

PIVOT TO THE FUTURE

Discovering Value and Creating Growth in a Disrupted World

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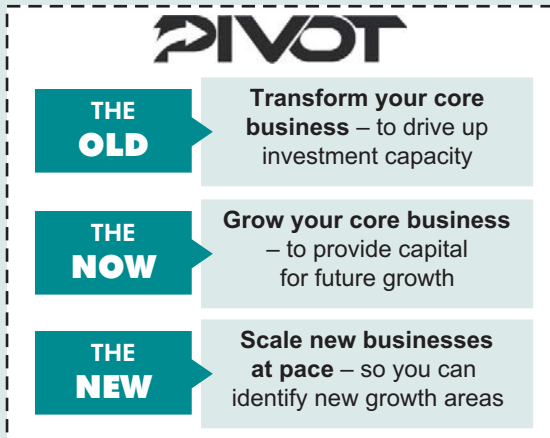
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MAIN IDEA

Disruption is very much a way of life in every industry today. A multi-year research project carried out by Accenture on more than 3,000 companies showed that at any one time at least 63% of companies will be experiencing disruption, and that 44% of the companies in any marketplace are highly susceptible to future disruption.

So what's the best way to respond to ongoing marketplace disruptions? Ideally, you want to become a disruptor, not the disrupted. To do that, you're going to need to have the ability to pivot again and again:



If you can master the wise pivot and keep reinventing your business over and over, you're all set regardless of what happens in the future. To accelerate growth today and establish leadership in tomorrow's opportunities, you have to systematically balance and rebalance your investments in the Old, the Now and the New.

"The only solution to continuous and potentially devastating change is constant reinvention, rearchitecting the business in a way that allowed us to pivot from one opportunity to the next, quickly and efficiently – an approach to business value creation we came to call the 'wise pivot'".

– Omar Abbosh, Paul Nunes and Larry Downes



1. Releasing trapped value Pages 2 - 4

When you're dealing with markets which are unpredictable, a single one-time large-scale "transformation" of your company just won't cut it. Constant reinvention and multiple pivots from one opportunity to the next and then to the next after that will be required. The aim here is to keep coming up with new and better ways to unlock the value which is trapped within your current business model and then to refocus your business around the right mix of old and new assets.

2. How to make wise pivots again and again. Pages 4 - 8

To make wise pivots, you have to keep rotating through the old, the now and the new all the time. What's new today will become the old faster than you ever thought possible, and the cycle has to keep going to work. Leaders have to constantly and consistently balance and rebalance how much resources you are committing to each stage.

In practical terms, pivoting successfully revolves around the ongoing reinvention of your three core assets – innovation, finance or people. For each of those three assets, you have at least three potential pivot points:

1	2	3
Your innovation	Your finances	Your people
Concentration Centralized vs. Decentralized	Fixed assets Own vs. Pay-as-you-go	Leadership Operators vs. Entrepreneurs
Control Directed vs. Autonomous	Working capital Readymade vs. Made-to-order	Work Human vs. Machine
Aspiration Incremental vs. Disruptive	Human capital Reskill vs. Redirect	Culture One culture vs. Multiple cultures