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ZONE TO WIN

ORGANIZING TO COMPETE IN AN AGE OF DISRUPTION

CIO Roundtable
Walnut Creek, June 20, 2017

DISRUPTIVE INNOVATIONS

WHEN THE MARGINAL COST APPROACHES ZERO



Internet of Things

Optimize any physical system



Machine Learning

Optimize any digital system



Big Data

Capture, process & store data at any scale



Smart Phones

Communicate from anywhere



Cloud Computing

Deploy software globally for any purpose

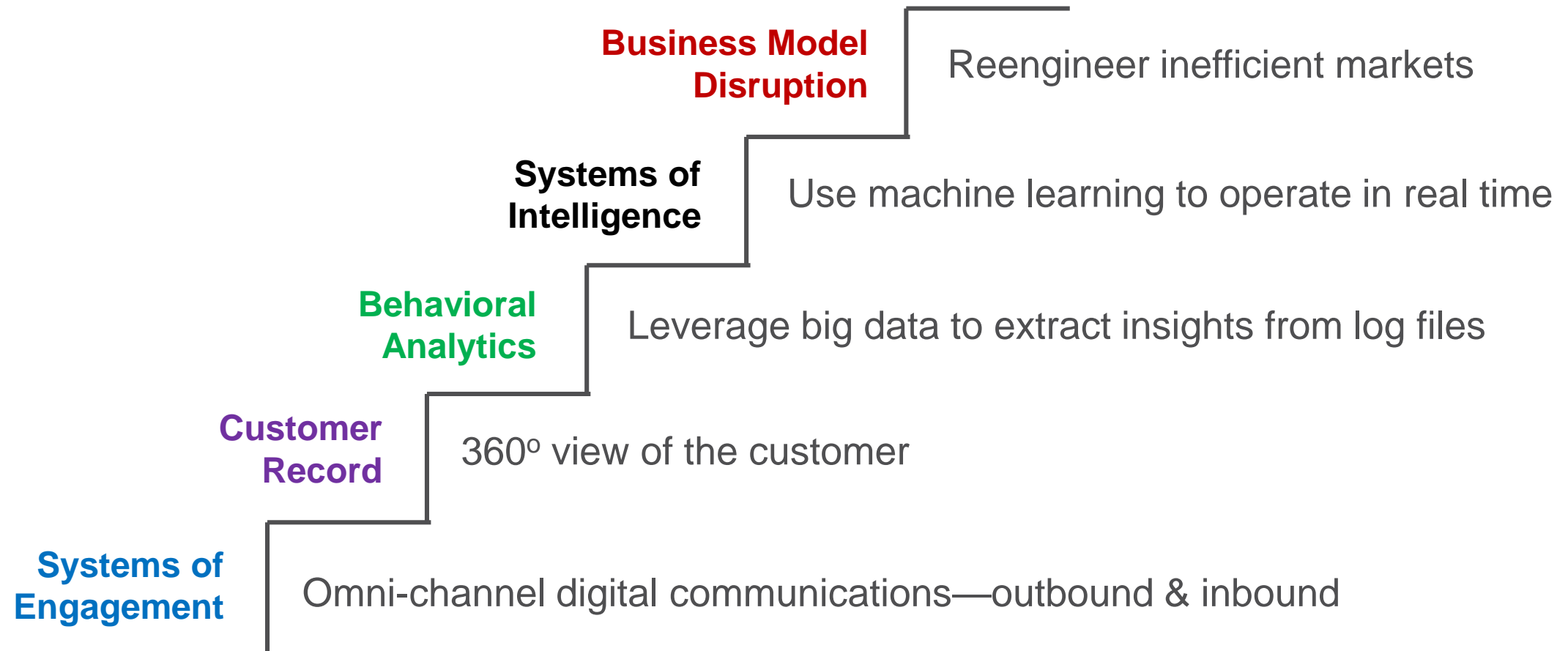
Systems of Intelligence

Systems of Engagement

When disruption changes the design rules, you have to catch the next wave

Catching the Next Digital Wave

A Stairway to Heaven Framework



Where are you on this stairway today?

Tech Leaders Who Missed Their Next Wave

Burroughs – Sperry Univac – Honeywell

MSA – McCormack & Dodge – Cull

DEC – Data General – Wang

Daisy – Calma – Valid – Apollo

Atari – Osborne – Commodore

WordPerfect – Lotus – Ashton Tate – Borland

Informix – Ingres – BEA – Siebel – PeopleSoft

Quintary – 3Com – Banyan – Novell

Quest – Pacific Bell – Nynex – Bell South

HotSpace – Inktomi – Ask Jeeves – Yahoo!

Blackberry – Motorola – Nokia – Sony

All 56 crushed it the first time
Why was it so hard the second time?



WHO'S UP FOR THIS?

- Venture Capital Investors? **YES**
- Public Market investors? **NO**

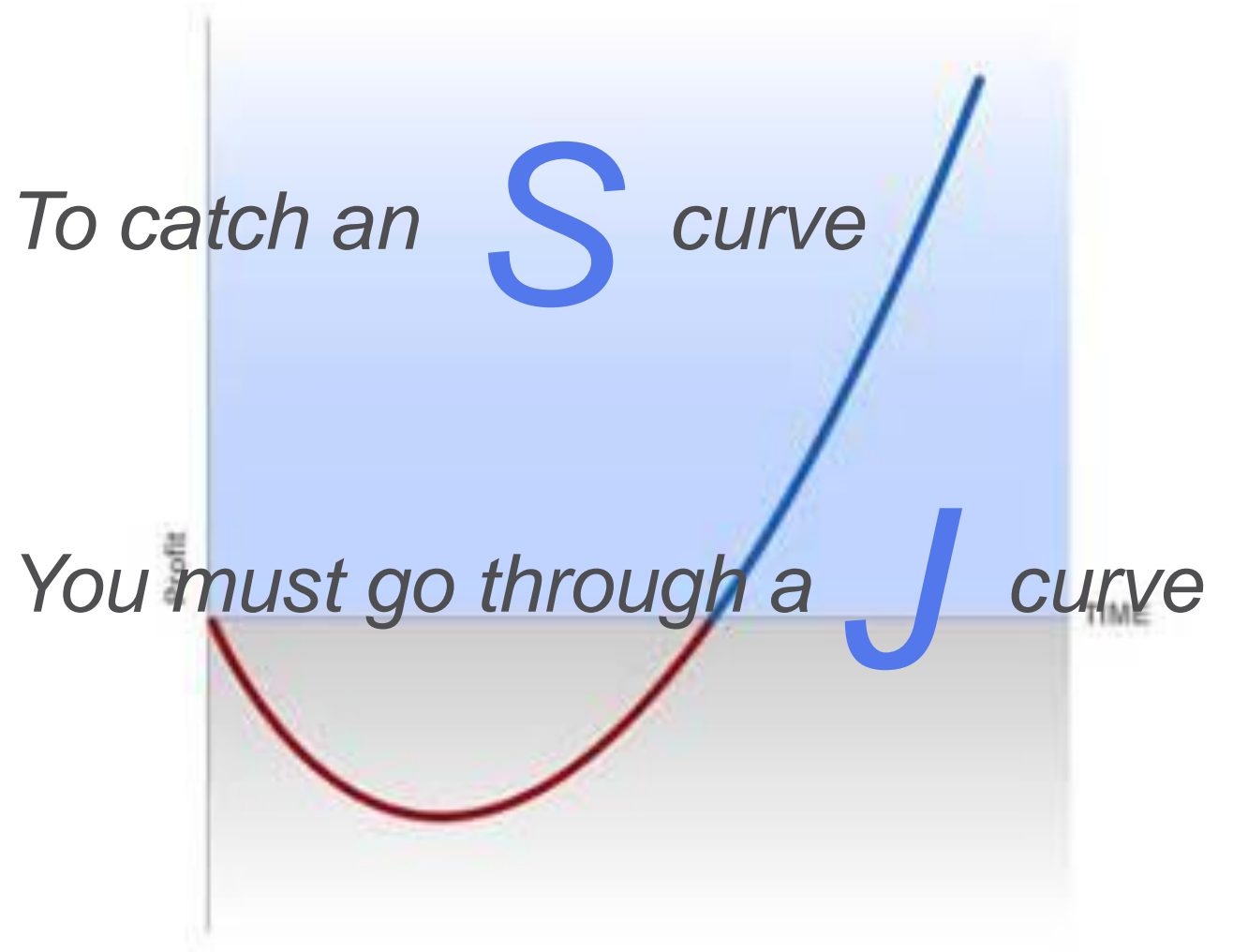
- Start-up sales teams? **YES**
- Established sales teams? **NO**

- Early adopter customers? **YES**
- Pragmatist customers? **NO**

- Second-tier partners? **YES**
- Top-tier partners? **NO**

The Horizon 2 Challenge

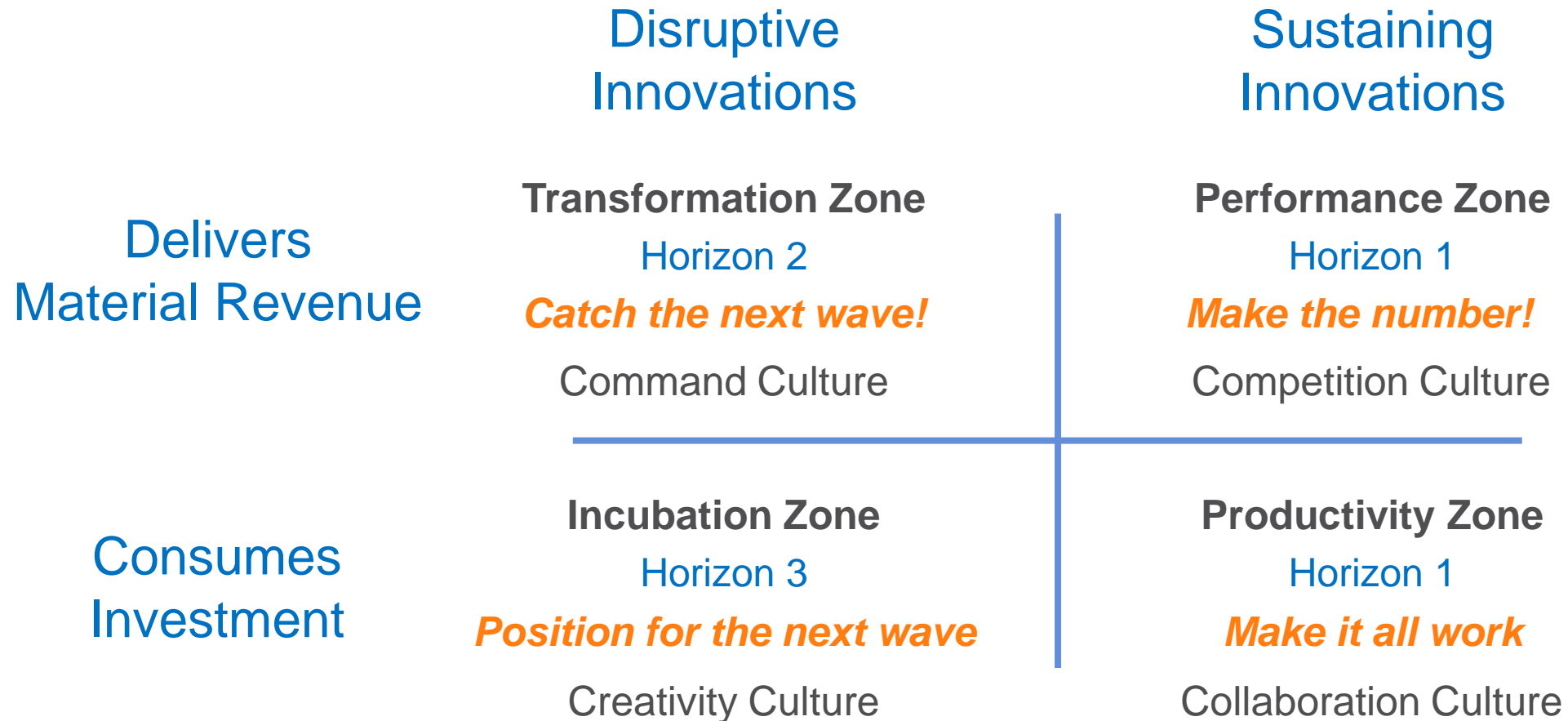
Why Disruptive Innovations are Not Welcome



This is why start-ups can outperform global enterprises

Sorting out the conflicts

Managing in an Age of Disruption

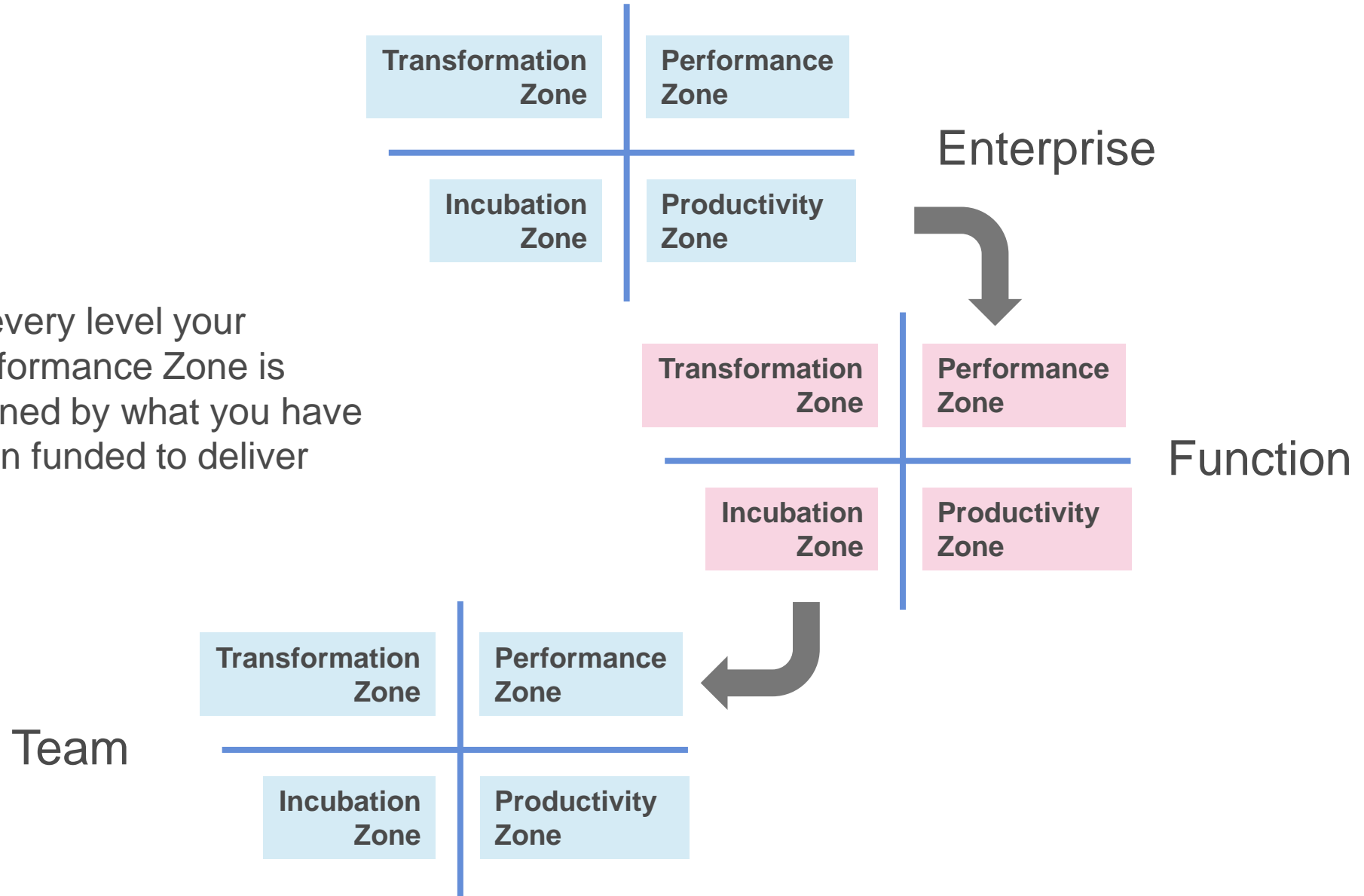


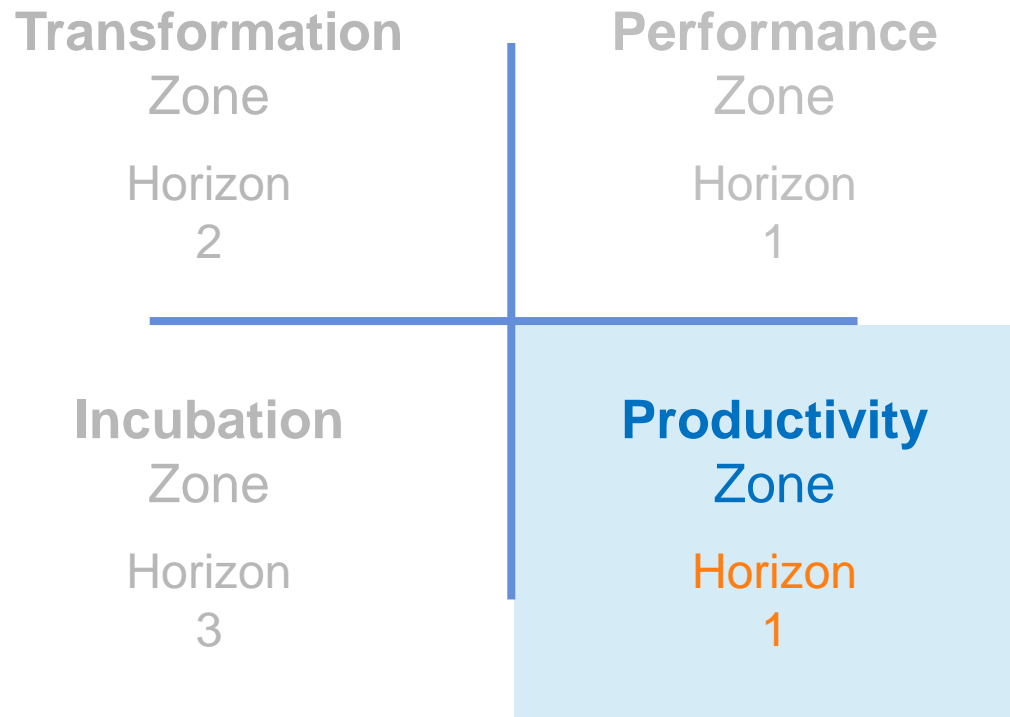
Each zone has its own goal, metrics, and culture
Each zone must be funded and managed separately

ZONES CAN BE APPLIED AT ANY LEVEL OF ORGANIZATION

EVERYONE IS THE CEO OF SOMETHING

At every level your Performance Zone is defined by what you have been funded to deliver





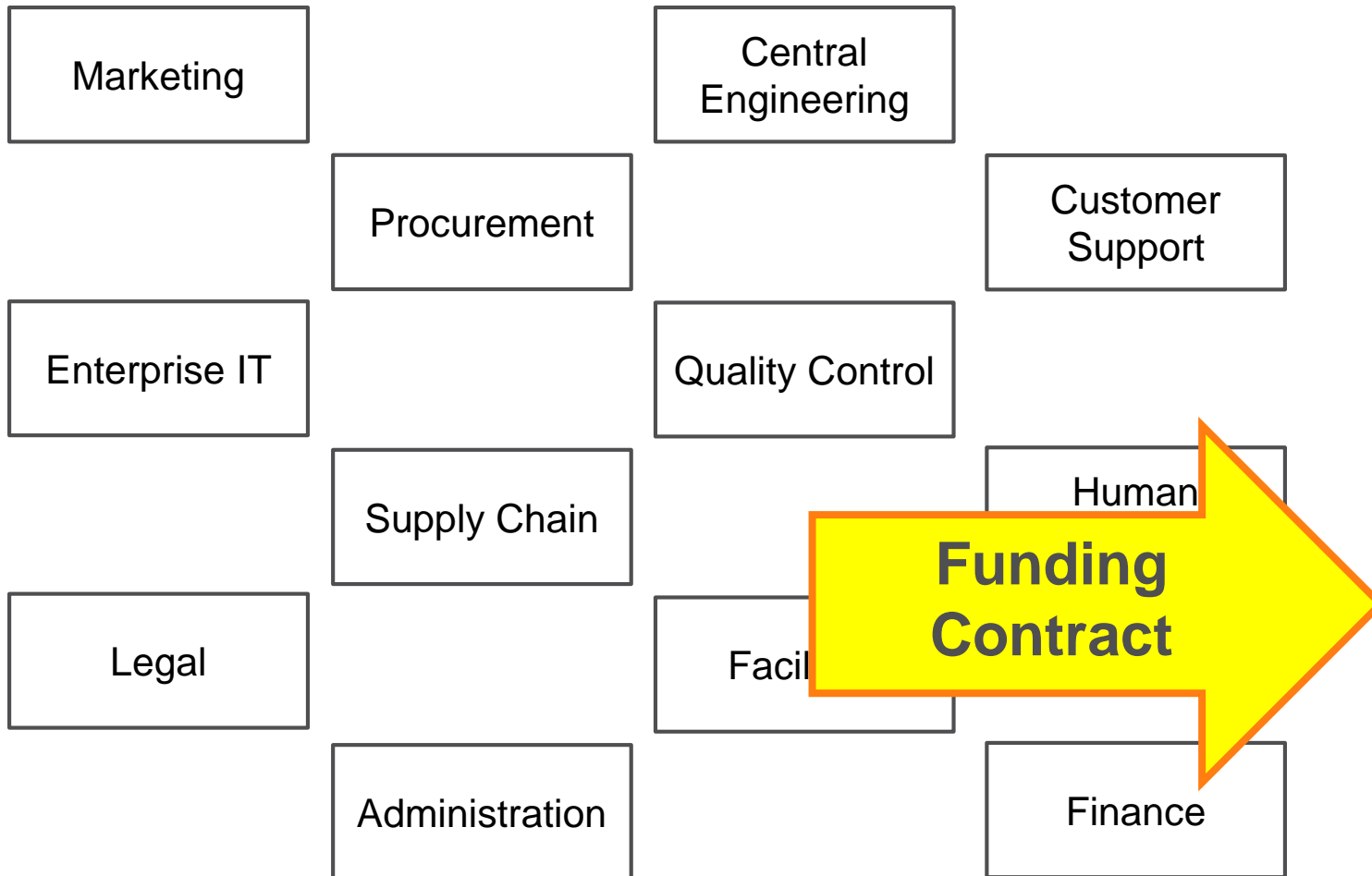
PRODUCTIVITY ZONE PRIORITIES

- Enable the Performance Zone
- Do the right thing
- Collaboration culture
- *Make it all work!*

THE PRODUCTIVITY ZONE

UNDERSTAND WHAT YOU ARE REALLY FUNDING

WHAT



HOW

People

Processes

Technology

WHY

Effectiveness

Create and deliver programs

Efficiency

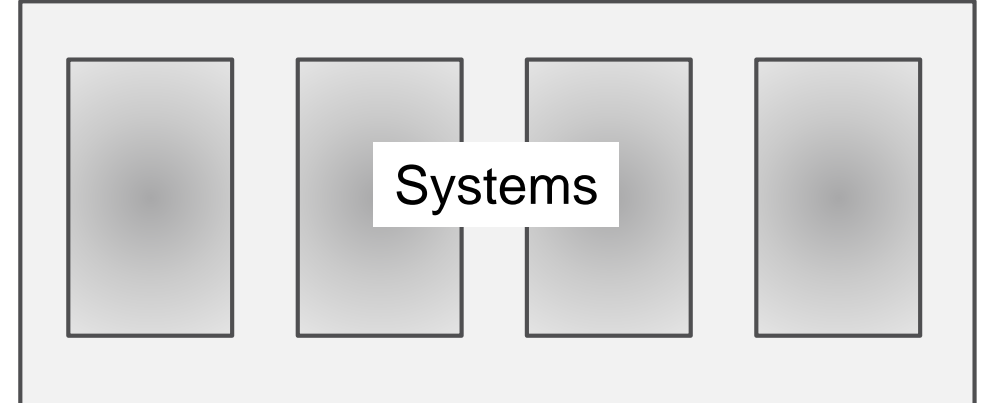
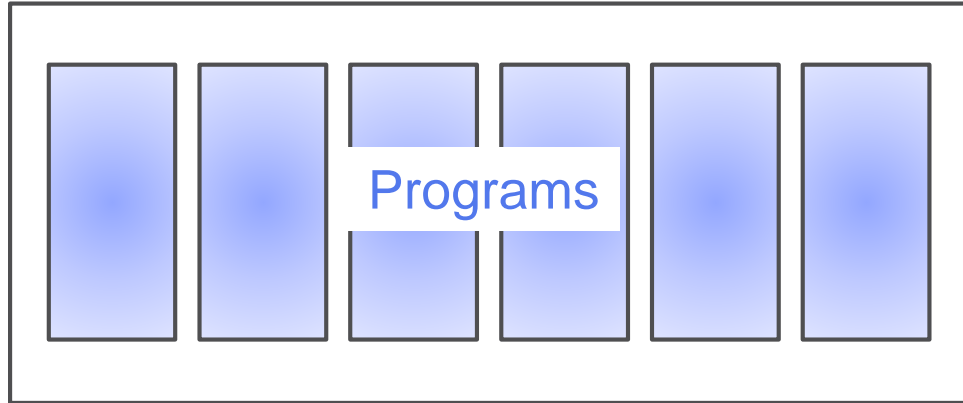
Own and operate systems

Control

Monitor and verify compliance

THE PRODUCTIVITY ZONE

PROGRAMS & SYSTEMS: FULFILLING THE FUNDING CONTRACT



- Change “state”
- Customized services
- Optimized for effectiveness
- Programs adapt to users’ needs
- Stakeholder funded

- Maintain “state”
- Standardized procedures
- Optimized for efficiency
- Users adapt to system’s rules
- Centrally funded

Attack problems with programs
Lock in solutions with systems
Manage them separately—do not blend

THE PRODUCTIVITY ZONE

HOW WELL IS YOUR ENTERPRISE DOING?

Faults

- *Conducting programs that fail to achieve a change in state*
- *Deploying new systems with the expectation they will achieve a change in state*
- *Allowing successful programs to decay for lack of supporting system*



Fixes

- *Fund and manage programs to state-change objectives*
- *Adopt a “ratchet” approach: Deploy programs to change state followed by systems to maintain state*
- *Adopt the ratchet approach described above*

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THANK YOU

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