

Vacation Edition – Snow Melts From the Edges



Dear Colleagues,

Andy Grove, Intel's fabled former CEO and author of *Only the Paranoid Survive* observed that "When spring comes, snow melts first at the periphery, because that is where it is most exposed". For people running organizations, this has important ramifications – if snow melts from the edges, how do we make sure we see when this is happening? Below are some questions to ponder upon.

Do I have mechanisms to come in direct contact with the 'edges'?

Facebook has purportedly been taken by surprise. How could so many bad actors put their platform to such ill use? Well, not only was the company the product of a group of college students. These were college students from very elite and sophisticated universities. As a result, they never came in touch with the kind of people who would use Facebook for anything other than benign connections with friends and family. They didn't realize that creating a way to target people on the basis of personal characteristics and preferences could be weaponized, [to use Kara Swisher's term](#). Now they're having to respond in a crisis.

Am I regularly gaining exposure to diverse perspectives?

LinkNYC was a wonderfully idealistic project launched in New York City. The idea was to take unused payphone booths and turn them into something useful. The concept was to make internet contact points where people could recharge their mobile phones and access the internet. The vision was that people, such as tourists, would use LinkNYC to find restaurants, stores, directions, etc. and the project would be paid for by advertising dollars. It all sounded great. [Then reality hit](#). Less than two weeks after the launch, alarming things started to happen. Homeless people were setting up living rooms around these stations. People were watching porn in tourist areas, and some were performing somewhat unpleasant personal actions in public. Obviously, the LinkNYC team had to go back and

completely rethink the concept. This is what can happen if you don't have the perspective of people who have an understanding of what occurs on the streets of New York City as part of your design team. Without these diverse perspectives, you're liable to make these kinds of mistakes.

Am I trusting and empowering small, agile teams?

This is taking a page out of Amazon's playbook. Instead of having big monolithic team meetings where 14 people sit around talking, what you really want is small, empowered teams who can try things. Jeff Bezos very famously says "no team should be any bigger than can be fed on [two pizzas](#)."

Do I have mechanisms for fostering 'little bets'?

As Peter Sims says, you want to create the capacity to make "[little bets](#)" and to learn rapidly, rather than discuss things to death. What this means is rather than having every new concept go through the same heavy and drawn out corporate process, you can make limited resources available for people to test things out. This process could be as informal as a three-sentence request for \$100 to do a trial, or a couple of airplane tickets to try out a new concept. What is needed is a mechanism that makes it easy and light for people to try out something new to see if what they're thinking about is really a viable option. A great example of this is Adobe's "[kickbox](#)" program.

Do I regularly get out of the building to see what's going on?

My friend, Steve Blank, is famous for saying that there are no answers inside the building. You have got to [get outside](#) and find out what's going on. I find that there are a lot of executives who get into a routine where their lives become a succession of emails and meetings and they never come in contact with real customers. As a result, they never see what's really going on in the marketplace. This is dangerous. You need to pay attention.

Are incentives aligned with gaining uncomfortable news?

As [Upton Sinclair](#) famously said, "It is difficult to get a man to understand something, when his salary depends on his not understanding it." In your organization, you need to figure out a way to build receptivity to uncomfortable news, even if it means negative personal consequences in the short term. In particular, the more senior you are, the more important it is that you are able to hear what's really going on.

Am I making sure I'm not in denial?

It's never pleasant to confront a sea change in the taken for granted assumptions in one's environment. And yet, if the world is changing in some deep way, that is critical. I see a lot of denial in organizations whose main business models are shifting underneath them, and yet their executives simply don't want to be exposed to this information. For instance, there is plenty of evidence that the existing business school ecosystem is deeply [at risk](#), and yet membership in the [Academy of Management](#) continues to grow at breathtaking rates.

So as summer comes to an end, and we're heading into 4th quarter of 2018, I'd suggest that you take some time to ask yourself these questions. Yes, it's August, and it's a good time to think about the possibility of snow melt around your business.

UPCOMING EVENTS

September 19, 2018 [Intras: Winning in the Game, How to align your Company, Teams and Estrategies to Maximize the Oportunities of the Current Scenario](#) (Dominican Republic) Leaders today need more than ever to be aware of what is happening inside the organization and in its surroundings. Organizations also need to assign and move resources appropriately to give the organization the ability to discover and seize new opportunities. Simultaneously, they need to continually make small proactive changes to adjust their talent and operations to avoid being forced to make uncomfortable changes. In a nutshell, modern business leaders need to move to a way of thinking that sees the new and rapidly changing opportunities and technologies instead of defending and exploiting the existing competitive advantages.

September 25-28, 2018 [AT&T Business Summit, The Future Transformed](#) (Dallas, TX) The competitive game is changing — digital transformation is now taking place firmly at the edge. At this year's invitation-only AT&T Business Summit, presenters will uncover ways to successfully deliver intelligence from every corner of your business. From endpoints and applications to SDN innovation, infrastructure and architecture to 5G and beyond – all with a focus on cybersecurity.

October 5, 2018 [Tsinghua University](#) (New York City) Tsinghua University is one of the most renowned and prestigious higher education institutions in China. The delegation, led by the MIC Business School, consists of 24 business leaders and executives from various business sectors such as biomedical sciences, big data, automobile, retail, human resource and real estate. The meeting will center on business strategy. The meeting is part of an annual exchange program organized by the MIC Business School, a research consortium that focuses on leading practices on business strategy, marketing and innovation.

October 25, 2018 [Brightline Initiative](#) (New York City) An exclusive invite-only conference for strategy executives and thought leaders from world-class organizations to exchange insights, share experiences and build networks.

November 7-8, 2018 [HR Norge, HR Forum](#) (Oslo, Norway) National Meeting Place for HR and Managers, the theme of this year's HR Forum is the human factor. After a period of strong influence on digitization, the commute returns to the HR in HR. Responsibility, ethics and relationships are among the things that cannot be digitized.

November 29-30, 2018 [Drucker Forum](#) (Vienna, Austria)
I'm looking forward to participating in the 10th Annual Global Peter Drucker Forum
This year's theme is management. the human dimension.

Check out the [closing keynote](#) address given at the 2017 Global Peter Drucker Forum by Charles Handy, Social Philosopher Discussing the Role of Business in Society
“We must be careful that our humanity is not swamped by the digital revolution”

IN THE PRESS

[Tesla's dramatic recent stock rise and fall shows how sceptical investors are of his go-private plans](#), Business Insider Australia

[Redefining the entrepreneurial ethos for finance](#), Financial Management

[Disruptive Innovation Investment](#), Bloomberg News
Interview with Matt Christensen, Rose Park Advisors
CEO and Co-Founder (with Clayton Christensen)

[Innovation Training Needs A Rethink](#), BusinessWorld

Where there is uncertainty, there is also opportunity



Here's to your next advantage!

Rita
