

8 Principles of Preparing for the Future Today



1. Embrace ambiguity: don't just think outside the box, throw the boxes away

Many leaders divide the world into boxes (industry, market, products, functions) to simplify thinking and activities. But these boxes no longer reflect the realities of cross-boundary competition and cooperation.

Preparing for a volatile, uncertain and complex future requires embracing ambiguity and holistically redefining the focus of work and the basis of competition to take account of an increasingly boundary-less world.

2. Think first from the outside-in, then inside-out

Many leaders define and look at the world with their organization – and its products and offerings – at the center, locking thinking internally and into the past.

Preparing for the future requires taking a fresh, clear-eyed look at the changes happening in the world – from the perspective of what customers/consumers/stakeholders will need and what others will do, NOT what you do now.

3. Identify and address root causes, not symptoms

Many businesses are firefighting, tackling the symptoms of common challenges (e.g., commoditization, demanding customers) that impact today's budgets – but without asking why the fires are starting.

Preparing for the future requires identifying and addressing the root causes of today's challenges. Past formulae for addressing short-term threats will not prepare organizations for addressing long-term opportunities.

4. Practice two-directional thinking

Many organizations are trapped in yesterday's choices based on planning to achieve constant growth targets from today's base. The mindset is often what can we do today, as opposed to what must we do to succeed in the future.

Preparing for the future requires having a point of view on the future, accelerating Sprints to fix and grow today's business, and defining Marathons to build new platforms for long-term success.

5. Manage in relationships/networks, not transactions

Many organizations focus on maximizing their position through transactions with each stakeholder. They focus on owning and controlling resources. They emphasize their power and control.

Preparing for the future requires recognizing the growing interdependence among players. No single player controls all knowledge or capabilities. In an uncertain future, agility and influence to shape the future will be as important, if not more so, that control over today's activities.

6. Focus on co-creation

Many organizations innovate in their own labs, using only their internal resources and people. They try to anticipate and guess what the consumers want. They seek to sell their innovations to markets.

Preparing for the future requires recognizing that connected consumers increasingly define value, and they want to be involved not just in buying products but rather co-creating the overall experience. Tapping into other's resources and ideas is increasingly essential in anticipating the demanding needs of consumers of the future.

7. Align purpose and profit

Many organizations view the sole role of business is profit, and anything else is pure philanthropy or propaganda. Business should take care of business.

Preparing for the future requires recognizing that operational rigor and discipline will remain critical for success but will not be sufficient alone; leaders must also address people's need for meaning and purpose, societal expectations, and demands on organizations

8. Build the courage, capacity and commitment for continual challenge

We hire for diversity, but fire people because they are different. We talk long term, but reward based only on short-term activities. Don't worry, we have time. And our traditional culture and leadership position will protect us.

Preparing for the future requires recognizing that whenever the pace of change in the outside world is faster than the pace of change inside, you are falling behind. The challenge for organizations is not to avoid change, but to embrace it as a continual necessity in a dynamic and changing world.

