How to overcome the one thing holding most of us back from success

[www.MakeChangeWorkForYou.com](http://www.MakeChangeWorkForYou.com)



# BRANDON BARNETT

Director of Business Innovation, Intel

---

**S:** How do you and your organization adapt to fast-changing times and trends?

**B:** The first step toward creating an adaptable organization is to understand the complex system dynamics to which the organization is adapting. This goes beyond tracking linear trends. My team views a market as an ordered network that emerges from a complex adaptive system. A complex adaptive system is a nonlinear system in which the components interact and adapt to each other to create an overall system behavior that is not predictable from an isolated understanding of the components. Therefore, we study the interactions among social, cultural, economic, and technology forces from which markets emerge. This view has us focus less on the stable evolution of a market (the trends) and more on the instabilities and discontinuities in a market (the transformations).

Admittedly, this framework can seem esoteric in light of traditional business analysis tools. As an example, we have watched the social concept of 'ownership' change as our stuff has become digitized. I no longer own my music in the same way. It is no longer economically rival; it can be shared without limits. This isn't really a trend. Rather, it is a foundational shift in the social and economic fabric of the music industry that contributes to the transformation of the value network with new players and business models. We may not know what new system/market will emerge, but we can often sense signals that the current one will radically change.

## S: What's the best way to innovate and stay ahead of the curve?

**B:** There are many ways to innovate. If we were to ask an audience to define 'innovation' I bet we would get as many answers as people. Innovation can be invention to maintain a competitive advantage, leveraging core capabilities into adjacent markets, or introducing a business model that disrupts an industry. The best innovation strategy depends on the curve the company is trying to stay ahead of.

Companies tend to do well if the curve is along the basis of competition that an industry has been following. For example, in our industry this curve is known as Moore's Law which observes that the number of transistors on a chip doubles roughly every two years which has implications for transistor cost and performance. Intel invests billions to innovate to stay ahead of the competition on this curve.

In addition, corporations must innovate to discover what new performance curves, or bases of competition, might be emerging. Staying ahead of these curves requires a completely different innovation process as the possibility space is larger and there is more risk in investment. Clayton Christensen's Disruption model can be a good guide as it is a model based on performance vectors (e.g. miles per gallon, GHz, horsepower, etc.) and defines triggers for a shift in the basis of competition as performance along a vector becomes 'good enough.' Will battery life, seamless connectivity, number of apps, or some new value yet

undiscovered drive the next wave of computing purchases? To stay ahead of these curves, an organization must have methods to sense if one of the potential value propositions crystalizes into a true basis of competition that drives customer choice. Organizations can employ multiple innovation methods that are appropriate its various business challenges and corporate objectives.



## S: The trick to getting ahead in an increasingly uncertain world is...?

**B:** The trick to getting ahead in an increasingly uncertain world is to embrace uncertainty. Or perhaps, more accurately, embrace complexity. The world is uncertain because we don't have data that tells us exactly what will happen. Companies can expend great effort, time, and treasure to try to gather data and model scenarios that mitigate the uncertainty. This works well when the market is quantifiable and the basis of competition is known.

When the basis of competition is not known, an alternative approach is to realize that, in a complex world, the uncertainty simply cannot be eliminated. There are too many possible futures given our current global economy in which an increasing number of people can experiment with new ways to create value and explore different market scenarios. A good metaphor is the popularized butterfly effect, in which the flapping of a butterfly's wings initiates changes that eventually help to produce a hurricane on the other side of the world. While it may seem hyperbolic, the world is so

interconnected and able to evolve in ways so sensitive to conditions that this metaphor is helpful to keep in mind.

So the trick to getting ahead in an increasingly uncertain world is to have programs that give real-time feedback about the market dynamics and create diverse options that can be tapped for value when opportunities emerge. Watching and waiting with the goal of being a fast follower is an increasingly risky strategy as platforms are established much more quickly in the internet economy. A great framework in popular literature for this structure is Antifragility (Nassim Nicholas Taleb). This framework asserts that successful companies structure themselves to benefit from conditions of high uncertainty.



**S: What one simple change can any individual or business make that can have a hugely positive impact on their ability to achieve success today?**

**B:** The change that has most affected my and my team's success is a change in perspective – from thinking about innovation as a means to grow into adjacent markets to thinking about innovation as a strategy to probe the dynamics of the complex business ecosystem that determines our business success. This simple distinction bifurcates innovation strategy into two categories – execution when the business model and market are known, and search when the market and business model are uncertain. The Lean Startup movement for early-stage companies has embraced this shift and many startups are creating minimum viable products

to test a market rather than to go to market. By thinking of themselves as a temporary organization structured to search for new value, startups following a Lean Startup approach employ processes and metrics that are tailored for rapid learning in an uncertain environment. A simple change that an individual or corporation can make to optimize success is to be explicit about the uncertainty of the opportunity and employ appropriate execution or search methods accordingly.



**S: Many businesses are looking to innovate going forward – but the business world is quickly changing. How do think organizations will have to adapt their innovation strategy in turn to stay competitive?**

**B:** I think organizations will have to become more experimental to stay competitive. When uncertainty is high owing to complex interactions in the ecosystem, the only way to know what's happening at any given time is to have experiments in the field that provide real-time insights. Internal brainstorming and business model debates simply do not have the diversity of thought or direct market testing that is needed to prepare an organization to change quickly.

For example, my team sponsored the National Day of Civic Hacking in June of 2013. This was a huge event – the world's largest hackathon – that mobilized 11,000+ hackers, entrepreneurs, and local business leaders to create valuable

apps using data that included the White House's open data initiative. We realized that the hackathon provided a great platform for experimentation and allowed us to tap into a community of mobilized hackers and entrepreneurs. Rather than expecting to find the 'next big idea' from the hackathon, we expected to see a broad and diverse landscape of potential data applications and business models that could inform strategy. This type of broad-scale diverse market experimentation is a critical component of a 21st century innovation strategy.



### **S:** What's the best piece of professional advice you've ever been given?

**B:** I've been lucky enough to receive lots of good professional advice on topics ranging from developing mentor networks to giving keynote speeches. The advice that I come back to on a regular basis was given to me by a colleague when I was running an internal bio-silicon venture that was aiming to grow into a new market. We were in uncharted territory (from an internal and external perspective) and there seemed to be so many uncertain factors that a traditional market segmentation analysis and product roadmap was impossible. My colleague turned anxiety into optimism with the comment that "with confusion comes opportunity."

I reflect on this wisdom whenever I find myself in a situation that is so complex that it is difficult to know where to start. For example, when trying to get our arms around actions we could

take to begin to create an entirely new value network based on the secure flow of personal data, my team and I realized there was the possibility to try something new and crowd-source the factors needed for such a value network to exist. Without knowing what would result we worked with partners to launch a website, WeTheData.org, and asked data experts to vote on influences within the system. For example, if 'tools to anonymize personal data' were to increase, would 'the willingness of people to securely share their data for civic good' increase or decrease? After mapping over 6500 such links, we had invented the first crowd-sourced complex network describing a new value network and opportunity we wanted to see. This work is one of my most powerful professional experiences and the output has been a guiding framework for all subsequent activities on this project. The confusion inherent in contemplating a complex system we wanted to catalyze gave us permission to do something unprecedented and created a truly unique opportunity analysis.



### **S:** The most important thing businesses should know about competing today if they want to stay relevant is...?

**B:** Though more than 10 years old, I think the data cited by Foster and Kaplan in their ~2001 work on Creative Destruction is a catalyst for new thinking about strategies to stay relevant. They cite the decreasing length of time companies have stayed on a major stock index from 65 years in 1920 to 10 years in 1998. That message has become known as the Myth of

Perpetuity – that the expectation for large corporation to enjoy long term stability and viability is an illusion. We all know of large companies that failed to adapt to transformation in their industries and lost their relevance if not their business in its entirety. Paying attention to one's market and competitors is certainly critical, but failing to navigate less visible but more threatening market transformations can be devastating. Working with Alex Osterwalder of Business Model Canvas fame, we have created a 'Systems Transformation Canvas' that depicts the collective environmental, economic,

ecosystem, and experience insights that our researchers collect in order to create opportunity hypotheses that arise from the unseen (by traditional market assessment tools) transformational forces. Companies that desire to remain relevant in our current climate of social, cultural, economic, and technological change do not assume perpetuity and embrace complexity in creating strategies that ride out industry transformation.



# CALVIN SMITH

Principal Manager, Global Innovation, EMC

---

**S:** How do you and your organization adapt to fast-changing times and trends?

**C:** Things are constantly changing and evolving today – nowhere is this more true than in our industry (IT), which Moore’s Law was actually created to describe. The best way to adapt is to continuously keep your finger on the pulse of trends. By casting wide nets both internally (employee ideas across our 66,000 person federation of companies), and externally (academia, startups, and our enormous customer/partner ecosystem), we’re able to canvas each environment and build educated predictions of “where things are going,” and then mobilize against the major trends in advance of them occurring.



**S:** What’s the best way to innovate and stay ahead of the curve?

**C:** The best way to stay ahead of the curve is to invent the curve. We’ve been particularly adept at predicting major trends before they occur, and taking a stance on the way we think things are moving through the creation of products, services, and solutions which don’t have large markets now, but which will be extremely large in the future. If you wait until you’re on the “bell” of the curve to address the trend it’s predicting – you’re already too late. You need to be proactive and address a growth market before it actually “grows!”



## **S:** What one simple change can any individual or business make that can have a hugely positive impact on their ability to achieve success today?

**C:** I firmly believe in the importance of fully tapping any company's greatest resource – its employees. Many organizations, both large and small, hire someone to fill a specific role, and then ask that individual to take a somewhat myopic approach to their work...with a very “that’s not your job,” or “focus on the task at hand” type of mentality towards work outside of their given role. That’s a very tactical way to approach problems, and it doesn’t empower or enable the employee to think strategically about the company’s “greater purpose.” If your company is publicly traded, in addition to their “day jobs,” it should be the objective of each and every employee to increase shareholder value. A company, like anything, is the sum of its parts, and the human capital is the most important “part.” If you have a complex problem to solve, you might be surprised with the kind of responses you get if you ask all of your employees, even those who have no “official” link to the problem at hand, for help in solving it.



## **S:** What’s the best piece of professional advice you’ve ever been given?

**C:** The best “job” to fill is the one you write the description for. Find an organization or team which values you for what you bring to the table, and gives you enough leeway to propose and execute against new things. The most important thing is that you share a vision and

common sets of goals with your team – both your management/executives above you, and your reports. How you mobilize to best achieve that vision/those goals should be based on each individual’s passion, drive, and interests.



## **S:** The best way to deal with professional challenges or setbacks is?

**C:** To take a deep breath and reassess “what matters.” Take some time to “reset,” as worrying about the same problem (especially if it’s something that’s already happened, or is beyond your control) over and over again is a vicious cycle that will not lend itself to anything good. You can never take yourself too seriously...and something which seems like a catastrophic challenge or setback now might end up leading you to make a decision which leads you on a much better path.



## **S:** The trick to getting ahead in an increasingly uncertain world is...?

**C:** To hedge your bets. Especially in innovation, where not every project/incubation is going to succeed (if they all did, you’d have to start questioning if what you’re doing is really “innovating”), the trick is to have so many things going on that if one or more of them fail, you have numerous others to fall back on. If you have a “singular focus” mentality, this may be tricky at first...but attempt to put as many irons in the fire as you can. Put the most backing behind the things you are most strongly convinced are “the winners,” but don’t be

surprised if things which you were sure were going to succeed...don't. Just be ready to pivot and either transform something that failed, or move on to the next big thing.



### **S:** What do market leaders do differently that sets them apart?

**C:** They take risks. All “large company” market leaders likely got that way due to one or more big risks which ‘went right,’ and enabled them to break away from the pack. The tricky thing is for a market leader to stay at the top. As a company gets bigger and bigger, the Innovator’s Dilemma becomes more and more of a problem. That’s why the companies which are able to consistently stay nimble, and emulate a fast-moving startup mentality, are often those which remain market leaders for the longest.



### **S:** When things don’t go as planned, what’s the best way to proceed?

**C:** One of my favorite quotes, by William Arthur Ward, is “The pessimist complains about the wind; The optimist expects it to change; The realist adjusts the sails.” I try to live by this maxim...and actually have this quote hanging in my office. “Planning” is based on the future, which is, of course, unknown; so it’s always based on uncertainties. You can make the best educated guesses you can, but at the end of the day, there are always so many variables that it’s fairly likely that things won’t go “according to plan.” All that you can do is assess where things “went wrong,” and adjust the sails to make them “go right.”

### **S:** What’s the smartest decision you or your business ever made?

**C:** For both EMC and myself, I’d say that the smartest decision has been to make many decisions. This gets back to the “many irons in the fire” philosophy. EMC has made over 70 acquisitions over the past decade, invests constantly in early-stage startups, backs university research, and always seeks out and advances employee ideas. There is a healthy paranoia that needs to take place in order for people and companies to be truly successful these days. This doesn’t mean that you should actually directly fear every little thing or every new technology which may eat into your market share – it just means being aware of them, and building contingency plans based on their potential trajectories...investing where appropriate and divesting where appropriate. I try to do the same with regard to the time I spend on different projects and programs.



### **S:** The most important thing businesses should know about competing today is...?

**C:** That today’s startups are tomorrow’s incumbents. We live in a world of unparalleled access to resources globally. The advent and rise of social networks, high speed internet, cheap web design, and 3D printers enables nearly anyone (with a rich uncle or other financial backer) to rapidly scale a business up. Be sure that you’ve got the right research in place to recognize the true “threats,” and the right resources in place to compete quickly and effectively.



# PHILIPP SKOGSTAD

Senior Director, Global Design and Innovation Culture at SAP

---

**S:** We operate in a highly unpredictable and disruptive business world. What attributes define current market leaders? Which will define tomorrow's market leaders as well, and why so?

**P:** We used to design and build to maximize reliability and predictability. Current market leaders rose to their position over many years by offering stability. These market leaders created loyal customers who depended on them and were held captive by high switching costs.

Increasingly ubiquitous information access shortens economic, technology, and communication cycles. In this environment, change is the norm and switching costs drop. Future market leaders will rise (and likely fall) quickly by addressing transient needs. Companies that can change rapidly and continuously, while keeping customers loyal, will be the most successful. The relationship will shift, with future market leaders loyal to their customers who they depend on and who must be kept to reduce high acquisition costs.



**S:** What should organizations and working professionals be doing today to change and innovate if they want to ensure that they'll continue to maintain success and relevancy tomorrow?

**P:** Embrace change. Organizations must redesign structures and processes for change – the structure or process AND it's load. Professionals must create an efficient and effective way to learn about change as early as possible in this era of information overload.



**S:** In a fast-changing business world, what strategies and solutions do you and your organization utilize to continually stay ahead of the curve?

**P:** Study your customer rather than the competition. You will never get ahead of the competition by playing catch-up.



**S:** Which habits and practices should every business looking to stay relevant, stay competitive, and stay in front of the competition going forward be embracing?

**P:** Engage with university students. They guide you to your next customer and their needs and to the answers to meet those needs. In addition, they will be your source of talent.



**S:** What's the most effective approach to innovation from your perspective?

**P:** Innovation cannot be managed. It can only be harvested and the seed of innovation is very small but takes a long time to germinate. Most innovations start from an unexpected idea or discovery made by an individual or small group

when exposed to an outside spark while exploring a new technology or need. I recommend hiring people who are inquisitive and want results – then get out of their way. Let them experiment as much as possible.



**S:** Some surprising and unexpected things you've discovered as part of your efforts to innovate include...?

**P:** People must be freed to be innovative but they cannot be made to be innovative. Those who demand innovation loudest are often the biggest obstacles to innovation. They get in its way by rewarding progress according to plan rather than the pursuit of new and even disruptive opportunities.



# STEVE MYERS

Chief Technology Officer, Optum  
Specialty Networks

---

**S:** How do you and your organization adapt to fast-changing times and trends?

**P:** Personally, I take the approach of trying to listen to key market players, folks introducing new disruptive technology or business process, and stay informed to market trends. Then I take and apply the knowledge to look at opportunities and solutions both outside and inside for ideas that would better prepare our business for the future that mix our culture, mission, and vision. Organizationally we do similar processes globally, and work to solidify the foundations of our core business while constantly looking for improvements and business process innovation that will give both incremental positive change but afford us the opportunity to gain significant market share through internal and external development of those ideas.



**S:** What's the best way to innovate and stay ahead of the curve?

**P:** I try not to focus on today; it is almost over. I look at the future with our consumers, their future needs through actively listening and watching, monitoring the market, and by planning for the future action that has both short term and long term affects. Innovation cannot be accomplished without creating a culture of change within the organization that is monitored and guided for positive

movement forward. Bring these things together, couple it with your vision and a plan and you will be successful.



### **S:** The trick to getting ahead in an increasingly uncertain world is...?

**P:** Actively listen and hear the world around you, then adapt, act and lead in a way that supports your journey in life. Always do the right thing no matter how hard.



### **S:** What one simple change can any individual or business make that can have a hugely positive impact on their ability to achieve success today?

**P:** Personally and as a group or organization, I feel that if you enhanced your emotional intelligence (EQ) or the organization's ability too, both you and the organization will be highly successful. As individuals and as organizations, our success depends on our ability to read other people's signals and react to them appropriately. EQ will help build a stronger You, stronger teams, and better adaptable organizations.



### **S:** What do market leaders do differently that sets them apart?

**P:** Valued leadership is about bettering those around you and your organization regardless of what the company does. Things that make this happen for leaders are passion, commitment,

ability to adapt, make decisions and act decisively, and an ability to see the multiple angles and impact of their decisions. Then they just need to show people the path through leading.



### **S:** What's the smartest decision you or your business ever made?

**P:** Personally, second to becoming a father and learning through that role, it has been not to focus on things in life and always learn and be open to new things. The journey is never straight forward. The sooner you learn that, the more successful you will be in life and in your profession. From a business perspective it is building cross functional teams of people with integrity, passion, and commitment to make things possible, in and outside your business.



### **S:** The most important thing businesses should know about competing today is...?

**P:** Customers are watching how you deliver on your promises. These businesses also know that there is always someone who wants their market share and who will do the right things if you're not. So serve your customer well, and success will follow.



# PHILIP A. M. SWISHER

SVP, Innovation – Brown Brothers Harriman & Co.

---

**S:** How do you and your organization adapt to fast-changing times and trends?

**P:** A very important element is increasing the speed at which a company can learn, which is one of the few sources of durable competitive advantage.



**S:** What's the best way to innovate and stay ahead of the curve?

**P:** The critical element needed for any innovation program to succeed is strong support from the leaders of the company. Innovation inherently involves the new and different, and can challenge those who have benefited from the status quo.



**S:** What advice would you give leaders when things don't go as planned in business, despite the best-laid plans?

**P:** The more new and different the opportunity, the more likely things are to veer into the unexpected. I'm a big believer in using lean, and the build-measure-learn loops can maximize a company's ability to deliver high quality outputs very quickly.

**S:** What's the best piece of professional advice you've ever been given?

**P:** An early mentor taught me that you can only really negotiate if you can walk away.



**S:** The most important thing businesses should know about competing today is...?

**P:** Big businesses don't beat small businesses and small businesses don't beat big businesses. Fast businesses beat slow businesses. And in a large business, the speed at which an organization can learn is a critical management metric, and a major potential source of competitive advantage.





# SCOTT STEINBERG

KEYNOTE SPEAKER | STRATEGIC CONSULTANT  
BESTSELLING AUTHOR | TECHNOLOGY FUTURIST

AS SEEN IN:



## LEAD WITH CHANGE AND INNOVATION

DISCOVER HOW TOMORROW'S LEADERS DRIVE GROWTH AND SUCCESS

### #1 RANKED BUSINESS STRATEGIST AND TRENDSPOTTER

- World-famous for 10+ years of accurately predicting business, consumer and technology trends
- Bestselling author featured in 600+ outlets from NPR to USA Today
- Google's #1-ranked technology expert – seen by 1 billion+ worldwide
- Strategic advisor to Fortune 500 businesses and brands
- Expert columnist on trends and innovation for CNN, Rolling Stone and The Huffington Post
- Noted entrepreneur who's built and sold startups and divisions

**TO BOOK SCOTT PLEASE CONTACT:**

Perceptive Research LLC | [info@akeynotespeaker.com](mailto:info@akeynotespeaker.com)

[www.AKeynoteSpeaker.com](http://www.AKeynoteSpeaker.com)