

Opinion Recommended *Home > Opinion*

24 APRIL, 2018

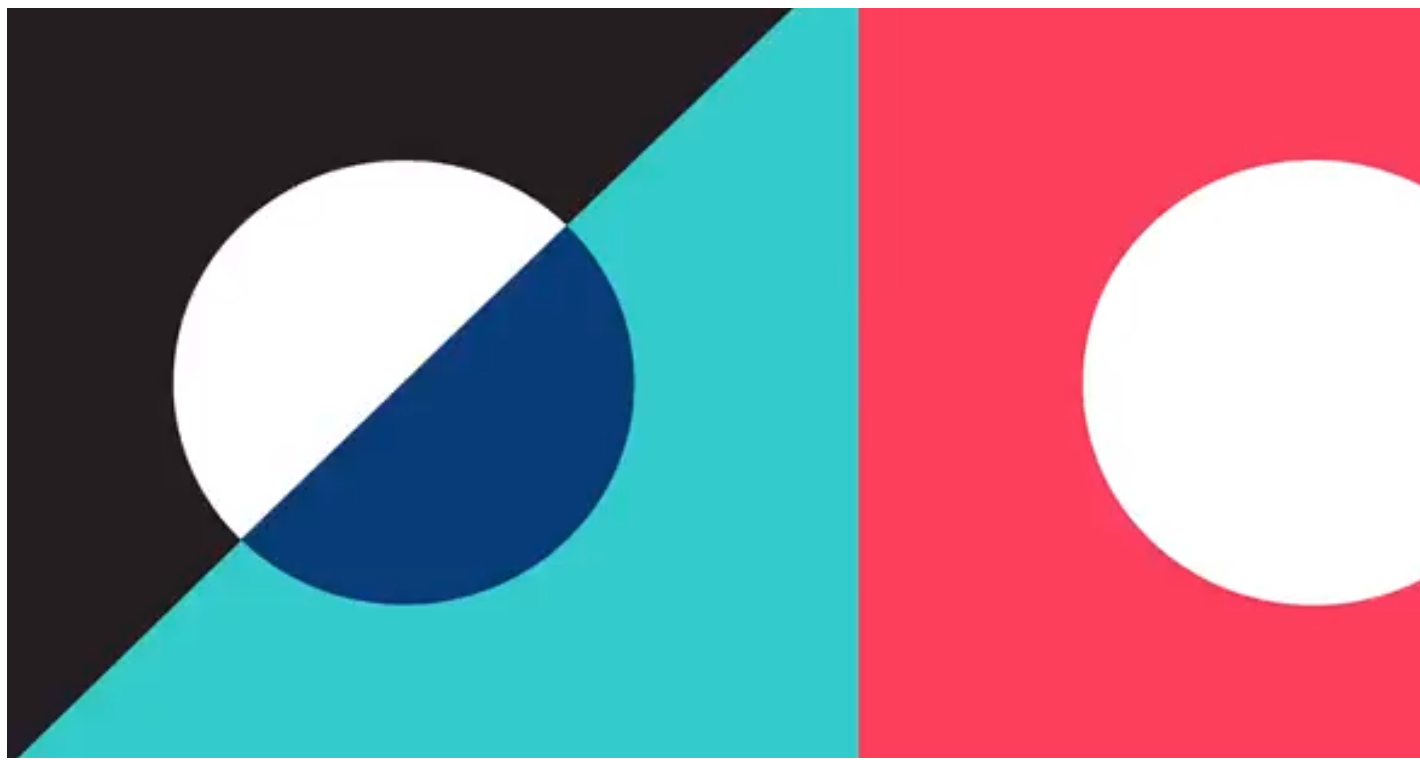
How To Thrive In An Age Of Disruption



By
B&T MAGAZINE

Michael McQueen (pictured below) is a five-time bestselling author, trends forecaster and keynote speaker. His latest book *How to Prepare Now for What's Next* examines the key disruptions that will shape the coming decade and outlines a game plan for staying one step ahead of change. Here, McQueen offers his tips for those fretting about the pending disruption apocalypse...

ADVERTISING



inRead invented by Teads

In June 2015, the retiring CEO of Cisco John Chambers startled much of the business world when he predicted that, “Forty per cent of businesses (today) will not exist in a meaningful way in 10 years”.



While you could dismiss this statement as misguided hyperbole, the reality is that Chambers may well be spot on. After all, the average lifespan of a major listed company has already shrunk from 67 years in the 1920s to just 15 years today.

The coming years will be marked by disruption that has the potential to threaten the relevance and survival of many businesses. The impact of AI, nanotechnology, 3D printing, autonomous vehicles and blockchain is hard to overestimate. And that is just the beginning.

In the face of such rapid and widescale change, it is critical to prepare now for what lies ahead.

Having spent much of the last decade working with some of the most visionary organizations and leaders on the planet, I would suggest that there are three essential keys to future-proofing any business in the face of disruption:

i. Dig the Well Before You Get Thirsty

If you wait till a crisis unfolds, you will be operating from a position of survival, not strategy.

It is always best to innovate and reinvent yourself when times are good because that is when you have resources, time and perspective on your side. That said, it requires visionary leadership and courage to embrace change and embark on reinvention when there appears to be no pressing reason to do so.

Recently working with Toyota's leadership, I was struck by an ethos within the company that originated with its former chairman Hiroshi Okuda. *Always reform business when business is good*, Okuda repeatedly urged.

More than a pithy quote, this principle has been critical to the enduring success of legendary brands such as DuPont, Corning and National Cash Register (NCR) who each preempted disruption and therefore flourished rather than floundered when it hit.

ii. Focus on Friction

Friction is loosely defined as anything that creates complexity, confusion, frustration or irritation for your customer. Put simply, it is anything that negatively affects the customer experience.

While a commitment to enhancing the customer experience is an innately valuable pursuit for any business, becoming obsessive about friction is critical in this age of disruption. Why? Because the friction you are unwilling to acknowledge or address will be the very thing that leaves you vulnerable to being disrupted.

With technology lowering the barriers to entry in every industry, there is no shortage of agile, hungry, customer-focused start-ups who will eagerly storm into your market with the intent of making your customer's life easier. Taking your customer for granted by ignoring friction gives emerging competitors the foothold they are looking for.

The example of Transferwise's entry to the currency exchange business is a powerful case-in-point. Capitalizing on consumers' enduring frustration with the cost and time-lag involved in transferring money across international borders, Transferwise entered the market with a solution so cheap and simple that they have utterly disrupted the incumbent industry leaders and left them scrambling to catch up.

iii. Foster Healthy Paranoia

The two essential attitudes of any disruption-proof business are *hunger* and *humility*. The moment you think you have ‘made it’, you have passed it. There is no room for complacency or arrogance in an increasingly complex and competitive world.

Healthy paranoia is by far the best antidote for complacency and arrogance. Operating every day like you have a target painted on your back will keep you on your toes. It will ensure you stay hungry for the next opportunity and humble enough to remain open to new ways of doing things.

At the core of Facebook’s corporate DNA is a belief that could almost be a definition of healthy paranoia. Mark Zuckerberg goes to great lengths to ensure that everyone in the business operates with the mentality that ‘If we don’t create the thing that kills Facebook, someone else will.’

Imagine if every member in your team came into work each day with that philosophy? While it may be an uncomfortable notion at first glance, this sort of healthy paranoia is exactly what’s required to stay on your A-game and one step ahead of disruption.

Ignoring or fighting the disruptions that are poised to impact your business is futile. In the face of change, the only option we have to adapt. To paraphrase the great Chinese philosopher Lao Tzu, *resisting change is like trying to hold your breath – even if you’re successful, it won’t end well*. It will be much the same in the business world in the coming years.

SIGN IN WITH LINKEDIN

Please login with linkedin to comment

DISRUPTION

MICHAEL MCQUEEN

© 2018 The Misfits Media Company Pty Limited. All Rights Reserved.