

si g h i n e ht:

a regular column
on business futures*
by **andy hines***

'head start' foresight: how elephants can compete with cheetahs

The mantra in the corporation today is speed, speed, speed. Everybody is talking about the need to get to market faster. The big driver of this infatuation is the emergence, or fear of, the 'dot.coms'. Big, slow, lumbering corporations, especially those that sell physical goods (as unprogressive as that is) are tying themselves to the speed whipping post and giving themselves a good daily lashing (they're looking for ways to speed up the lashing process, in fear that once again, they'll lag their speedy dot.com brethren).

News flash. Us big, slow, sleepy giants are never going to be as fast as the garage-based, insta-company, entrepreneurial dot.coms. So, get over it already, and deal with it. If the elephant and the cheetah start a race at the same time, the built-for-speed cheetah wins every time (barring foul play). Essentially, the only way for the elephant to compete is to lose lots of weight, and restructure, or, more simply, become a cheetah. The most common way this is being done is through setting up skunks works. Another approach is to set up a venture capital unit and place bets on the dots.coms. Both reasonable ideas. And, perhaps, an alternative future scenario is that there will be no elephants in the future and it will be a world of cheetahs.

But then you lose the advantages of being an elephant. Let's face it – it ain't so bad being an elephant, as long as you're not racing cheetahs. My advice to us elephants is to focus on the advantages we have as an elephant over the cheetah. You want to play a different game than the foot race – a game in which the strengths of the elephants are the advantaged ones.

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Enter foresight. A key advantage of the corporate elephants is that we have lots of money and lots of smart people at our disposal. Perhaps the number one advantage of being an elephant is the capability of foresight. The cheetah is quick, but tires fairly quickly. If the elephant can transform the race from a sprint to a marathon, the equation starts to change.

The elephant can look into the future and use the tools of foresight to have a sense of where future business opportunities lie. In effect, this lengthens the race to one of endurance rather than speed. Dot.coms do not have big R&D budgets or market research capabilities (one huge question with this line of reasoning, however, is when someone engaged in the foresight leaves the company to become an entrepreneur).

Good news for foresight! Instead of foresight being seen as a luxury, to be cut whenever the budget-cutters axe is looking for fresh necks, foresight becomes a core capability of the corporation. One could be as bold to say that if the elephants don't develop a strong foresight capability, they're headed towards extinction. Imagine what happens when the elephant continues to sprint and lose, and sprint and lose. The elephant cannot avoid the temptation to keep racing – the imperative of meeting the bottom line, or catching up before paying more attention to the longer-term will often prevail. As the losses mount, the talent will begin jumping off and joining the cheetahs, thus accelerating a vicious circle. Eventually they'll stop sprinting, and just plain give up (and probably be acquired by the cheetahs).

This may seem heresy, as if I'm advocating slowness, and not getting with it. Perhaps, as a long-time 'change agent', I've finally 'sold out' and become part of 'them' – the much-reviled corporate establishment. Fear not, they'll never take me alive! My inspiration for this seemingly back-slide is intended as a cautionary note to fellow change agents. It is tempting, upon entering a new corporate situation, to come in preaching from the bible of speed. Change agents typically come from a situation where they could make things happen quickly. Or, simply by nature, change agents are inclined to be movers-and-shakers driven to distraction by waiting. So, in you come, and proclaim 'Let's whip these slowpokes into shape'. And after it doesn't happen, you become disheartened, depressed, or cynical and believing that it's all over for the elephants (and quite often, that will be correct!). You can see the energy slowly drain from these well-intentioned change agents – right before they leave.

This suggests an attitude adjustment. We change agents of foresight must slow down, and lay the groundwork for a longer-term approach. We must be more strategic. We must pick our battles. We, personally, must exercise foresight. On the personal level, use your sense of foresight to pick your projects.

In your head, you often know when your elephant is chasing a cheetah, but you'll be tempted to hop on board (or sometimes be forced to). These projects will often have lots of money and organizational support. Since the opportunity is clear, and it's simply a race, the corporation will toss money and resources at the tangible. They'll be a sense of exhilaration in the air – a sense of purpose. There is probably a clear deadline, or perhaps an executive challenge. It'll be written up in the corporate newsletter, published on the Intranet, and flashing across business television. The best people will be angling to get aboard. More cynically, the rats will have smelled the cheese, and will be gnashing their teeth to get at it. Watch out! Do all you can to avoid these doomed projects.

Rather, look for those projects where it's not at all clear what the opportunity is. It looks like a fishing expedition. The water cooler scuttlebutt is that this team has its head in the clouds. The rats don't smell any cheese. You might get lucky and hit on a project that is ahead of its time, and over the course of the project, market conditions develop favourably, and when the project is ready, the market is ready, and 'voilà'. More likely, the project won't make it the first time out of the gate. But how many times have we seen an idea ahead of its time locked in the closet and reviled as a failure, when it was simply a case of the market just not being quite ready yet. Extract the useful elements of these projects and carry them with you into future ones.

Then, the question is, how do we point out to the organization how we missed the opportunity. It suggests developing a forensics capability. Perhaps we should add 'project forensics' to our foresight tool kit? We can audit the lost sprints, and form a chain backwards, to when, if we had sufficient foresight, we could have seen this race shaping up, and got a head start. We can also show cases where foresight worked, but the market wasn't ready, and when it was, we failed to act because this had been deemed a bad idea.

We need to be moving toward filling the pipeline. And the way to fill the pipeline is with foresight.

Really simply, once it's a foot race to market, it's over for the elephant. The key is to use the tools of foresight to avoid the sprint. Or, more metaphorically, if you're an elephant, be an elephant, and don't try to be a cheetah.

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